

CHAPTER 17

PROFESSIONS AND OCCUPATIONS

SENATE BILL 20-047

BY SENATOR(S) Williams A. and Tate, Holbert, Woodward;
also REPRESENTATIVE(S) Kraft-Tharp and Van Winkle, Exum, McLachlan, Michaelson Jenet, Snyder, Titone, Valdez D.

AN ACT

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

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

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

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

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

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

(VII) An officer, director, ~~or~~ regularly salaried employee, OR AGENT of a financial institution or its affiliate who makes, for internal use only by the financial institution or affiliate, an analysis, evaluation, opinion, conclusion, notation, or compilation of data with respect to an appraisal so long as the person does not make a written

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adjustment of the appraisal's conclusion as to the value of the subject real property;

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

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

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

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

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

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

Approved: March 11, 2020