

Colorado Legislative Council Staff Fiscal Note

**LOCAL
FISCAL IMPACT**

Drafting Number: LLS 15-0461	Date: January 20, 2015
Prime Sponsor(s): Rep. Becker J. Sen. Sonnenberg	Bill Status: House Transportation & Energy Fiscal Analyst: Marc Carey (303-866-4102)

BILL TOPIC: WIND ENERGY DEVEL AGREEMENT RECORDING & EXPIRATION

Fiscal Impact Summary*	FY 2015-2016	FY 2016-2017
State Revenue		
State Expenditures		
FTE Position Change		
Appropriation Required: None		

* This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

This bill modifies statute concerning wind energy agreements between surface estate owners and wind energy developers. This bill establishes that until an agreement is recorded with the office of the county clerk and recorder, the agreement is not binding on anyone other than the parties to the agreement and those with notice of the agreement. The agreement as well as any associated releases must be recorded in both the grantor and grantee indices and under the names of all parties. The bill defines a wind energy developer of record as the developer named in an agreement recorded in county land records. Rights under a recorded agreement executed on or after July 1, 2012, expire after 15 years unless the agreement provides otherwise or unless wind-powered energy generation has occurred on the subject property.

Once a developer has determined to begin construction of generating facilities under an agreement, the developer may record an affidavit with the county clerk and recorder stating when construction will begin. If no affidavit is recorded, the developer's rights expire after 15 years unless the agreement provides otherwise. If a recorded agreement expires or is terminated, the wind energy developer of record is required to record a release. If the developer fails to do so within a specified period, the developer and any transferee of the developer's rights under the agreement are jointly and severally liable for any damages to the surface owner that result from the failure to record the release.

Local Government Impact

This bill increases the number of documents related to wind energy agreements that must be recorded at the appropriate county clerk and recorder's office. Such filings, however, are not anticipated to result in significant additional workload for these offices.

Effective Date

The bill takes effect August 5, 2015, if the General Assembly adjourns on May 6, 2015, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Local Affairs
Municipalities

Regulatory Agencies
Clerks & Records

Counties