SENATE COMMITTEE OF REFERENCE REPORT

_______________________________ April 19, 2021
Chair of Committee Date

Committee on Business, Labor, & Technology.

After consideration on the merits, the Committee recommends the following:

HB21-1224 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation and with a recommendation that it be placed on the consent calendar:

Amend reengrossed bill, page 5, lines 6 and 7, strike "UNLESS THE CONTEXT OTHERWISE REQUIRES,"

Page 5, after line 8 insert:

"SECTION 3. In Colorado Revised Statutes, 38-38-306, amend (2); and add (3) as follows:

38-38-306. Rights of other lienors to redeem - definition. (2) A mechanic's lien claimant or any other person claiming the right to a statutory lien on real property shall have the right to redeem as a lienor despite the fact that the claim has not been reduced to judgment, if the lien or lien claim has been recorded as required or permitted by statute and the holder thereof has complied with the other conditions required of a lienor by this article. If another lienor redeems after such lien claimant, that portion of the redemption amount attributable to the claim of such lien claimant, as evidenced by such claimant's recorded lien, shall be held in escrow by the officer until a final judgment has been entered in favor of such claimant confirming the claimant's right to a lien and all periods for appeal have expired, whereupon there shall be paid to such claimant from the escrow the amount of the lien claim as established by the judgment, with any interest earned thereon, and the balance, if any, shall be refunded to the owner of the property as of the date of the sale, BORROWER, so long as the last redeeming lienor has otherwise been
satisfied. If the claimant releases the lien or fails to establish a right to the lien, the entire escrow shall be paid to the owner of the property as of the date of the sale; BORROWER, so long as the last redeeming lienor has otherwise been satisfied. Lien claimants of equal priority, for the purposes of this subsection (2), may act in concert and be deemed to represent one claim in which they share pro rata. The right of the owner of the property as of the date of the sale BORROWER to excess sale proceeds pursuant to a homestead exemption under section 38-41-201 is subordinate to the right of a subsequent deed of trust beneficiary for whose benefit the owner waived the homestead exemption.

(3) AS USED IN THIS SECTION, "BORROWER" HAS THE SAME MEANING AS SET FORTH IN SECTION 38-38-111 (6).".

Renumber succeeding section accordingly.