

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 15-0635.01 Thomas Morris x4218

SENATE BILL 15-049

SENATE SPONSORSHIP

Martinez Humenik,

HOUSE SPONSORSHIP

Keyser,

Senate Committees

Business, Labor, & Technology

House Committees

Business Affairs and Labor

A BILL FOR AN ACT

101 **CONCERNING THE VESTING OF TITLE TO REAL ESTATE IN A GRANTEE**
102 **THAT IS AN ENTITY THAT HAS NOT YET BEEN FORMED ONCE THE**
103 **ENTITY HAS BEEN FORMED.**

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/bills summaries>.)

Current law specifies that when a grantee of a deed is a corporation whose incorporation papers have not yet been filed, title to the real estate vests in the corporation once the papers are filed. The bill expands this law to apply to all entities, specifying that title vests once the entity is formed.

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
2nd Reading Unamended
March 6, 2015

SENATE
3rd Reading Unamended
February 3, 2015

SENATE
2nd Reading Unamended
February 2, 2015

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

2 **SECTION 1.** In Colorado Revised Statutes, **amend** 38-34-105 as
3 follows:

4 **38-34-105. When deed transferred before formation.** (1) If A
5 GRANTEE DESCRIBED IN A DEED AS AN ENTITY HAS NOT BEEN FORMED at
6 the time of the delivery of a THE deed ~~describing~~ TO the grantee, as a
7 ~~corporation no incorporation papers have been filed and if thereafter~~
8 ~~proper incorporation papers are filed~~, the title to the real property shall
9 vest DESCRIBED IN THE DEED VESTS in the grantee as soon as the grantee
10 is incorporated WHEN THE ENTITY IS FORMED, and no other instrument of
11 conveyance shall be IS required. ~~As to all such conveyances executed~~
12 ~~prior to March 28, 1927, it shall be conclusively presumed that the title~~
13 ~~vested in the incorporators in trust for the grantee and that said~~
14 ~~incorporators properly conveyed the real property to the grantee when the~~
15 ~~grantee was incorporated unless within one year from March 28, 1927,~~
16 ~~there is filed in the office of the proper recorder a written explanation or~~
17 ~~statement of the transaction signed and acknowledged by the proper~~
18 ~~parties.~~

19 (2) AS USED IN THIS SECTION:

20 (a) "ENTITY" HAS THE MEANING SPECIFIED IN SECTION 7-90-102
21 (20), C.R.S.

22 (b) "FORMED" HAS THE MEANING SPECIFIED IN SECTION 7-90-102
23 (29.5), C.R.S.

24 **SECTION 2. Act subject to petition - effective date -**
25 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
26 the expiration of the ninety-day period after final adjournment of the

1 general assembly (August 5, 2015, if adjournment sine die is on May 6,
2 2015); except that, if a referendum petition is filed pursuant to section 1
3 (3) of article V of the state constitution against this act or an item, section,
4 or part of this act within such period, then the act, item, section, or part
5 will not take effect unless approved by the people at the general election
6 to be held in November 2016 and, in such case, will take effect on the
7 date of the official declaration of the vote thereon by the governor.

8 (2) This act applies to deeds delivered on or after the applicable
9 effective date of this act.