



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1089: UNIFORM MORTGAGE MODIFICATION ACT

Prime Sponsors:

Rep. Espenosa

Sen. Snyder

Fiscal Analyst:

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Bill Outcome: Signed into Law

Drafting Number: LLS 26-0676

Version: Final Fiscal Note

Date: June 18, 2026

Fiscal note status: The final fiscal note reflects the enacted bill, which was recommended by the Colorado Commission on Uniform State Laws.

Summary Information

Overview. The bill specifies the legal effects of a mortgage modification.

No fiscal impact. The bill has no fiscal impact on state or local government.

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill specifies that when a mortgage is modified:

- the mortgage continues to secure the debt as modified;
- the modification does not change the mortgage's priority over other liens;
- the mortgage retains its priority even if the modification is not recorded with the county clerk and recorder; and
- the modification does not create a brand new loan or mortgage.

A mortgage modification includes actions such a decrease in the interest rate, changing from an adjustable rate to a fixed rate, among others specified in the bill.

Background

The [Colorado Commission on Uniform State Laws](#) is charged with working with the national Uniform Law Commission (ULC) to promote uniformity in state laws where uniformity may be deemed desirable and practicable.

Assessment of No Fiscal Impact

The bill provides clarity regarding the legal treatment of mortgage modifications. This results in no change to state or local government revenue or expenditures. For this reason, the bill is assessed as having no fiscal impact.

Effective Date

The bill was signed into law by the Governor on April 27, 2026, and takes effect on August 12, 2026, assuming no referendum petition is filed. The bill applies to mortgage modifications made on or after the effective date of the act, regardless of when the original mortgage was created.

State and Local Government Contacts

Judicial

Local Affairs

Law

Regulatory Agencies

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).