



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1098: PUBLIC TRUSTEE ACT FORECLOSURE PROCEDURES

Prime Sponsors:

Rep. Brooks; Stewart R.

Sen. Frizell; Kipp

Fiscal Analyst:

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Fiscal note status: The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill adjusts statutory salary requirements for public trustees, makes clarifying changes to public trustee laws, and adds a requirement for certain liens.

Types of impacts. The bill is projected to affect the following areas beginning in FY 2026-27:

- Local Government

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill clarifies that the annual salary for service as a county public trustee is \$12,500. This salary amount applies to all county classifications, including when the county treasurer is serving as the public trustee as required under [House Bill 19-1295](#). This salary must be paid from the county's general fund and the public trustee must reimburse that fund with any fees collected by the public trustee.

The bill repeals a requirement that purchases by public trustees are subject to the state's Procurement Code. The bill also removes a requirement that quarterly transaction reports to the Board of County Commissioners are made under oath by the public trustee. The bill defines "Nonmaterial Misstatement" in state law pertaining to foreclosures. The bill also makes a series of technical clarifications for foreclosure proceedings, including allowing unclaimed funds from foreclosure sales to be transferred to the state or county treasurer.

The bill requires holders of a lien of property to redeem a foreclosed property by recording the assignment of the lien with the county clerk and recorded 15 calendar days or more prior to the date of sale. Finally, the bill imposes a deadline for omitted parties to take action with regards to foreclosures.

Background

The Colorado Public Trustee Act requires that each county maintain an office to act as a neutral administrative party in real estate transactions. Public trustees manage foreclosure proceedings for properties within their jurisdiction. After the passage of [HB 19-1295](#), the county treasurer is required to serve as the public trustee for the county, except for the City and County of Denver.

Local Government

The bill may temporarily increase workload to county clerk and recorder offices to adjust their procedures for foreclosure proceedings. The exact workload impact will vary by county. The salary clarification is not expected to impact spending for counties.

Effective Date

The bill takes effect July 1, 2026.

State and Local Government Contacts

Counties	Law	Public Trustees
Judicial	Local Affairs	Regulatory Agencies