

First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO

**BILL 4**

LLS NO. 17-0117.01 Kate Meyer x4348

**COMMITTEE BILL**

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**Wildfire Matters Review Committee**

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**House Committees**

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING THE SUSPENSION OF A BORROWER'S OBLIGATION TO**  
102 **REPAY A REVERSE MORTGAGE WHEN A FORCE MAJEURE**  
103 **RENDERS THE SUBJECT PROPERTY UNINHABITABLE AS A**  
104 **PRINCIPAL RESIDENCE.**

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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://www.leg.state.co.us/bills summaries>.)*

**Wildfire Matters Review Committee.** Under current law, the borrower in a reverse mortgage transaction is relieved of the obligation to occupy the subject property as a principal residence if the borrower is

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

temporarily absent for up to 60 days or, if the property is adequately secured, up to one year. The bill adds a third exception to the principal-residence requirement to cover situations in which a natural disaster or other serious incident beyond the borrower's control renders the property uninhabitable. The maximum time allowable for a temporary absence under these circumstances is 5 years.

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

2           **SECTION 1.** In Colorado Revised Statutes, 11-38-107, **add**  
3 (2)(b.5) as follows:

4           **11-38-107. Repayment.** (2) The repayment requirement  
5 described in subsection (1) of this section is also expressly subject to the  
6 following additional conditions:

7           (b.5) A TEMPORARY ABSENCE FROM THE HOME EXCEEDING SIXTY  
8 CONSECUTIVE DAYS BUT NOT EXCEEDING FIVE YEARS, WHICH ABSENCE  
9 RESULTS FROM A NATURAL DISASTER OR OTHER FORCE MAJEURE  
10 RENDERING THE HOME TEMPORARILY UNINHABITABLE, DOES NOT CAUSE  
11 THE REVERSE MORTGAGE TO BECOME DUE AND PAYABLE.

12           **SECTION 2. Applicability.** This act applies to reverse mortgages  
13 for a home rendered uninhabitable by a natural disaster or other force  
14 majeure that occurs on or after the effective date of this act.

15           **SECTION 3. Safety clause.** The general assembly hereby finds,  
16 determines, and declares that this act is necessary for the immediate  
17 preservation of the public peace, health, and safety.