

**First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 25-0366.01 Renee Leone x2695

SENATE BILL 25-016

SENATE SPONSORSHIP

Snyder, Bright, Carson, Coleman, Jaquez Lewis, Kipp, Marchman, Michaelson Jenet

HOUSE SPONSORSHIP

Boesenecker,

Senate Committees

Finance

House Committees

A BILL FOR AN ACT

101 **CONCERNING UPDATING THE FRAMEWORK GOVERNING ESCROW**
102 **DISBURSEMENTS FOR REAL ESTATE TRANSACTIONS.**

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>.)

The bill modifies the types of funds that are available for immediate withdrawal as a matter of right in real estate transactions by:

- Limiting wire transfer funds to only those funds that are wired through a funds-transfer system operated by the federal reserve; and
- Adding funds credited to an escrow account if the bank or

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

SENATE
3rd Reading Unamended
February 6, 2025

SENATE
Amended 2nd Reading
February 5, 2025

financial institution holding the account confirms that there has been final settlement of the credited funds.

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

2 **SECTION 1.** In Colorado Revised Statutes, 38-35-125, **amend**
3 (1)(a) as follows:

4 **38-35-125. Closing and settlement services - disbursement of**
5 **funds - deceptive trade practice - definitions.** (1) As used in this
6 section, unless the context otherwise requires:

7 (a) "Available for immediate withdrawal as a matter of right"
8 includes funds transferred by any of the following means:

9 (I) ~~Any~~ A wire transfer MADE THROUGH A FUNDS-TRANSFER
10 SERVICE OPERATED BY THE FEDERAL RESERVE OR THE CLEARING HOUSE
11 PAYMENTS COMPANY;

12 (II) ~~Any~~ A certified check, cashier's check, teller's check, or any
13 other instrument as defined by federal regulation CC, 12 CFR 229.10 (c);
14 AND

15 (III) A CREDIT TO AN ESCROW ACCOUNT, INCLUDING A REAL-TIME
16 OR AN INSTANT PAYMENT MADE THROUGH A FUNDS-TRANSFER SERVICE
17 OPERATED BY THE FEDERAL RESERVE OR THE CLEARING HOUSE
18 PAYMENTS COMPANY'S REAL-TIME PAYMENTS SYSTEM.

19 **SECTION 2. Act subject to petition - effective date -**
20 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
21 the expiration of the ninety-day period after final adjournment of the
22 general assembly; except that, if a referendum petition is filed pursuant
23 to section 1 (3) of article V of the state constitution against this act or an
24 item, section, or part of this act within such period, then the act, item,
25 section, or part will not take effect unless approved by the people at the

1 general election to be held in November 2026 and, in such case, will take
2 effect on the date of the official declaration of the vote thereon by the
3 governor.

4 (2) This act applies to real estate transactions occurring on or after
5 the applicable effective date of this act.