

First Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO

**PREAMENDED**

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

LLS NO. 25-0767.01 Christopher McMichael x4775

**SENATE BILL 25-133**

---

**SENATE SPONSORSHIP**

**Snyder and Carson, Roberts**

**HOUSE SPONSORSHIP**

**Soper and Camacho,**

---

**Senate Committees**

Finance

**House Committees**

Finance

---

**A BILL FOR AN ACT**

101     **CONCERNING VOIDABLE TRANSACTIONS, AND, IN CONNECTION**  
102         **THEREWITH, UPDATING THE "COLORADO UNIFORM**  
103         **FRAUDULENT TRANSFERS ACT" AND RENAMING IT THE**  
104         **"COLORADO VOIDABLE TRANSACTIONS ACT".**

---

**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>.)*

SENATE  
3rd Reading Unamended  
March 3, 2025

Under current law, fraudulent transactions are controlled by the "Colorado Uniform Fraudulent Transfers Act". The bill makes updates to the "Colorado Uniform Fraudulent Transfers Act" and renames it as the

SENATE  
Amended 2nd Reading  
February 28, 2025

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing law.  
Dashes through the words or numbers indicate deletions from existing law.

"Colorado Voidable Transactions Act" (act). The bill changes references in the act from "fraudulent transfers" to "voidable transactions".

The bill proposes changes to the act that would make the act align better with uniform law regarding voidable transactions, as well as makes updates to some of the definitions and terminology used in the act.

The bill establishes burdens of proof and evidentiary requirements for various claims under the act. The bill also establishes which jurisdictional laws control certain types of claims based on the location of a debtor and makes numerous technical amendments throughout the act.

---

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

2           **SECTION 1.** In Colorado Revised Statutes, **amend** 38-8-101 as  
3 follows:

4           **38-8-101. Short title.** This article shall be known and may be  
5 cited THE SHORT TITLE OF THIS ARTICLE 8, WHICH WAS FORMERLY KNOWN  
6 as the "Colorado Uniform Fraudulent Transfer Act", IS THE "COLORADO  
7 VOIDABLE TRANSACTIONS ACT".

8           **SECTION 2.** In Colorado Revised Statutes, 38-8-102, **amend** the  
9 introductory portion, (1)(a) introductory portion, (1)(a)(II), (1)(b)  
10 introductory portion, (1)(b)(I), (1)(d), (3), (8) introductory portion, and  
11 (10); and **add** (7.5), (7.7), (11.5), and (12.5) as follows:

12           **38-8-102. Definitions.** As used in this ~~article~~ ARTICLE 8, unless  
13 the context otherwise requires:

14           (1) "Affiliate" means:

15           (a) A person ~~who~~ THAT directly or indirectly owns, controls, or  
16 holds with power to vote twenty percent or more of the outstanding  
17 voting securities of the debtor, other than a person ~~who~~ THAT holds the  
18 securities:

19           (II) Solely to secure a debt, if the person has not IN FACT exercised  
20 the power to vote;

15 (7.5) "ELECTRONIC" MEANS TECHNOLOGY HAVING ELECTRICAL,  
16 DIGITAL, MAGNETIC, WIRELESS, OPTICAL, ELECTROMAGNETIC, OR SIMILAR  
17 CAPABILITIES.

18 (7.7) "ENTITY" HAS THE SAME MEANING AS SET FORTH IN SECTION  
19 7-90-102 (20).

20 (8) "Insider" means INCLUDES:

21 (10) "Person" means an individual, partnership, corporation,  
22 association, organization, government or governmental subdivision or  
23 agency, business trust, estate, trust, or any other legal or commercial  
24 entity HAS THE MEANING SET FORTH IN SECTION 7-90-102 (49).

25 (11.5) "RECORD" MEANS INFORMATION THAT IS INSCRIBED ON A  
26 TANGIBLE MEDIUM OR THAT IS STORED IN AN ELECTRONIC OR OTHER  
27 MEDIUM AND IS RETRIEVABLE IN PERCEIVABLE FORM.

1 (12.5) "SIGN" OR "SIGNATURE" HAS THE MEANING SET FORTH IN  
2 SECTION 7-90-102 (60.5).

3                   **SECTION 3.** In Colorado Revised Statutes, 38-8-103, **amend** (2)  
4                   and (3) as follows:

5                   **38-8-103. Insolvency.** (2) A debtor who THAT is generally not  
6 paying his THEIR debts as they become due is presumed to be insolvent.  
7 THE PRESUMPTION IMPOSES ON THE DEBTOR THE BURDEN OF PROVING  
8 THAT THE NONEXISTENCE OF INSOLVENCY IS MORE PROBABLE THAN THE  
9 EXISTENCE OF INSOLVENCY.

10 (3) A partnership is insolvent under subsection (1) of this section  
11 if the sum of the partnership's debts is greater than the aggregate of all of  
12 the partnership's assets, at a fair valuation, and the sum of the excess of  
13 the value of each general partner's nonpartnership assets over the partner's  
14 nonpartnership debts A DEBTOR THAT IS INSOLVENT AS DEFINED IN 11  
15 U.S.C. SEC. 101 (32) OF THE FEDERAL BANKRUPTCY CODE IS INSOLVENT.

16                   **SECTION 4.** In Colorado Revised Statutes, 38-8-105, **amend** (1)  
17                   introductory portion, (1)(b)(II), (2) introductory portion, and (2)(k); and  
18                   **add** (3) **and** (4) as follows:

19                   **38-8-105. Transfer or obligation voidable as to present and**  
20                   **future creditors.** (1) A transfer made or obligation incurred by a debtor  
21                   is ~~fraudulent~~ VOIDABLE as to a creditor, whether the creditor's claim arose  
22                   before or after the transfer was made or the obligation was incurred, if the  
23                   debtor made the transfer or incurred the obligation:

24 (b) Without receiving a reasonably equivalent value in exchange  
25 for the transfer or obligation, and the debtor:

26 (II) Intended to incur, or believed or reasonably should have  
27 believed that he THE DEBTOR would incur, debts beyond his THE DEBTOR'S

1 ability to pay as they became due.

2 (2) In determining actual intent under paragraph (a) of subsection  
3 (1) SUBSECTION (1)(a) of this section, consideration may be given, among  
4 other factors, to whether:

5 (k) The debtor transferred the essential assets of the business to  
6 a lienor ~~who~~ THAT transferred the assets to an insider of the debtor.

7 (3) A CREDITOR MAKING A CLAIM FOR RELIEF UNDER SUBSECTION  
8 (1) OF THIS SECTION HAS THE BURDEN OF PROVING THE ELEMENTS OF THE  
9 CLAIM FOR RELIEF BY A PREPONDERANCE OF THE EVIDENCE.

10 (4) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE LAST  
11 PARAGRAPH OF COMMENT EIGHT TO SECTION FOUR OF THE "UNIFORM  
12 VOIDABLE TRANSACTIONS ACT", AS AMENDED IN 2014 BY THE UNIFORM  
13 LAW COMMISSION, DOES NOT APPLY IN COLORADO.

14 **SECTION 5.** In Colorado Revised Statutes, **amend** 38-8-106 as  
15 follows:

16 **38-8-106. Transfers or obligation voidable as to present  
17 creditors.** (1) A transfer made or obligation incurred by a debtor is  
18 ~~fraudulent~~ VOIDABLE as to a creditor whose claim arose before the  
19 transfer was made or the obligation was incurred if the debtor made the  
20 transfer or incurred the obligation without receiving a reasonably  
21 equivalent value in exchange for the transfer or obligation and the debtor  
22 was insolvent at that time or the debtor became insolvent as a result of the  
23 transfer or obligation.

24 (2) A transfer made by a debtor is ~~fraudulent~~ VOIDABLE as to a  
25 creditor whose claim arose before the transfer was made if the transfer  
26 was made to an insider for an antecedent debt, the debtor was insolvent  
27 at that time, and the insider had reasonable cause to believe that the

1 debtor was insolvent.

2 (3) EXCEPT AS PROVIDED BY SECTION 38-8-103 (2), A CREDITOR  
3 MAKING A CLAIM FOR RELIEF PURSUANT TO SUBSECTION (1) OR (2) OF THIS  
4 SECTION HAS THE BURDEN OF PROVING THE ELEMENTS OF THE CLAIM FOR  
5 RELIEF BY A PREPONDERANCE OF THE EVIDENCE.

6 **SECTION 6.** In Colorado Revised Statutes, 38-8-107, **amend** (1)  
7 introductory portion, (1)(a)(I), and (5)(b) as follows:

8 **38-8-107. When transfer is made or obligation is incurred.**

9 (1) For the purposes of this ~~article~~ ARTICLE 8:

10 (a) A transfer is made:

11 (I) With respect to an asset that is real property other than a  
12 fixture, but including the interest of a seller or purchaser under a contract  
13 for the sale of the asset, when the transfer is so far perfected that a good  
14 faith purchaser of the asset from the debtor against ~~whom~~ WHICH  
15 applicable law permits the transfer to be perfected cannot acquire an  
16 interest in the asset that is superior to the interest of the transferee; and

17 (5) An obligation is incurred:

18 (b) If evidenced by a ~~writing~~ RECORD, when the ~~writing~~ executed  
19 RECORD SIGNED by the obligor is delivered to or for the benefit of the  
20 obligee.

21 **SECTION 7.** In Colorado Revised Statutes, 38-8-108, **amend** (1)  
22 introductory portion and (1)(c) as follows:

23 **38-8-108. Remedies of creditors.** (1) In an action for relief  
24 against a transfer or obligation under this ~~article~~ ARTICLE 8, a creditor,  
25 subject to the limitations in section 38-8-109, may obtain:

26 

---

27 (c) With respect to a transfer made or obligation incurred that is

1       fraudulent VOIDABLE under section 38-8-105 (1)(a), a judgment for one  
2       and one-half the value of the asset transferred or for one and one-half the  
3       amount necessary to satisfy the creditor's claim, whichever is less,  
4       together with the creditor's actual costs; except that ~~any~~ A judgment  
5       entered against a person under this ~~paragraph (c)~~ SUBSECTION (1)(c) is in  
6       lieu of, not in addition to, a judgment against the same person under  
7       section 38-8-109 (2). ~~No~~ A judgment may NOT be entered pursuant to this  
8       ~~paragraph (c)~~ SUBSECTION (1)(c) against a person other than the debtor  
9       unless that person also acts with wrongful intent as defined in section  
10      38-8-105 (1)(a); otherwise, judgment for money damages against a person  
11      other than the debtor may be entered only as provided in section  
12      38-8-109. ~~No~~ A judgment may NOT be entered under this ~~paragraph (c)~~  
13      SUBSECTION (1)(c) unless a court of competent jurisdiction enters or has  
14      entered a judgment or order establishing the validity of the creditor's  
15      claim against the debtor.

16                   **SECTION 8.** In Colorado Revised Statutes, 38-8-109, **amend** (1),  
17      (2), (4) introductory portion, (4)(a), (4)(b), (5)(b); and **add** (7) and (8)  
18      as follows:

19                   **38-8-109. Defenses, liability, and protection of transferee or**  
20       **obligee.** (1) A transfer or obligation is not voidable under section  
21       38-8-105 (1)(a) against a person ~~who~~ THAT took in good faith and for a  
22       reasonably equivalent value GIVEN TO THE DEBTOR or against ~~any~~ A  
23       subsequent transferee or obligee.

24                   (2) TO THE EXTENT A TRANSFER IS VOIDABLE IN AN ACTION BY A  
25       CREDITOR UNDER SECTION 38-8-108 (1)(a), THE FOLLOWING RULES APPLY:

26                   (a) Except as otherwise provided in this section, ~~to the extent a~~  
27       ~~transfer is voidable in an action by a creditor under section 38-8-108~~

1       (1)(a); the creditor may recover judgment for the value of the asset  
2       transferred, as adjusted under subsection (3) of this section, or the amount  
3       necessary to satisfy the creditor's claim, whichever is less. The judgment  
4       may be entered against:

5               (a) (I) The first transferee of the asset or the person for whose  
6       benefit the transfer was made; or

7               (b) (II) ~~Any subsequent~~ A DIRECT OR INDIRECT transferee OF THE  
8       FIRST TRANSFEE, other than:

9               (A) A good faith transferee ~~or obligee who~~ THAT took for value;  
10       or ~~from any subsequent transferee or obligee.~~

11               (B) A DIRECT OR INDIRECT GOOD FAITH TRANSFEE OF A PERSON  
12       DESCRIBED IN SUBSECTION (2)(a)(II)(A) OF THIS SECTION;

13               =

14               (4) Notwithstanding voidability of a transfer or an obligation  
15       under this ~~article~~ ARTICLE 8, a good faith transferee or obligee is entitled,  
16       to the extent of the value given the debtor for the transfer or obligation,  
17       to:

18               (a) A lien on or a right to retain ~~any~~ AN interest in the asset  
19       transferred;

20               (b) Enforcement of ~~any~~ AN obligation incurred; or

21               (5) A transfer is not voidable under section 38-8-105 (1)(b) or  
22       38-8-106 if the transfer results from:

23               (b) Enforcement of a security interest in compliance with ~~the~~  
24       ~~provisions of the~~ "Uniform Commercial Code - Secured Transactions",  
25       article 9 of title 4, ~~C.R.S.~~ OTHER THAN THE ACCEPTANCE OF COLLATERAL  
26       IN FULL OR PARTIAL SATISFACTION OF THE OBLIGATION IT SECURES.

27               =

1 (7) THE BURDEN OF PROVING MATTERS REFERRED TO IN THIS  
2 SECTION IS DETERMINED ACCORDING TO THE FOLLOWING:

3 (a) A PARTY THAT SEEKS TO INVOKE SUBSECTION (1), (4), (5), OR  
4 (6) OF THIS SECTION HAS THE BURDEN OF PROVING THE APPLICABILITY OF  
5 THAT SECTION;

6 (b) EXCEPT AS PROVIDED IN SUBSECTIONS (7)(c) AND (7)(d) OF  
7 THIS SECTION, THE CREDITOR HAS THE BURDEN OF PROVING EACH  
8 APPLICABLE ELEMENT OF SUBSECTION (2) OR (3) OF THIS SECTION;

9 (c) THE TRANSFeree HAS THE BURDEN OF PROVING THE  
10 APPLICABILITY TO THE TRANSFeree OF SUBSECTION (2)(a)(II)(A) OR  
11 (2)(a)(II)(B) OF THIS SECTION; AND

12 (d) A PARTY THAT SEEKS ADJUSTMENT UNDER SUBSECTION (3) OF  
13 THIS SECTION HAS THE BURDEN OF PROVING THE ADJUSTMENT.

14 (8) THE STANDARD OF PROOF REQUIRED TO ESTABLISH MATTERS  
15 REFERRED TO IN THIS SECTION IS PREPONDERANCE OF THE EVIDENCE.

16 SECTION 9. In Colorado Revised Statutes, **amend** 38-8-110 as  
17 follows:

18                   **38-8-110. Extinguishment of a claim for relief.** (1) A cause of  
19                   action CLAIM FOR RELIEF with respect to a fraudulent VOIDABLE transfer  
20                   or obligation under this article ARTICLE 8 is extinguished unless action is  
21                   brought:

22 (a) Under section 38-8-105 (1)(a), ~~within~~ NOT LATER THAN four  
23 years after the transfer was made or the obligation was incurred or, if  
24 later, ~~within~~ NOT LATER THAN one year after the transfer or obligation was  
25 or could reasonably have been discovered by the claimant:

26 (b) Under section 38-8-105 (1)(b) or 38-8-106 (1), within NOT  
27 LATER THAN four years after the transfer was made or the obligation was

1 incurred; or

2 (c) Under section 38-8-106 (2), within one year NOT LATER THAN  
3 FOUR YEARS after the transfer was made. ~~or the obligation was incurred.~~

4       

5 **SECTION 10.** In Colorado Revised Statutes, **add** 38-8-113 as  
6 follows:

7 **38-8-113. Relation to electronic signatures in the federal**  
8 **"Electronic Signatures in Global and National Commerce Act". THIS**  
9 **ARTICLE 8 MODIFIES, LIMITS, OR SUPERSEDES THE FEDERAL "ELECTRONIC**  
10 **SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT", 15 U.S.C. SEC.**  
11 **7001 ET SEQ., BUT DOES NOT MODIFY, LIMIT, OR SUPERCEDE 15 U.S.C. SEC.**  
12 **7001 (c) OR AUTHORIZE ELECTRONIC DELIVERY OF ANY OF THE NOTICES**  
13 **DESCRIBED IN 15 U.S.C. SEC. 7003 (b).**

14 **SECTION 11.** In Colorado Revised Statutes, 2-5-102, **amend** (7)  
15 as follows:

16 **2-5-102. Inclusions - nonstatutory.** (7) There shall be included  
17 in the publication of the ~~"Colorado Uniform Fraudulent Transfer Act"~~  
18 ~~"COLORADO VOIDABLE TRANSACTIONS ACT"~~, as nonstatutory matter,  
19 ~~following each section of the article, the full text of the official comments~~  
20 ~~to that section contained in the official volume containing the 1984~~  
21 ~~official text of the "Uniform Fraudulent Transfer Act" issued by the~~  
22 ~~national conference of commissioners on uniform state laws, with any~~  
23 ~~changes in the official comments or Colorado comments to correspond to~~  
24 ~~Colorado changes in the uniform act~~ GUIDANCE ON HOW TO ACCESS THE  
25 OFFICIAL COMMENTS OF THE ~~"UNIFORM VOIDABLE TRANSACTIONS ACT"~~.  
26 The ~~comments~~ GUIDANCE ON HOW TO ACCESS THE OFFICIAL COMMENTS  
27 shall be prepared by the revisor of statutes and approved for publication

1 by the committee on legal services.

2           **SECTION 12. Act subject to petition - effective date -**  
3           **applicability.** (1) This act takes effect at 12:01 a.m. on the day following  
4 the expiration of the ninety-day period after final adjournment of the  
5 general assembly; except that, if a referendum petition is filed pursuant  
6 to section 1 (3) of article V of the state constitution against this act or an  
7 item, section, or part of this act within such period, then the act, item,  
8 section, or part will not take effect unless approved by the people at the  
9 general election to be held in November 2026 and, in such case, will take  
10 effect on the date of the official declaration of the vote thereon by the  
11 governor.

12           (2) This act applies to claims filed on or after the applicable  
13 effective date of this act.