

**+First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO**

**PREAMENDED**

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

LLS NO. 17-1212.01 Thomas Morris x4218

**HOUSE BILL 17-1363**

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**HOUSE SPONSORSHIP**

**Hansen,**

**SENATE SPONSORSHIP**

**Martinez Humenik,**

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**House Committees**  
Transportation & Energy

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING AN EXEMPTION FROM OTHERWISE APPLICABLE**  
102               **REQUIREMENTS FOR FINANCING FROM THE COLORADO NEW**  
103               **ENERGY IMPROVEMENT DISTRICT IF A RESIDENTIAL PROPERTY**  
104               **OWNER IS NOT SEEKING TO SUBORDINATE THE PRIORITY OF**  
105               **EXISTING MORTGAGES.**

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**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>.)*

Current law authorizes a homeowner to finance certain energy efficiency improvements to the home through a loan pursuant to 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.*

property assessed clean energy (PACE) program. The program requires an applicant to file a title commitment on the home and a hearing must be held in order to seek a voluntary subordination of existing liens to the program's junior lien.

The bill exempts a homeowner from the title commitment and hearing requirements if the owner is not seeking to subordinate the priority of existing liens.

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

2 **SECTION 1.** In Colorado Revised Statutes, 32-20-105, **amend**  
3 (3) introductory portion as follows:

4 **32-20-105. District - purpose - general powers and duties -**  
5 **new energy improvement program.** (3) The district shall establish,  
6 develop, finance, and administer a new energy improvement program.  
7 However, the district may conduct the program within any given county  
8 only if the board of county commissioners of the county has adopted a  
9 resolution authorizing the district to conduct the program within the  
10 county. If a county adopts a resolution authorizing the district to conduct  
11 the program within the county, the county treasurer shall retain a  
12 collection fee as specified in section 30-1-102 (1)(c) ~~C.R.S.~~, for each  
13 special assessment that it collects as part of the program. The board of  
14 county commissioners of any county that has adopted a resolution  
15 authorizing the district to conduct the program within the county may  
16 subsequently adopt a resolution deauthorizing the district from  
17 conducting the program within the county. However, if the county adopts  
18 a deauthorizing resolution, the county shall continue to meet all of its  
19 obligations under this ~~article~~ ARTICLE 20 as to program financing  
20 obligations existing on the effective date of the deauthorization until any  
21 and all special assessments within the county have been paid in full and  
22 remitted to the district. The district shall design the program to allow an

1 owner of eligible real property to apply to join the district, receive  
2 reimbursement or a direct payment from the district, and consent to the  
3 levying of a special assessment on the eligible real property specially  
4 benefited by a new energy improvement for which the district makes  
5 reimbursement or a direct payment. The district shall establish an  
6 application process for the program that allows an owner of eligible real  
7 property to become a qualified applicant by submitting an application to  
8 the district and that may include one or more deadlines for the filing of an  
9 application. EXCEPT AS SPECIFIED IN SECTION 32-20-111, the application  
10 process must require the applicant to submit with the application a  
11 commitment of title insurance issued by a duly licensed Colorado title  
12 insurance company within thirty days before the date the application is  
13 submitted. The district may charge program application fees. In order to  
14 administer the program, the district, acting directly or through a program  
15 administrator or other agents, employees, or professionals as the district  
16 may appoint, hire, retain, or contract with, may aggregate qualified  
17 applicants into one or more bond issues and shall:

18 **SECTION 2.** In Colorado Revised Statutes, 32-20-106, **amend**  
19 (3)(a) introductory portion as follows:

20 **32-20-106. Special assessments - determination of special**  
21 **benefits - notice and hearing requirements - certification of**  
22 **assessment roll - manner of collection.** (3) (a) The district may levy a  
23 special assessment against eligible real property specially benefited by a  
24 new energy improvement based on the cost to the district of the new  
25 energy improvement. The district shall initiate the levy of any special  
26 assessment by the adoption of a resolution of the board that sets the  
27 special assessment, approves the preparation of a preliminary special

1 assessment roll, and sets a date for a public hearing regarding the special  
2 assessment roll. The district shall prepare a preliminary special  
3 assessment roll listing all special assessments to be levied. The district  
4 may post notice of the hearing on the special assessment on any district  
5 internet website and shall, EXCEPT AS SPECIFIED IN SECTION 32-20-111,  
6 send notice that the special assessment roll has been completed and notice  
7 of a hearing on the special assessment roll no later than thirty days before  
8 the hearing date to:

9 **SECTION 3.** In Colorado Revised Statutes, **add** 32-20-111 as  
10 follows:

11 **32-20-111. Procedure if lien subordination not sought.** THE  
12 PROVISIONS OF THIS ARTICLE 20 PERTAINING TO THE REQUIREMENT OF  
13 TITLE INSURANCE CONTAINED IN SECTION 32-20-105 (3) AND THE  
14 PROVISION OF NOTICE, OBJECTION, AND APPEAL CONTAINED IN SECTION  
15 32-20-106 (3)(a)(I), (3)(a)(II), (3)(b), AND (3)(c), AND ALL SECTIONS  
16 REFERENCING THESE SECTIONS, DO NOT APPLY TO RESIDENTIAL ELIGIBLE  
17 REAL PROPERTY IF THE PROPERTY OWNER OR PRIVATE THIRD PARTY THAT  
18 IS FINANCING THE IMPROVEMENTS ARE NOT SEEKING TO SUBORDINATE THE  
19 PRIORITY OF EXISTING MORTGAGES PURSUANT TO SECTION 32-20-105  
20 (3)(i).

21 **SECTION 4. Act subject to petition - effective date -**  
22 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following  
23 the expiration of the ninety-day period after final adjournment of the  
24 general assembly (August 9, 2017, if adjournment sine die is on May 10,  
25 2017); except that, if a referendum petition is filed pursuant to section 1  
26 (3) of article V of the state constitution against this act or an item, section,  
27 or part of this act within such period, then the act, item, section, or part

1 will not take effect unless approved by the people at the general election  
2 to be held in November 2018 and, in such case, will take effect on the  
3 date of the official declaration of the vote thereon by the governor.

4 (2) This act applies to applications filed on or after the applicable  
5 effective date of this act.