

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 17-0117.01 Kate Meyer x4348

HOUSE BILL 17-1026

HOUSE SPONSORSHIP

Singer,

SENATE SPONSORSHIP

Jones,

House Committees
Local Government

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE SUSPENSION OF A BORROWER'S OBLIGATION TO**
102 **REPAY A REVERSE MORTGAGE WHEN A FORCE MAJEURE**
103 **RENDERS THE SUBJECT PROPERTY UNINHABITABLE AS A**
104 **PRINCIPAL RESIDENCE, AND, IN CONNECTION THEREWITH,**
105 **DIRECTING THE WILDFIRE MATTERS REVIEW COMMITTEE TO**
106 **STUDY THIS ISSUE IN 2017.**

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/>.)

Wildfire Matters Review Committee. Under current law, the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
Amended 2nd Reading
April 17, 2017

borrower in a reverse mortgage transaction is relieved of the obligation to occupy the subject property as a principal residence if the borrower is temporarily absent for up to 60 days or, if the property is adequately secured, up to one year. The bill adds a third exception to the principal-residence requirement to cover situations in which a natural disaster or other serious incident beyond the borrower's control renders the property uninhabitable. The maximum time allowable for a temporary absence under these circumstances is 5 years.

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

2 **SECTION 1.** In Colorado Revised Statutes, 2-3-1602, **add**
3 (1.5)(d) as follows:

4 **2-3-1602. Wildfire matters review committee - creation -**
5 **repeal.** (1.5) (d) (I) IN 2017, IN ADDITION TO ANY OTHER MATTERS IT
6 CONSIDERS, THE COMMITTEE SHALL EXAMINE THE ISSUES RAISED IN
7 CONNECTION WITH THE INTRODUCED VERSION OF HOUSE BILL 17-1026, AS
8 PROPOSED IN 2017. SUCH EXAMINATION MAY INCLUDE THE
9 CIRCUMSTANCES GIVING RISE TO HOUSE BILL 17-1026, WHETHER AND TO
10 WHAT EXTENT ANY APPLICABLE FEDERAL LAWS AND REGULATIONS
11 PREEMPT STATE ACTION, WHETHER IT IS NECESSARY AND DESIRABLE
12 POLICY TO ENACT LEGISLATION SUSPENDING A BORROWER'S OBLIGATION
13 TO REPAY A REVERSE MORTGAGE ON A PRIMARY RESIDENCE WHEN A
14 NATURAL DISASTER OR OTHER FORCE MAJEURE RENDERS THE RESIDENCE
15 UNINHABITABLE, AND WHAT ALTERNATIVES TO SUCH POLICY EXIST.

16 (II) THIS PARAGRAPH (d) IS REPEALED, EFFECTIVE SEPTEMBER 1,
17 2018.

18 **SECTION 2. Safety clause.** The general assembly hereby finds,
19 determines, and declares that this act is necessary for the immediate
20 preservation of the public peace, health, and safety.