

COLORADO DIVISION OF BANKING

Proposed Amendment of Rules and Regulations

Fact Sheet

LEGISLATION:	<i>HB 21-1293. 11-105-401(1)(d), C.R.S.</i>
RECOMMENDATION DATE:	December 16, 2021
RULE TO BE AMENDED:	<i>3-CCR 701-1 CB101.61 Appraisal of Other Real Estate</i>
Corresponding Rules:	<i>N/A</i>

SUMMARY

The purpose of amending *3-CCR 701-1 CB101.61 Appraisal of Other Real Estate* is to amend the appraisal requirement for property acquired to satisfy indebtedness. Additionally, updates to the Division of Banking's (Division) address and phone number are needed.

ANALYSIS

HB 21-1293 removed the \$250,000 threshold requirement for appraisals of property acquired to satisfy indebtedness. The legislation also required that the appraisal requirement conform to federal guidelines. The proposed rule will set two thresholds: 1) \$400,000 for 1-4 family real property and 2) \$500,000 for all other real property. Property acquired to satisfy indebtedness below these thresholds will require a real estate evaluation that conforms to federal guidelines. The new thresholds also conform to the federal requirements.

Additionally, updates to the Division's address and phone number are needed.

RECOMMENDATION

Division staff is recommending the thresholds for appraisals for other real estate be changed to conform to federal requirements and to make necessary updates to the Division's address and phone number.

REFERENCES (*Federal regulations, operating memorandum, interpretive letter, and other background material*)

Part 323. FDIC Rules and Regulations

Colorado Revised Statute.

11-101-102. Declaration of policy.
11-102-104. Powers and duties of the banking board.

STATUTORY AUTHORITY

- 11-101-102. Declaration of policy.
- 11-102-104. Powers and duties of the banking board.
- 11-105-401(1)(d) Acquisition of property to satisfy indebtedness.

INCORPORATION BY REFERENCE

N/A

I concur:



Kenneth Boldt
State Bank Commissioner

02/01/2022

Date

PROPOSED PUBLIC HEARING DATE: February 17, 2022