



**Colorado
Legislative
Council
Staff**

HB16-1088

**REVISED
FISCAL NOTE**

(replaces fiscal note dated February 2, 2016)

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

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

Date: March 28, 2016
Bill Status: Senate 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.	
Appropriation Required: None.		
Future Year Impacts: Ongoing potential increase in state expenditures.		

Summary of Legislation

This *reengrossed* bill authorizes a local government to impose an impact fee on new construction to fund fire and emergency services provided by that local government. Prior to issuing a development permit, the local government is required to:

- confer with any fire and emergency services provider that will provide services to the new development, and with the owner or developer to assess and determine if an impact fee or other similar development charge is required; and
- enter into an intergovernmental agreement defining such fees or development charges and the details of collection and remittance.

Any local government that imposes an impact fee or development charge to fund fire and emergency services is required to pay the fees or charges collected to the fire or emergency service provider(s).

State Expenditures

Conditional upon the actions of local governments, the bill increases state expenditures for impact fees and other development charges paid to local governments. Because the bill allows additional impact fees, some construction or improvements managed by a state agency will be subject to fees should local governments choose 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 local governments to offset the cost of providing fire and other emergency services to the areas within their jurisdiction, including areas under construction or development. The fiscal note assumes this permissive authority will be used by some local governments, increasing fee revenue for those governments. Since the number, location, and amount of impact fees or other development charges 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.