

**First Regular Session
Sixty-sixth General Assembly
STATE OF COLORADO**

REREVISED

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

LLS NO. 07-0451.01 Thomas Morris

HOUSE BILL 07-1156

HOUSE SPONSORSHIP

Looper, Lambert, Curry, Gardner C., Kerr J., Liston, McFadyen, Rose, and Sonnenberg

SENATE SPONSORSHIP

Gordon, and Schultheis

House Committees

Business Affairs and Labor
Agriculture, Livestock, & Natural Resources

Senate Committees

Business, Labor and Technology

A BILL FOR AN ACT

101 **CONCERNING THE DISCLOSURE OF WATER SOURCES IN CONNECTION**
102 **WITH THE SALE OF RESIDENTIAL REAL PROPERTY.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Requires every contract for the purchase and sale of all residential real property to disclose the source of water for the property. If the source is a well, requires the disclosure to include a copy of the well permit.

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

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

SENATE
3rd Reading Unamended
March 26, 2007

SENATE
Amended 2nd Reading
March 23, 2007

HOUSE
3rd Reading Unamended
February 14, 2007

HOUSE
Amended 2nd Reading
February 13, 2007

1 **SECTION 1.** Article 35.7 of title 38, Colorado Revised Statutes,
2 is amended BY THE ADDITION OF A NEW SECTION to read:

3 **38-35.7-104. Disclosure of potable water source - rules.**

4 (1) (a) (I) BY JANUARY 1, 2008, THE REAL ESTATE COMMISSION
5 CREATED IN SECTION 12-61-105, C.R.S., SHALL, BY RULE, REQUIRE EACH
6 LISTING CONTRACT, CONTRACT OF SALE, OR SELLER'S PROPERTY
7 DISCLOSURE FOR RESIDENTIAL REAL PROPERTY THAT IS SUBJECT TO THE
8 COMMISSION'S JURISDICTION PURSUANT TO ARTICLE 61 OF TITLE 12,
9 C.R.S., TO DISCLOSE THE SOURCE OF POTABLE WATER FOR THE PROPERTY,
10 WHICH DISCLOSURE SHALL INCLUDE SUBSTANTIALLY THE FOLLOWING
11 INFORMATION:

12 **THE SOURCE OF POTABLE WATER FOR THIS**
13 **REAL ESTATE IS:**

14 **A WELL;**

15 **A WATER PROVIDER, WHICH CAN BE**
16 **CONTACTED AS FOLLOWS:**

17 **NAME:** _____

18 **ADDRESS:** _____

19 **WEBSITE:** _____

20 **TELEPHONE:** _____

21 **NEITHER A WELL NOR A WATER PROVIDER.**

22 **THE SOURCE IS [DESCRIBE]:** _____

23 **SOME WATER PROVIDERS RELY, TO VARYING**
24 **DEGREES, ON NONRENEWABLE GROUND**
25 **WATER. YOU MAY WISH TO CONTACT YOUR**
26 **PROVIDER TO DETERMINE THE LONG-TERM**
27 **SUFFICIENCY OF THE PROVIDER'S WATER**

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SUPPLIES.

(II) ON AND AFTER JANUARY 1, 2008, EACH LISTING CONTRACT, CONTRACT OF SALE, OR SELLER'S PROPERTY DISCLOSURE FOR RESIDENTIAL REAL PROPERTY THAT IS NOT SUBJECT TO THE REAL ESTATE COMMISSION'S JURISDICTION PURSUANT TO ARTICLE 61 OF TITLE 12, C.R.S., SHALL CONTAIN A DISCLOSURE STATEMENT IN BOLD-FACED TYPE THAT IS CLEARLY LEGIBLE IN SUBSTANTIALLY THE SAME FORM AS IS SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (a).

(b) IF THE DISCLOSURE STATEMENT REQUIRED BY PARAGRAPH (a) OF THIS SUBSECTION (1) INDICATES THAT THE SOURCE OF POTABLE WATER IS A WELL, THE SELLER SHALL ALSO PROVIDE WITH SUCH DISCLOSURE A COPY OF THE CURRENT WELL PERMIT IF ONE IS AVAILABLE.

(2) THE OBLIGATION TO PROVIDE THE DISCLOSURE SET FORTH IN SUBSECTION (1) OF THIS SECTION SHALL BE UPON THE SELLER. IF THE SELLER COMPLIES WITH THIS SECTION, THE PURCHASER SHALL NOT HAVE ANY CLAIM UNDER THIS SECTION FOR RELIEF AGAINST THE SELLER OR ANY PERSON LICENSED PURSUANT TO ARTICLE 61 OF TITLE 12, C.R.S., FOR ANY DAMAGES TO THE PURCHASER RESULTING FROM AN ALLEGED INADEQUACY OF THE PROPERTY'S SOURCE OF WATER. NOTHING IN THIS SECTION SHALL AFFECT ANY REMEDY THAT THE PURCHASER MAY OTHERWISE HAVE AGAINST THE SELLER.

(3) FOR PURPOSES OF THIS SECTION, "RESIDENTIAL REAL PROPERTY" INCLUDES A: MANUFACTURED HOME; MOBILE HOME; CONDOMINIUM; TOWNHOME; HOME SOLD BY THE OWNER, A FINANCIAL INSTITUTION, OR THE FEDERAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; RENTAL PROPERTY, INCLUDING AN APARTMENT; AND SHORT-TERM RESIDENCE SUCH AS A MOTEL OR HOTEL.

1 **SECTION 2. Effective date.** This act shall take effect at 12:01
2 a.m. on the day following the expiration of the ninety-day period after
3 final adjournment of the general assembly that is allowed for submitting
4 a referendum petition pursuant to article V, section 1 (3) of the state
5 constitution, (August 8, 2007, if adjournment sine die is on May 9, 2007);
6 except that, if a referendum petition is filed against this act or an item,
7 section, or part of this act within such period, then the act, item, section,
8 or part, if approved by the people, shall take effect on the date of the
9 official declaration of the vote thereon by proclamation of the governor.