



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number:	LLS 24-0915	Date:	August 5, 2024
Prime Sponsors:	Rep. Lukens; Soper Sen. Roberts; Will	Bill Status:	Signed into Law
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Bill Topic:	DEVELOPER SUBDIVISION RESERVATION DEPOSITS
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Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> TABOR Refund	<input type="checkbox"/> Statutory Public Entity

The bill requires subdivision developers to hold earnest money in a third party trust unless it was received from an accredited investor. It minimally increases state expenditures in FY 2024-25.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This final fiscal note reflects the enacted bill.

Summary of Legislation

The bill stipulates that earnest money from a prospective purchaser must be held in a third party trust upon approval of a developer's registration to transfer or sell time share estate subdivision property. Earnest money deposits received from an accredited investor are exempt from this provision and may be used for development purposes with a clear statement of use and written consent.

State Expenditures

The bill increases workload in the Department of Regulatory Agencies to conduct a rulemaking hearing to update subdivision developer administrative rules. This workload is expected to be minimal and no change in appropriation is required.

Effective Date

The bill was signed into law by the Governor on May 28, 2024, and takes effect on August 7, 2024, assuming no referendum petition is filed.

State and Local Government Contacts

Local Affairs

Regulatory Agencies

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).