



Colorado Legislative Council Staff Fiscal Note

NO FISCAL IMPACT

Drafting Number: LLS 08-0019**Date:** January 12, 2008**Prime Sponsor(s):** Rep. Looper
Sen. Gordon**Bill Status:** House Agriculture**Fiscal Analyst:** Harry Zeid (303-866-4753)

TITLE: CONCERNING A REQUIREMENT TO TRANSFER A WELL PERMIT UPON CONVEYANCE OF RESIDENTIAL REAL PROPERTY.**Summary of Legislation**

On and after January 1, 2009, this bill requires a buyer of residential real estate that includes a small capacity well or domestic exempt water well to complete a form notifying the Division of Water Resources in the Department of Natural Resources of the change in ownership of the well. If the well is an existing well that had not previously been registered with the division, the buyer would be required to complete a registration of existing well form for the well. The bill directs the Real Estate Commission to promulgate a rule to require the appropriate contracts to include the appropriate forms. The person who provides closing services for the transaction or the buyer would submit the appropriate form to the Division of Water Resources within 60 days after closing with as much information as is available.

The bill is effective January 1, 2009, unless a referendum petition is filed.

Assessment

The bill is assessed as having no fiscal impact. Although the Division of Water Resources may experience a small increase in the number of changes in well ownership and late registrations, no additional staff resources or expenditures are anticipated. Further, there may be additional benefits to the division as a result of having better well record data. The division does not charge a fee for changes in ownership. There is, however, a fee for late registrations. The bill does not change the number of unregistered wells and only a small number of transactions are expected to involve late registration, which most likely would have occurred anyway at the time of replacement.

Departments Contacted

Natural Resources Regulatory Agencies