

HOUSE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

February 3, 2016
Date

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB16-1090 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend printed bill, page 2, after line 1 insert:

2 "SECTION 1. In Colorado Revised Statutes, 6-1-105, **add** (1)
3 (iii) as follows:

4 **6-1-105. Deceptive trade practices.** (1) A person engages in a
5 deceptive trade practice when, in the course of the person's business,
6 vocation, or occupation, the person:

7 (iii) KNOWINGLY ENTERS INTO, OR ATTEMPTS TO ENFORCE, AN
8 AGREEMENT REGARDING THE RECOVERY OF AN OVERBID ON FORECLOSED
9 PROPERTY IF THE AGREEMENT:

10 (I) CONCERNS THE RECOVERY OF FUNDS IN THE POSSESSION OF A
11 PUBLIC TRUSTEE AND IS NOT ENFORCEABLE UNDER SECTION 38-38-111
12 (2.5), C.R.S.; OR

13 (II) CONCERNS THE RECOVERY OF FUNDS IN THE POSSESSION OF
14 THE STATE TREASURER AND IS NOT ENFORCEABLE UNDER SECTION
15 38-13-128.5, C.R.S.

16 **SECTION 2.** In Colorado Revised Statutes, 6-1-1103, **amend** (5)
17 as follows:

18 **6-1-1103. Definitions.** As used in this part 11, unless the context
19 otherwise requires:

20 (5) "Foreclosure consulting contract" means any agreement
21 between a foreclosure consultant and a home owner; EXCEPT THAT THE
22 TERM DOES NOT INCLUDE AN AGREEMENT DESCRIBED IN SECTION

1 38-13-128.5 OR 38-38-111 (2.5), C.R.S."

2 Renumber succeeding sections accordingly.

3 Page 3, after line 6 insert:

4 "(D) THE AGREEMENT CONTAINS A STATEMENT THAT THE OWNER
5 MAY DIRECT ANY QUESTIONS ABOUT ITS LEGALITY TO THE COLORADO
6 FORECLOSURE HOTLINE MAINTAINED BY THE COLORADO HOUSING AND
7 FINANCE AUTHORITY. THE STATEMENT MUST INCLUDE A CURRENT, VALID
8 TELEPHONE NUMBER FOR THE COLORADO FORECLOSURE HOTLINE."

9 Reletter succeeding sub-subparagraphs accordingly.

10 Page 3, after line 13 insert:

11 "(III) A PERSON WHO INDUCES OR ATTEMPTS TO INDUCE ANOTHER
12 PERSON TO ENTER INTO AN AGREEMENT DESCRIBED IN THIS PARAGRAPH (c)
13 THAT DOES NOT COMPLY WITH ALL REQUIREMENTS OF SUBPARAGRAPH (II)
14 OF THIS PARAGRAPH (c) COMMITS A MISDEMEANOR, AS DEFINED IN
15 SECTION 18-1.3-504, C.R.S., AND IS SUBJECT TO IMPRISONMENT IN
16 COUNTY JAIL FOR UP TO SIX MONTHS, A FINE OF UP TO TEN THOUSAND
17 DOLLARS, OR BOTH."

18 Page 6, after line 20 insert:

19 "(3) A PERSON WHO INDUCES OR ATTEMPTS TO INDUCE ANOTHER
20 PERSON TO ENTER INTO AN AGREEMENT DESCRIBED IN THIS SECTION THAT
21 DOES NOT COMPLY WITH ALL REQUIREMENTS OF SUBSECTION (2) OF THIS
22 SECTION COMMITS A MISDEMEANOR, AS DEFINED IN SECTION 18-1.3-504,
23 C.R.S., AND IS SUBJECT TO IMPRISONMENT IN COUNTY JAIL FOR UP TO SIX
24 MONTHS, A FINE OF UP TO TEN THOUSAND DOLLARS, OR BOTH."

25 Renumber succeeding subsections accordingly.

26 Page 7, line 11, strike "Sections 2 and 3" and substitute "Sections 4 and
27 5".

28 Page 7, line 14, strike "Section 1" and substitute "Section 3".

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