



Colorado  
Legislative  
Council  
Staff

HB16-1096

FINAL  
FISCAL NOTE

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 16-0838  
**Prime Sponsor(s):** Rep. Williams  
Sen. Tate

**Date:** June 22, 2016  
**Bill Status:** Postponed Indefinitely  
**Fiscal Analyst:** Josh Abram (303-866-3561)

**BILL TOPIC:** FORECLOSURE OVERBID AMOUNT RETURN TO HOMEOWNER

**Summary of Legislation**

Under current law, when a home or other real property is sold in foreclosure for more than the amount owed to the foreclosing party (e.g., a bank holding the mortgage), the owner of the home being foreclosed may be entitled to the amount of the sale in excess of the amount he or she owed to the foreclosing party. This excess is known as an "overbid."

This bill defines certain junior lienors as ineligible to receive any portion of the overbid. These include junior lienors that miss filing deadlines or that settle their lien claims for a discount. The bill adds the last redeeming lienor to the list of persons who are ineligible to receive overbid funds. Therefore, to the extent any overbid amount remains following discharge of the debt, the bulk is remitted back to the original owner.

**Assessment**

The bill will not impact the workload, expenditures, or revenue of any state agency or local government. For this reason, this bill is assessed as having no fiscal impact.

**Effective Date**

The bill was postponed indefinitely by the House Business Affairs and Labor Committee on March 3, 2016.

**State and Local Government Contacts**

Assessors  
Clerk And Recorders  
Public Trustees

Colorado Counties  
Local Affairs  
Regulatory Agencies

Colorado Municipal League  
Information Technology

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: [www.colorado.gov/fiscalnotes](http://www.colorado.gov/fiscalnotes).