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FISCAL NOTE

Drafting Number: LLS 18-0836 Date: March 15, 2018
Prime Sponsors: Rep. Roberts; Lawrence Sen. Sonnenberg Bill Status: House Transportation
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Bill Topic: SUNSET CERT OF CONSERVATION EASEMENT HOLDERS

- Summary of Fiscal Impact: State Revenue, State Expenditure (continuation), State Transfer, TABOR Refund, Local Government, Statutory Public Entity

Sunset bill. HB 18-1290 continues the Certification of Conservation Easement Holders in the Division of Real Estate in the Department of Regulatory Agencies, which is scheduled to repeal on July 1, 2018. State fiscal impacts include the continuation of the program's current revenue and expenditures. The program is continued through September 1, 2025.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill. This fiscal note is preliminary. State agencies were not given enough time to provide information that informs the fiscal impact. This fiscal note may be revised as more information becomes available.

Table 1 State Fiscal Impacts Under HB 18-1290*

Table with 3 columns: Category, FY 2018-19, FY 2019-20. Rows include New Impacts (Revenue, Expenditures) and Continuing Program Impacts (Revenue, Expenditures, FTE).

* Table 1 shows the new impacts resulting from changes to the program under the bill, and the continuing impacts from extending the program beyond its current repeal date. Because the bill continues a program without making any significant changes, there are no new impacts. The continuing program impacts will end if the bill is not passed and the program is allowed to repeal.

Summary of Legislation

The bill implements the recommendations of the Department of Regulatory Agencies (DORA) in its 2017 sunset review of the Certification of Conservation Easement Holders in the Division of Real Estate in the DORA, and continues the certification program until September 1, 2025.

The bill authorizes the director of the Division of Real Estate, in consultation with the Conservation Easement Oversight Commission, to:

- share conservation easement information with a third-party vendor in order to develop a registry of conservation easements in the state for which holders have received tax credits; and
- establish rules to cap the number of applications that the division accepts each month for tax credit certificates and preliminary advisory opinions.

Continuing Program Impacts

Based on 2017 sunset review, the DORA is expected to have revenue and expenditures of approximately \$500,000 and 3.75 FTE to administer the Certification of Conservation Easement Holders program. If this bill is enacted, current revenue and expenditures will continue for the program starting in FY 2019-20. If this bill is not enacted, the program will end on July 1, 2019, following a wind-down period, and state revenue and expenditures will decrease starting in FY 2019-20 by the amounts shown in Table 1.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature. The authority of the director of the Division of Real Estate to share specified information with a third party vendor takes effect on July 1, 2019.

State and Local Government Contacts

Judicial
Regulatory Agencies

Law
Revenue

Natural Resources