

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

PREAMENDED

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

LLS NO. 24-0472.01 Chelsea Princell x4335

HOUSE BILL 24-1085

HOUSE SPONSORSHIP

Frizell and Amabile,

SENATE SPONSORSHIP

Gardner,

House Committees
Business Affairs & Labor

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING ESTABLISHING A LIMITATION OF ACTIONS AGAINST AN**
102 **INDIVIDUAL PERFORMING A REAL ESTATE APPRAISAL PRACTICE.**

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://leg.colorado.gov>.)

Under current law, the statute of limitation to bring a claim against a real estate appraiser does not commence until the party filing the claim discovers, or should discover, an alleged defect in the appraisal.

The bill requires a claimant to bring an action against a real estate appraiser or individual performing a real estate appraisal practice within 3 years after the date of report; except that, if a cause of action arises

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.*

during the third year after the date of report, the action must be brought within 2 years after the date the cause of action arose.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 13-80-105.5 as
3 follows:

4 **13-80-105.5. Limitation of actions against a real estate**
5 **appraiser - definitions.** (1) NOTWITHSTANDING ANY STATUTORY
6 PROVISION TO THE CONTRARY, AN ACTION AGAINST A REAL ESTATE
7 APPRAISER OR INDIVIDUAL PERFORMING A REAL ESTATE APPRAISAL
8 PRACTICE MUST BE BROUGHT WITHIN **FIVE** YEARS AFTER THE DATE OF
9 **REPORT.**

10 (2) NOTWITHSTANDING ANY STATUTORY PROVISION TO THE
11 CONTRARY, AN ACTION FOR FRAUD BROUGHT AGAINST A REAL ESTATE
12 APPRAISER OR AN INDIVIDUAL PERFORMING AN APPRAISAL PRACTICE MUST
13 BE BROUGHT WITHIN THE TIME PROVIDED IN SECTION **13-80-101.**

14 (3) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
15 REQUIRES:

16 (a) "DATE OF REPORT" MEANS THE DATE WHEN AN APPRAISAL
17 REPORT IS COMPLETED AND TRANSMITTED TO THE CLIENT.

18 (b) "REAL ESTATE APPRAISAL PRACTICE" MEANS REAL ESTATE
19 VALUATION SERVICES PERFORMED BY AN INDIVIDUAL ACTING AS AN
20 APPRAISER, INCLUDING, BUT NOT LIMITED TO, APPRAISAL AND APPRAISAL
21 REVIEW.

22 **SECTION 2. Act subject to petition - effective date.** This act
23 takes effect at 12:01 a.m. on the day following the expiration of the
24 ninety-day period after final adjournment of the general assembly; except
25 that, if a referendum petition is filed pursuant to section 1 (3) of article V

1 of the state constitution against this act or an item, section, or part of this
2 act within such period, then the act, item, section, or part will not take
3 effect unless approved by the people at the general election to be held in
4 November 2024 and, in such case, will take effect on the date of the
5 official declaration of the vote thereon by the governor.