

HOUSE COMMITTEE OF REFERENCE REPORT

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Chair of Committee

March 18, 2026  
Date

Committee on Transportation, Housing & Local Government.

After consideration on the merits, the Committee recommends the following:

HB26-1287 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, page 5, line 7, after "(1)(b)," insert "(1)(h), (1)(i),".

2 Page 5, line 7, strike "(9); and **add** (11)" and substitute "(9)".

3 Page 5, line 16, strike "ORDER A LICENSEE TO PAY RESTITUTION,".

4 Page 5, after line 23 insert:

5           "(h) Failing to account for or to remit, within a reasonable time,  
6 any money coming into the licensee's possession that belongs to others  
7 ~~whether acting as real estate brokers or otherwise~~ WHEN PERFORMING  
8 FUNCTIONS FOR WHICH A LICENSE IS REQUIRED PURSUANT TO SECTION  
9 12-10-201 (6), and failing to keep records relative to the money, which  
10 records ~~shall~~ MUST contain such information as ~~may be~~ IS prescribed by  
11 ~~the~~ rules of the commission ~~relative thereto~~ and ~~shall be~~ ARE subject to  
12 audit by the commission;

13           (i) WHEN PERFORMING FUNCTIONS FOR WHICH A LICENSE IS  
14 REQUIRED PURSUANT TO SECTION 12-10-201 (6), converting funds of  
15 others, diverting funds of others without proper authorization,  
16 commingling funds of others with the broker's own funds, or failing to  
17 keep the funds of others in an escrow or a trustee account with some bank  
18 or recognized depository in this state, which account may be any type of  
19 checking, demand, passbook, or statement account insured by an agency  
20 of the United States government, and to keep records relative to the  
21 deposit that contain such information as may be prescribed by the rules  
22 of the commission, ~~relative thereto~~, which records ~~shall be~~ ARE subject to  
23 audit by the commission;"

1 Page 6, strike lines 13 through 22.

2 Page 11, strike line 17 and substitute "(2)(b), (2)(g) introductory portion,  
3 and (2)(g)(II) as follows:".

4 Page 11, strike line 21 and substitute:

5 "(2) (b) If a licensee or the employing broker of a licensee is part  
6 of an affiliated business arrangement, ~~when an offer to purchase real~~  
7 ~~property is fully executed,~~ the licensee shall disclose ~~to all parties to the~~  
8 ~~real estate transaction the existence of the arrangement~~ THE EXISTENCE OF  
9 THE AFFILIATED BUSINESS ARRANGEMENT TO THE PARTY THE LICENSEE  
10 REPRESENTS AT THE TIME OF MAKING THE REFERRAL. The disclosure ~~shall~~  
11 ~~be written, shall be signed by all parties to the real estate transaction, and~~  
12 ~~shall~~ MUST comply with the federal "Real Estate Settlement Procedures  
13 Act of 1974", as amended, 12 U.S.C. sec. 2601 et seq.

14 (g) It ~~shall~~ IS not ~~be~~ a violation of this section for an affiliated".

15 Page 12, after line 25 insert:

16 "SECTION 21. In Colorado Revised Statutes, 12-10-403, **add** (9)  
17 as follows:

18 **12-10-403. Relationships between brokers and the public -**  
19 **definition - rules.**

20 (9) NOTWITHSTANDING SUBSECTION (6)(b) OF THIS SECTION, A  
21 BROKER WORKING WITH A BUYER, SELLER, LANDLORD, OR TENANT MAY  
22 DISCLOSE THE BUYER'S, SELLER'S, LANDLORD'S, OR TENANT'S  
23 CONFIDENTIAL INFORMATION TO THE BROKER'S EMPLOYING BROKER OR TO  
24 THE EMPLOYING BROKER'S DESIGNEE FOR THE PURPOSE OF PROPER  
25 SUPERVISION SO LONG AS THE EMPLOYING BROKER OR DESIGNEE DOES NOT  
26 USE THE CONFIDENTIAL INFORMATION TO THE DETRIMENT OF THE BUYER,  
27 SELLER, LANDLORD, OR TENANT.

28 **SECTION 22.** In Colorado Revised Statutes, 12-10-404, **amend**  
29 (2) introductory portion as follows:

30 **12-10-404. Single agent engaged by seller or landlord.**

31 (2) EXCEPT AS DESCRIBED IN SECTION 12-10-403 (9), A BROKER  
32 ACTING AS A SELLER'S OR LANDLORD'S AGENT SHALL NOT DISCLOSE the  
33 following information ~~shall not be disclosed by a broker acting as a~~  
34 ~~seller's or landlord's agent~~ without the ~~informed~~ EXPRESS WRITTEN  
35 consent of the seller or landlord:

36 **SECTION 23.** In Colorado Revised Statutes, 12-10-405, **amend**  
37 (2) introductory portion as follows:

38 **12-10-405. Single agent engaged by buyer or tenant.**

1           (2) EXCEPT AS DESCRIBED IN SECTION 12-10-403 (9), A BROKER  
2 ACTING AS A BUYER'S OR TENANT'S AGENT SHALL NOT DISCLOSE the  
3 following information ~~shall not be disclosed by a broker acting as a~~  
4 ~~buyer's or tenant's agent~~ without the ~~informed~~ EXPRESS WRITTEN consent  
5 of the buyer or tenant:

6           **SECTION 24.** In Colorado Revised Statutes, 12-10-407, **amend**  
7 (3) introductory portion as follows:

8           **12-10-407. Transaction-broker.**

9           (3) EXCEPT AS DESCRIBED IN SECTION 12-10-403 (9), A  
10 TRANSACTION-BROKER SHALL NOT DISCLOSE the following information  
11 ~~shall not be disclosed by a transaction-broker~~ without the ~~informed~~  
12 EXPRESS WRITTEN consent of all parties:".

13           Renumber succeeding sections accordingly.

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