

## CHAPTER 38

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**PROPERTY**

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**SENATE BILL 98-038**

BY SENATORS Weddig, Hernandez, and Tanner;  
also REPRESENTATIVES Owen, Gotlieb, and Saliman.

**AN ACT**

CONCERNING AGREEMENTS TO PAY COMPENSATION FOR THE RECOVERY OF UNCLAIMED PROPERTY.

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

**SECTION 1.** 38-13-128, Colorado Revised Statutes, is amended to read:

**38-13-128. Agreements to locate reported property.** (1) All agreements to pay compensation to recover or assist in the recovery of property reported under section 38-13-110 ~~made~~ ENTERED INTO within twenty-four months after the date payment or delivery is made under section 38-13-112 are unenforceable.

(2) ANY AGREEMENT TO PAY COMPENSATION TO RECOVER OR ASSIST IN THE RECOVERY OF PROPERTY REPORTED UNDER SECTION 38-13-110 ENTERED INTO MORE THAN TWENTY-FOUR MONTHS, BUT LESS THAN THIRTY-SIX MONTHS, AFTER THE DATE PAYMENT OR DELIVERY IS MADE UNDER SECTION 38-13-112 IS ENFORCEABLE IF:

- (a) THE AGREEMENT IS IN WRITING AND SIGNED BY THE OWNER OF THE PROPERTY;
- (b) THE AGREEMENT DESCRIBES THE PROPERTY TO BE RECOVERED;
- (c) THE AGREEMENT SETS FORTH THE NATURE OF THE SERVICES TO BE PROVIDED;  
AND
- (d) THE COMPENSATION TO BE PAID UNDER THE TERMS OF THE AGREEMENT IS NOT IN EXCESS OF TWENTY PERCENT OF THE MARKET VALUE OF THE RECOVERABLE PROPERTY.

(3) ANY AGREEMENT TO PAY COMPENSATION TO RECOVER OR ASSIST IN THE RECOVERY OF PROPERTY REPORTED UNDER SECTION 38-13-110 ENTERED INTO

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

THIRTY-SIX MONTHS OR MORE AFTER THE DATE PAYMENT OR DELIVERY IS MADE UNDER SECTION 38-13-112 IS ENFORCEABLE IF:

- (a) THE AGREEMENT IS IN WRITING AND SIGNED BY THE OWNER OF THE PROPERTY;
- (b) THE AGREEMENT DESCRIBES THE PROPERTY TO BE RECOVERED;
- (c) THE AGREEMENT SETS FORTH THE NATURE OF THE SERVICES TO BE PROVIDED;  
AND
- (d) THE COMPENSATION TO BE PAID UNDER THE TERMS OF THE AGREEMENT IS NOT IN EXCESS OF THIRTY PERCENT OF THE MARKET VALUE OF THE RECOVERABLE PROPERTY.

(4) NOTHING IN SUBSECTIONS (2) AND (3) OF THIS SECTION SHALL BE CONSTRUED TO PROHIBIT AN OWNER FROM ASSERTING, AT ANY TIME, THAT A WRITTEN, SIGNED AGREEMENT TO RECOVER OR ASSIST IN THE RECOVERY OF PROPERTY IS BASED ON EXCESSIVE OR UNJUST CONSIDERATION.

(5) THE RESTRICTIONS ON AGREEMENTS TO PAY COMPENSATION TO RECOVER OR ASSIST IN THE RECOVERY OF PROPERTY SET FORTH IN THIS SECTION SHALL NOT APPLY TO ANY AGREEMENT TO PAY COMPENSATION TO RECOVER OR ASSIST IN THE RECOVERY OF PROPERTY REPORTED UNDER SECTION 38-13-110 IF SUCH PROPERTY HAS A TOTAL VALUE OF LESS THAN ONE THOUSAND DOLLARS.

**SECTION 2. Effective date - applicability.** (1) This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

(2) The provisions of this act shall apply to agreements entered into on or after the applicable effective date of this act.

Approved: March 23, 1998