



**Colorado  
Legislative  
Council  
Staff**

**HB16-1088**

**FISCAL NOTE**

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

**Drafting Number:** LLS 16-0490  
**Prime Sponsor(s):** Rep. Dore

**Date:** February 2, 2016  
**Bill Status:** House Local Government  
**Fiscal Analyst:** Josh Abram (303-866-3561)

**BILL TOPIC:** FIRE PROTECTION DIST IMPACT FEE ON NEW DEVELOPMENT

| Fiscal Impact Summary   | FY 2016-2017        | FY 2017-2018 |
|---|---------------------|--------------|
| State Revenue   |                     |              |
| State Expenditures  | Potential increase. |              |
| <b>Appropriation Required:</b> None.  |                     |              |
| <b>Future Year Impacts:</b> Ongoing potential increase in state expenditures. |                     |              |

**Summary of Legislation**

This bill authorizes the board of a fire protection district to impose an impact fee on any new construction, including oil and gas development, on improved or unimproved property within the district's jurisdiction.

The impact fee must be reasonably related to the district's cost to provide services and imposed according to a fee schedule duly adopted by the district's board. No less than 60 days before imposing any impact fee, fire districts must notify municipalities and counties in the district of their right to comment on the imposition of impact fees.

**State Expenditures**

Conditional upon the actions of fire protection districts, the bill increases state expenditures for fees paid to local fire protection districts. Because the bill allows the districts to impose impact fees, some construction or improvements managed by a department of state government will be subject to fees in districts choosing to charge them. For example, the Department of Natural Resources manages a variety of new construction and improvement projects, particularly in the Division of Parks and Wildlife, the Colorado Oil and Gas Conservation Commission, and the State Lands Board, which obtains revenue in part from oil and gas leases on state lands.

**Local Government Impact**

The bill is expected to increase fee revenue for local governments that choose to implement impact fees. The bill authorizes fees for the districts to offset the cost of providing services to the

areas within their jurisdiction, including areas under construction or development. The fiscal note assumes this permissive authority will be used in some fire districts, increasing fee revenue for those local governments. Since the number, location, and amount of impact fees is unknown, no estimate is made on local government revenue or expenditures.

## Effective Date

The bill takes effect upon signature of the Governor, or on becoming law without his signature.

## State and Local Government Contacts

|                     |                                  |
|---------------------|----------------------------------|
| Counties            | Law                              |
| Local Affairs       | Municipalities                   |
| Natural Resources   | Office Of Information Technology |
| Public Health       | Public Safety                    |
| Regulatory Agencies | Special District Association     |

## Research Note Available

An LCS Research Note for HB16-1088 is available online and through the iLegislate app. Research notes provide additional policy and background information about the bill and summarize action taken by the General Assembly concerning the bill.