

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

REVISED

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

LLS NO. 21-0819.01 Ed DeCecco x4216

HOUSE BILL 21-1225

HOUSE SPONSORSHIP

Bird and Will, Bernett, Cutter, Exum, Gray, Kipp, Lontine, Ricks, Snyder

SENATE SPONSORSHIP

Bridges and Kirkmeyer,

House Committees

Transportation & Local Government
Appropriations

Senate Committees

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

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

SENATE
2nd Reading Unamended
May 20, 2021

HOUSE
3rd Reading Unamended
April 29, 2021

HOUSE
2nd Reading Unamended
April 28, 2021

<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.

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

2 **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:

8 (III) ~~The electronic recording technology board created in part 4~~
9 ~~of article 21 of title 24, C.R.S.;~~

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

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

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

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
5 office. The surcharge is in addition to any other fees permitted by statute.

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
8 ninety-day period after final adjournment of the general assembly; except
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.