

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

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 25-0366.01 Renee Leone x2695

**SENATE BILL 25-016**

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**SENATE SPONSORSHIP**

**Snyder,**

**HOUSE SPONSORSHIP**

**Boesenecker,**

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**Senate Committees**  
Finance

**House Committees**

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**A BILL FOR AN ACT**

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

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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>.)*

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.

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

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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 AS REFERENCED IN SECTION 4-4-104 (a)(4):

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, IF THE BANK OR  
19 FINANCIAL INSTITUTION HOLDING THE ACCOUNT CONFIRMS TO THE  
20 INDIVIDUAL OR ENTITY DISBURSING THE FUNDS THAT THERE HAS BEEN  
21 FINAL SETTLEMENT OF THE CREDITED FUNDS.

22 **SECTION 2. Act subject to petition - effective date -**  
23 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following  
24 the expiration of the ninety-day period after final adjournment of the  
25 general assembly; except that, if a referendum petition is filed pursuant

1 to section 1 (3) of article V of the state constitution against this act or an  
2 item, section, or part of this act within such period, then the act, item,  
3 section, or part will not take effect unless approved by the people at the  
4 general election to be held in November 2026 and, in such case, will take  
5 effect on the date of the official declaration of the vote thereon by the  
6 governor.

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