



**Colorado
Legislative
Council
Staff**

HB17-1026

**REVISED
FISCAL NOTE**

(replaces fiscal note dated January 12, 2017)

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 17-0117
Prime Sponsor(s): Rep. Singer
Sen. Jones

Date: April 20, 2017
Bill Status: Senate SVMA
Fiscal Analyst: Anna Gerstle (303-866-4375)

BILL TOPIC: REVERSE MORTGAGE REPAYMENT WHEN HOME UNINHABITABLE

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue		
State Expenditures	See State Expenditures section.	
Appropriation Required: None.		
Future Year Impacts: None.		

Summary of Legislation

A reverse mortgage provides a cash advance to the borrower based on the equity in the borrower's primary residence. Under current law, the borrower must repay the advance if he or she does not occupy the home as their primary residence, with exceptions for temporary absences of up to 60 days or, if the property is adequately secured, up to one year.

The *reengrossed* bill, *recommended by the Wildfire Matters Review Committee* (committee), requires that, in 2017, the committee examine related to exceptions to the primary residence requirement for borrowers who are temporarily unable to occupy their home due to a natural disaster or an incident beyond the borrower's control that makes the home uninhabitable. The bill is repealed September 1, 2018.

State Expenditures

The bill is not expected to increase workload; however, workload may be shifted around in order to accommodate the areas of study specified by the bill. Assuming that the study will be accomplished within the regular workload and meetings of the Wildfire Matters Review Committee during the 2017 interim, there is no change in costs or staffing. Should the committee require additional meetings to conduct the required work, additional costs for Legislative Council and Office of Legislative Legal Services staff, member per diem, and travel will be incurred within existing appropriations. No change in appropriations is required at this time.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Clerk and Records
Legislative Council
Sheriffs

Judicial
Legislative Legal Services
Treasury

Law
Regulatory Agencies