

Second Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 20-0850.01 Thomas Morris x4218

SENATE BILL 20-047

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SENATE SPONSORSHIP

Williams A. and Tate,

HOUSE SPONSORSHIP

Kraft-Tharp and Van Winkle,

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Senate Committees

Business, Labor, & Technology

House Committees

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A BILL FOR AN ACT

101 CONCERNING AN EXEMPTION FROM THE DEFINITION OF A REAL ESTATE  
102 APPRAISAL OF ANALYSES PREPARED BY AGENTS OF FINANCIAL  
103 INSTITUTIONS FOR THE INSTITUTIONS' INTERNAL USE ONLY.

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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>.)*

Current law exempts from the definition of a "real estate appraisal" certain analyses prepared by an officer, director, or regularly salaried employee of a financial institution or its affiliate when the analyses are used for internal purposes only. Federal law also exempts such analyses when they are prepared by an agent of a financial institution or its

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

affiliate. The bill adds these agents to the list of people who can make these exempt analyses.

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

2           **SECTION 1.** In Colorado Revised Statutes, 12-10-602, **amend**  
3 (1)(b), (9)(b)(VII), and (9)(b)(VIII) as follows:

4           **12-10-602. Definitions.** As used in this part 6, unless the context  
5 otherwise requires:

6           (1) (b) The terms do not include an analysis, valuation, opinion,  
7 conclusion, notation, or compilation of data by an officer, director, ~~or~~  
8 regularly salaried employee, OR AGENT of a financial institution or its  
9 affiliate, made for internal use only by the financial institution or affiliate,  
10 concerning an interest in real estate that is owned or held as collateral by  
11 the financial institution or affiliate and that is not represented or deemed  
12 to be an appraisal except to the financial institution, the agencies  
13 regulating the financial institution, and any secondary markets that  
14 purchase real estate secured loans. An appraisal prepared by an officer,  
15 director, ~~or~~ regularly salaried employee, OR AGENT of a financial  
16 institution who is not licensed or certified under this part 6 ~~shall~~ MUST  
17 contain a written notice that the preparer is not licensed or certified as an  
18 appraiser under this part 6.

19           (9) (b) "Real estate appraiser" or "appraiser" does not include:

20           (VII) An officer, director, ~~or~~ regularly salaried employee, OR  
21 AGENT of a financial institution or its affiliate who makes, for internal use  
22 only by the financial institution or affiliate, an analysis, evaluation,  
23 opinion, conclusion, notation, or compilation of data with respect to an  
24 appraisal so long as the person does not make a written adjustment of the  
25 appraisal's conclusion as to the value of the subject real property;

1 (VIII) An officer, director, ~~or~~ regularly salaried employee, OR  
2 AGENT of a financial institution or its affiliate who makes an internal  
3 analysis, valuation, opinion, conclusion, notation, or compilation of data  
4 concerning an interest in real estate that is owned or held as collateral by  
5 the financial institution or its affiliate; or

6 **SECTION 2.** In Colorado Revised Statutes, 12-10-623, **amend**  
7 (1)(a)(I) as follows:

8 **12-10-623. Scope of article - regulated financial institutions -**  
9 **de minimis exemption.** (1) (a) This article 10 does not apply to an  
10 appraisal relating to any real-estate-related transaction or loan made or to  
11 be made by a financial institution or its affiliate if the real-estate-related  
12 transaction or loan is excepted from appraisal regulations established by  
13 the primary federal regulator of the financial institution and the appraisal  
14 is performed by:

15 (I) An officer, director, ~~or~~ regularly salaried employee, OR AGENT  
16 of the financial institution or its affiliate; or

17 **SECTION 3. Act subject to petition - effective date -**  
18 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following  
19 the expiration of the ninety-day period after final adjournment of the  
20 general assembly (August 5, 2020, if adjournment sine die is on May 6,  
21 2020); except that, if a referendum petition is filed pursuant to section 1  
22 (3) of article V of the state constitution against this act or an item, section,  
23 or part of this act within such period, then the act, item, section, or part  
24 will not take effect unless approved by the people at the general election  
25 to be held in November 2020 and, in such case, will take effect on the  
26 date of the official declaration of the vote thereon by the governor.

1           (2) This act applies to appraisals made on or after the applicable  
2 effective date of this act.