

First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 11-1076.01 Duane Gall

HOUSE BILL 11-1324

HOUSE SPONSORSHIP

Acree,

SENATE SPONSORSHIP

Brophy,

House Committees
Economic and Business Development

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE APPLICABILITY OF PROVISIONS GOVERNING THE**
102 **FINANCIAL OBLIGATIONS OF A RESIDENTIAL NONPROFIT**
103 **CORPORATION UPON ALTERATION OF THE MEMBERSHIP STATUS**
104 **OF A MEMBER.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Recent legislation requires a residential nonprofit corporation to refund the entrance fee of a residential member to the member or his or

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
3rd Reading Unamended
May 10, 2011

HOUSE
2nd Reading Unamended
May 9, 2011

her heirs within 90 days after the member's resignation, termination, expulsion, or suspension from the corporation or the transfer of the residential membership. The bill applies this provision only to contracts entered into on or after the effective date of that legislation, which was March 11, 2011, but reinstates the applicability of the provision to all contracts, including those entered into before that date, as of April 1, 2012.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** 7-126-304 (1) (a), Colorado Revised Statutes, as
3 enacted by House Bill 11-1110, is amended to read:

4 **7-126-304. Residential membership - return of consideration**
5 **- cessation of periodic payments - time limits - effective date.**

6 (1) Notwithstanding any provision of the articles of incorporation or
7 bylaws to the contrary:

8 (a) (I) A residential nonprofit corporation shall refund the
9 entrance fee of a residential member to the member or his or her heirs
10 within ninety days after the member's resignation, termination, expulsion,
11 or suspension from the corporation or the transfer of the residential
12 membership.

13 (II) (A) THIS PARAGRAPH (a) APPLIES ONLY TO CONTRACTS
14 ENTERED INTO ON OR AFTER MARCH 11, 2011.

15 (B) THIS SUBPARAGRAPH (II) IS REPEALED, EFFECTIVE APRIL 1,
16 2012.

17 **SECTION 2. Safety clause.** The general assembly hereby finds,
18 determines, and declares that this act is necessary for the immediate
19 preservation of the public peace, health, and safety.