



**Colorado
Legislative
Council
Staff**

SB16-100

**REVISED
FISCAL NOTE**

(replaces fiscal note dated February 9, 2016)

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

Drafting Number: LLS 16-0790
Prime Sponsor(s): Sen. Jahn
Rep. Pabon

Date: April 1, 2016
Bill Status: House SVMA
Fiscal Analyst: Larson Silbaugh (303-866-4720)

BILL TOPIC: COUNTY ROAD & BRIDGE TAX REDUCTION REQUIREMENT

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures	Workload increase.	
FTE Position Change		
Appropriation Required: None.		
Future Year Impacts: None.		

Summary of Legislation

As amended by the **Senate Transportation Committee**, this bill requires a county to notify municipalities in the county of its intent to potentially reduce the county road and bridge fund mill levy by October 15 each year. It also directs the Transportation Legislation Review Committee to study the process of reducing the road and bridge fund mill levy and proposals to resolve issues related to the process during the 2016 interim.

Background

Counties are allowed to levy property tax mills to fund the county road and bridge budget, taking into account other available money. The mills are levied against the assessed value of property in the county, including property located in municipalities. One mill generates \$1.00 in property tax revenue for each \$1,000 of assessed value. Municipalities are entitled to receive one-half of the property tax revenue generated from road and bridge fund mill levy from property within municipal boundaries. A change in the county road and bridge mill levy impacts the payment to municipalities.

The road and bridge property tax revenue received by municipalities are impacted by both the number of mills and the property tax base. If the value of property in a municipality decreases, the revenue from the road and bridge mill levy may decrease. This bill does not require counties to make up for reduced municipal property tax revenue because of a reduction in assessed value.

State Expenditures

This bill directs the Transportation Legislation Review Committee to study the process of lowering the county road and bridge mill levy during the 2016 interim. This can be accomplished as an additional agenda item on the committee's calendar, therefore it does not require any additional appropriations.

Local Government Impact

This bill increases the workload for counties to notify municipalities for the potential reduction in the county road and bridge fund mill levy. This workload increase is expected to be minimal.

Effective Date

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

State and Local Government Contacts

Counties
Information Technology

Municipalities
Property Tax

Local Affairs
Transportation