



Legislative
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HB 19-1047

FISCAL NOTE

Drafting Number: LLS 19-0604
Prime Sponsors: Rep. Buentello

Date: January 14, 2019
Bill Status: House Rural Affairs
Fiscal Analyst: Larson Silbaugh | 303-866-4720
Larson.Silbaugh@state.co.us

Bill Topic: METROPOLITAN DISTRICT FIRE PROTECTION SALES TAX

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government (<i>conditional</i>)
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill allows metropolitan districts to use sales tax revenue to pay for fire protection services. The fiscal impact for special districts is conditional on voter approval a new sales tax exclusively to provide fire protection services.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill.

Summary of Legislation

This bill allows metropolitan districts to use sales tax revenue to provide fire protection services.

Metropolitan districts are special districts that provide two or more specified government services. Under current law, districts may levy a property tax to provide each of these services and may use a sales tax to provide three specific services. Table 1 shows the services that can be provided by metropolitan districts with sales taxes and property taxes under current law and under HB 19-1047.

**Table 1
Allowable Property Tax and Sales Taxes for a Metropolitan District Services Under Current Law
and HB 19-1047**

Service	Property Tax	Sales Tax
Fire protection	Current Law	HB 19-1047
Mosquito control	Current Law	
Parks and recreation facilities	Current Law	
Traffic safety improvements	Current Law	Current Law
Sanitation services	Current Law	
Curbs, gutters, lighting, and other street improvements	Current Law	Current Law
Maintenance of television relay and translator facilities	Current Law	
Bus or rail services	Current Law	Current Law
Water sanitation services	Current Law	
Water	Current Law	
Solid waste disposal facilities or collection	Current Law	

Local Government

For metropolitan districts that levy a sales tax and provide fire protection services, this bill provides more budget flexibility by allowing them to use sales tax revenue to provide fire protection services.

For metropolitan districts that provide fire protection services and do not provide the three services that can be provided with a sales tax, this bill allows them to ask voters to levy a sales tax. If metropolitan districts submit a question to voters asking to levy a sales tax to provide fire protection services, there is a conditional local government impact. Metropolitan districts will have an election expenditure, and a revenue increase if voters approve the sales tax.

Effective Date

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

State Appropriations

No appropriation is required.

State and Local Government Contacts

Fire Chiefs Revenue Special Districts

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: leg.colorado.gov/fiscalnotes.