First Regular Session Seventy-third General Assembly STATE OF COLORADO

ENGROSSED

This Version Includes All Amendments Adopted on Second Reading in the House of Introduction

LLS NO. 21-0819.01 Ed DeCecco x4216

HOUSE BILL 21-1225

HOUSE SPONSORSHIP

Bird and Will,

SENATE SPONSORSHIP

Bridges and Kirkmeyer,

House Committees

Senate Committees

Transportation & Local Government Appropriations

A BILL FOR AN ACT 101 CONCERNING THE ELECTRONIC RECORDING TECHNOLOGY BOARD, 102 AND, IN CONNECTION THEREWITH, DELAYING THE BOARD'S 103 REPEAL AND SUNSET REVIEW SO THAT THE BOARD MAY 104 CONTINUE MAKING GRANTS TO COUNTIES, EXTENDING THE 105 FILING SURCHARGE COLLECTED BY COUNTY CLERK AND 106 RECORDERS ON BEHALF OF THE BOARD, EXPANDING THE SCOPE 107 OF ALLOWABLE GRANTS, AND EXTENDING REPORTING 108 REQUIREMENTS.

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 electronic recording technology board (board), which was created in 2016, makes grants to counties to establish, maintain, improve, or replace their electronic filing systems. These grants are from surcharges collected by county clerk and recorders and transmitted to the state for deposit in the electronic recording technology fund. The bill makes the following changes related to the board:

- Delays the repeal and sunset review of the board by 4 years so that it will take place just over 10 years after the board's creation;
- Extends the board's surcharge;
- Extends the board's annual reporting requirement about its grants for 4 more years and requires an additional 5-year report about the overall success of the program;
- Permits the board to make grants to a county to improve the security of its general information technology systems, if the improvement is necessary to improve the security of the county's electronic filing system; and
- Specifies that the board may approve a grant application to establish, maintain, improve, or replace an electronic filing system, notwithstanding that a portion of the grant will be used to enable the system to receive, store, manage, and provide online access to public documents that are maintained by the county clerk and recorder but that are not related to real property.

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

SECTION 1. In Colorado Revised Statutes, 2-3-1203, repeal

3 (13)(a)(III); and **add** (17)(a)(IV) as follows:

4 2-3-1203. Sunset review of advisory committees - legislative

5 **declaration - definition - repeal.** (13) (a) The following statutory

6 authorizations for the designated advisory committees are scheduled for

7 repeal on September 1, 2022:

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(III) The electronic recording technology board created in part 4

9 of article 21 of title 24, C.R.S.;

(17) (a) The following statutory authorizations for the designated

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1	advisory committees will repeal on September 1, 2026:
2	(IV) THE ELECTRONIC RECORDING TECHNOLOGY BOARD CREATED
3	IN PART 4 OF ARTICLE 21 OF TITLE 24.
4	SECTION 2. In Colorado Revised Statutes, 24-21-403, amend
5	(2) as follows:
6	24-21-403. Core goals - powers and duties - rules. (2) In order
7	to accomplish its business purpose, the board may impose an electronic
8	filing surcharge of up to two dollars that is uniformly collected on all
9	documents received by a county clerk and recorder for recording or filing
10	on or after January 1, 2017, through December 31, 2021 APRIL 30, 2026.
11	SECTION 3. In Colorado Revised Statutes, 24-21-404, amend
12	(2) as follows:
13	24-21-404. Electronic recording technology fund - electronic
14	filing - grants. (2) (a) The board shall use money in the fund to award
15	grants to counties to:
16	(I) Establish, maintain, improve, or replace their electronic filing
17	systems; AND
18	(II) IMPROVE THE SECURITY OF A COUNTY'S GENERAL
19	INFORMATION TECHNOLOGY SYSTEMS, IF THE IMPROVEMENT IS NECESSARY
20	TO IMPROVE THE SECURITY OF THE COUNTY'S ELECTRONIC FILING SYSTEM.
21	(b) (I) The board shall award grants, whenever possible, in a
22	manner that is designed to achieve the core goals specified in section
23	24-21-403 (1) over a reasonable period. In making grants to maintain
24	existing electronic filing systems, the board shall give priority to rural
25	counties and to counties that do not have sufficient revenue from the
26	surcharge proceeds retained in accordance with section 30-10-421 (3)(b)
27	C.R.S., to maintain their electronic filing systems. The board shall

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1	develop a grant application process and award grants based on a scoring
2	system that incorporates the core goals.
3	(II) THE BOARD MAY APPROVE A GRANT APPLICATION TO
4	ESTABLISH, MAINTAIN, IMPROVE, OR REPLACE AN ELECTRONIC FILING
5	SYSTEM NOTWITHSTANDING THAT A PORTION OF THE GRANT WILL BE USED
6	TO ENABLE THE SYSTEM TO RECEIVE, STORE, MANAGE, AND PROVIDE
7	ONLINE ACCESS TO PUBLIC DOCUMENTS THAT ARE MAINTAINED BY THE
8	COUNTY CLERK AND RECORDER BUT THAT ARE NOT RELATED TO REAL
9	PROPERTY.
10	SECTION 4. In Colorado Revised Statutes, 24-21-406, amend
11	(1) introductory portion and (3) as follows:
12	24-21-406. Reporting - annual - five-year report.
13	(1) Notwithstanding section 24-1-136 (11), on or before September 1,
14	2017, and each September 1 thereafter until September 1, 2022
15	SEPTEMBER 1, 2025, the board shall prepare a report that, for each grant
16	made during the prior fiscal year, describes the:
17	(3) On or before January 1, 2021, AND BEFORE JANUARY 1, 2026,
18	the board shall report to the general assembly about the overall success
19	of the grant program established by this part 4.
20	SECTION 5. In Colorado Revised Statutes, amend 24-21-407 as
21	follows:
22	24-21-407. Repeal of part. This part 4 is repealed, effective
23	September 1, 2022 SEPTEMBER 1, 2026. Prior to such repeal, the board
24	shall be reviewed as provided in section 2-3-1203. C.R.S.
25	SECTION 6. In Colorado Revised Statutes, 30-10-421, amend
26	(1)(c) as follows:
27	30-10-421. Filing surcharge - definitions. (1) (c) Beginning

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1 January 1, 2017, and through December 31, 2021 APRIL 30, 2026, the 2 county clerk and recorder shall collect the surcharge imposed by the 3 electronic recording technology board under section 24-21-403 (2) 4 C.R.S., for each document received for recording or filing in his or her office. The surcharge is in addition to any other fees permitted by statute. 5 6 **SECTION 7.** Act subject to petition - effective date. This act 7 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 8 9 that, if a referendum petition is filed pursuant to section 1 (3) of article V 10 of the state constitution against this act or an item, section, or part of this 11 act within such period, then the act, item, section, or part will not take 12 effect unless approved by the people at the general election to be held in 13 November 2022 and, in such case, will take effect on the date of the 14 official declaration of the vote thereon by the governor.

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