

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

HOUSE BILL 23-1162

BY REPRESENTATIVE(S) Woodrow, Boesenecker, Brown, Epps, Jodeh, Lindsay, Parenti, Sharbini, Sirota, Titone, Valdez;
also SENATOR(S) Rodriguez, Buckner, Cutter, Exum, Priola, Winter F.

CONCERNING THE REGULATION OF CONSUMER LEGAL FUNDING TRANSACTIONS, AND, IN CONNECTION THEREWITH, AUTHORIZING THE ADMINISTRATOR OF THE "UNIFORM CONSUMER CREDIT CODE" TO ADOPT RULES REGULATING CREDITOR-IMPOSED CHARGES FOR CERTAIN CONSUMER CREDIT TRANSACTIONS THAT ARE SECURED BY A CONSUMER'S POTENTIAL PROCEEDS FROM A SETTLEMENT OR JUDGMENT OBTAINED IN AN ASSOCIATED LEGAL CLAIM.

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

SECTION 1. In Colorado Revised Statutes, 5-2-204, **add** (6) as follows:

5-2-204. Deferral charges - rules. (6) THE ADMINISTRATOR MAY ADOPT RULES REGARDING DEFERRAL CHARGES FOR NONRECOURSE CONSUMER CREDIT TRANSACTIONS THAT HAVE NO PERIODIC PAYMENTS AND ARE SECURED BY AN UNVESTED, CONTINGENT FUTURE INTEREST IN THE POTENTIAL NET PROCEEDS OF A SETTLEMENT OR JUDGMENT OBTAINED FROM

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

THE CONSUMER'S ASSOCIATED LEGAL CLAIM.

SECTION 2. Act subject to petition - effective date. 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; 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 2024 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Steve Fenberg
PRESIDENT OF
THE SENATE

Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO