



**Colorado  
Legislative  
Council  
Staff**

**SB17-140**

**FINAL  
FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 17-0746 **Date:** September 7, 2017  
**Prime Sponsor(s):** Sen. Sonnenberg **Bill Status:** Signed into Law  
 Rep. Arndt; Becker J. **Fiscal Analyst:** Chris Creighton (303-866-5834)

**BILL TOPIC:** TORRENS TITLE REGISTRATION SYSTEM

<b>Fiscal Impact Summary</b>	<b>FY 2017-2018</b>	<b>FY 2018-2019</b>
<b>State Revenue</b> Cash Funds	Minimal revenue decrease.	
<b>State Expenditures</b> Cash Funds	Minimal workload impact. See State Expenditure section.	
<b>Appropriation Required:</b> None.		
<b>Future Year Impacts:</b> Ongoing minimal revenue decrease and workload impact.		

**Summary of Legislation**

This bill closes the Torrens title registration system to new applications to register land titles beginning January 1, 2018, and requires registered land titles to be removed from the system on or before January 1, 2020. The bill also defines adverse instruments and conveyance instruments and provides guidelines for the registration, certification, recording, and the chain of records for land titles that are to be removed. Additionally, county clerks are required to mail a notice to each title owner 90 days before recording a certificate of title stating that the registered land will be removed from the system and recorded with the county clerk on or before January 1, 2020. No fees for the recording of a certificate of title are to be charged under this bill.

**Background**

The Torrens title registration system is a state register of land titles guaranteeing an indefeasible title to those included in the register. In this system, land ownership is transferred through title registrations.

**State Revenue**

This bill decreases Judicial Department cash fund revenue from filing fees by a minimal amount, beginning January 1, 2018.

**State Expenditures**

Beginning in FY 2017-18, this bill impacts workload in the Judicial Department and the Department of Local Affairs as discussed below.

**Judicial Department.** Under current law, applications for registration in the Torrens title registration system must be submitted in the district court where the land to be registered is located. This bill reduces trial court workload beginning January 1, 2018, by closing the system to new registrations. Use of the Torrens title registration system is infrequent and any reduction in workload resulting from this bill will be minimal.

**Department of Local Affairs.** This bill increases workload in the Division of Property Taxation by a minimal amount in FY 2017-18 only to update land title manuals. This workload can be accomplished within existing appropriations.

**Local Government Impact**

County clerks serve as the registrars of titles in their respective counties. This bill increases county clerk workload to remove all registered land titles from the Torrens title registration system and record each title within the county. There are 14 counties that have Torrens title registrations and this workload increase will vary by county, depending on the number of titles registered in the county. Conversely, the closing the Torrens title registration system to new registrations decreases county clerk workload by a minimal amount beginning January 1, 2018.

Court revenue from filing fees and workload may decrease in the City and County of Denver due to the closing of the title registration system to new applications. Any decrease is expected to be minimal.

**Effective Date**

This bill was signed into law by the Governor on May 18, 2018, and became effective on August 9, 2017.

**State and Local Government Contacts**

Clerks  
Information Technology

Counties  
Judicial

Local Affairs