

**First Regular Session  
Seventieth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 15-0187.01 Thomas Morris x4218

**SENATE BILL 15-203**

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**SENATE SPONSORSHIP**

**Cooke,**

**HOUSE SPONSORSHIP**

**Pabon,**

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**Senate Committees**

Judiciary  
Appropriations

**House Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING CONTINUATION OF THE REGULATION OF**  
102            **DEBT-MANAGEMENT SERVICE PROVIDERS BY THE ATTORNEY**  
103            **GENERAL, AND, IN CONNECTION THEREWITH, IMPLEMENTING**  
104            **THE RECOMMENDATIONS OF THE 2014 SUNSET REPORT BY THE**  
105            **DEPARTMENT OF REGULATORY AGENCIES.**

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**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>.)*

**Sunset Process - Senate Judiciary Committee.** The bill implements the recommendations of the sunset review and report on the

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.*

regulation of debt-management service providers by the administrator (an assistant attorney general) by:

- ! Extending the repeal date of the regulatory program until September 1, 2024 (**sections 1 and 2** of the bill);
- ! Limiting settlement fees to no more than 15% of the amount saved as a result of the settlement and requiring that the debtor has made all required payments on the debt to which the fees apply before the provider can receive the fees (**section 3**);
- ! Authorizing the administrator to set fees depending on the type of debt-management service provided (**section 4**);
- ! Repealing fee-setting by rule and allowing the administrator to set fees administratively, based on the cost of regulation (**section 4**); and
- ! Crediting penalties collected to the general fund (**section 5**).

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-34-104, **repeal**  
3 (46) (j); and **add** (55) (j) as follows:

4 **24-34-104. General assembly review of regulatory agencies**  
5 **and functions for termination, continuation, or reestablishment.**

6 (46) The following agencies, functions, or both shall terminate on July  
7 1, 2015:

8 (j) ~~The functions pursuant to part 2 of article 14.5 of title 12,~~  
9 ~~C.R.S., of the administrator designated pursuant to section 5-6-103,~~  
10 ~~C.R.S., and the registration of debt-management service providers;~~

11 (55) The following agencies, functions, or both, terminate on  
12 September 1, 2024:

13 (j) THE FUNCTIONS PURSUANT TO PART 2 OF ARTICLE 14.5 OF TITLE  
14 12, C.R.S., OF THE ADMINISTRATOR DESIGNATED PURSUANT TO SECTION  
15 5-6-103, C.R.S., AND THE REGISTRATION OF DEBT-MANAGEMENT SERVICE  
16 PROVIDERS.

1           **SECTION 2.** In Colorado Revised Statutes, **amend** 12-14.5-242  
2 as follows:

3           **12-14.5-242. Repeal of part.** This part 2 is repealed, effective  
4 ~~July 1, 2015~~ SEPTEMBER 1, 2024. Prior to such repeal, the DEPARTMENT  
5 OF REGULATORY AGENCIES SHALL REVIEW THE functions of the  
6 administrator pursuant to this part 2 and the registration of providers ~~shall~~  
7 ~~be reviewed~~ as provided for in section 24-34-104, C.R.S.

8           == ==  
9           **SECTION 3.** In Colorado Revised Statutes, 12-14.5-232, **amend**  
10 (e) as follows:

11           **12-14.5-232. Powers of administrator - rules.** (e) The  
12 administrator, by rule, shall establish reasonable fees to be paid by  
13 providers for the expense of administering this part 2. THE FEES MAY  
14 VARY BY THE TYPE OF DEBT-MANAGEMENT SERVICE PROVIDED.

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16           **SECTION 4. Applicability.** This act applies to conduct occurring  
17 on or after the effective date of this act.

18           **SECTION 5. Safety clause.** The general assembly hereby finds,  
19 determines, and declares that this act is necessary for the immediate  
20 preservation of the public peace, health, and safety.