

HOUSE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

March 8, 2016
Date

Committee on Business Affairs and Labor.

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

HB16-1306 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, **amend** (1)
3 (bbb) 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 (bbb) Violates any provision of section ~~12-61-911~~ 12-61-905.5,
8 C.R.S.;"

9 Renumber succeeding sections accordingly.

10 Page 2, after line 16 insert:

11 "SECTION 3. In Colorado Revised Statutes, 12-61-904, **amend**
12 (1) introductory portion and (1) (b) as follows:

13 **12-61-904. Exemptions - rules.** (1) Except as otherwise provided
14 in section ~~12-61-911~~ 12-61-905.5, this part 9 does not apply to the
15 following, unless otherwise determined by the federal bureau of consumer
16 financial protection or the United States department of housing and urban
17 development:

18 (b) With respect to a residential mortgage loan:

19 (I) A person, estate, or trust that provides mortgage financing for

1 the sale of no more than three properties in any twelve-month period to
2 purchasers of such properties, each of which is owned by such person,
3 estate, or trust and serves as security for the loan; OR

4 (II) A PARENT WHO ACTS AS A LOAN ORIGINATOR IN PROVIDING
5 LOAN FINANCING TO HIS OR HER CHILD.

6 **SECTION 4.** In Colorado Revised Statutes, 12-61-905, **amend**
7 (1) (f) as follows:

8 **12-61-905. Powers and duties of the board.** (1) The board may
9 deny an application for a license, refuse to renew, or revoke the license
10 of an applicant or licensee who has:

11 (f) Been found to have violated the provisions of section
12 ~~12-61-911~~ 12-61-905.5;".

13 Renumber succeeding sections accordingly.

14 Page 4, line 8, strike "OR" and substitute "AND".

15 Page 4, line 10, strike "24 CFR 3500 OR".

16 Page 4, line 12, strike "202.12;" and substitute "202.12 AND 12 CFR
17 1002;".

18 Page 4, line 18, strike "203;" and substitute "203 AND 12 CFR 1003;".

19 Page 7, after line 26 insert:

20 **"SECTION 8.** In Colorado Revised Statutes, 38-40-105, **amend**
21 (1) (e) as follows:

22 **38-40-105. Prohibited acts by participants in certain mortgage**
23 **loan transactions - unconscionable acts and practices - definitions.**

24 (1) The following acts by any mortgage broker, mortgage originator,
25 mortgage lender, mortgage loan applicant, real estate appraiser, or closing
26 agent, other than a person who provides closing or settlement services
27 subject to regulation by the division of insurance, with respect to any loan
28 that is secured by a first or subordinate mortgage or deed or trust lien
29 against a dwelling are prohibited:

30 (e) To knowingly facilitate the consummation of a mortgage loan
31 transaction that violates, or that is connected with a violation of, section
32 ~~12-61-911~~ 12-61-905.5, C.R.S."

33 Renumber succeeding sections accordingly.

** ** ** ** **