

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0077.02 Caroline Martin x5902

SENATE BILL 26-129

SENATE SPONSORSHIP

Marchman,

HOUSE SPONSORSHIP

Boesenecker,

Senate Committees
Local Government & Housing

House Committees

A BILL FOR AN ACT

101 CONCERNING MITIGATION OF THE IMPACTS OF TAX INCREMENT
102 FINANCING ON LOCAL GOVERNMENTS, AND, IN CONNECTION
103 THEREWITH, REQUIRING LOCAL CERTIFICATION OF IMPACT
104 REPORTS AND A REPORT ON THE IMPACT OF TAX INCREMENT
105 FINANCING ON EDUCATION FUNDING.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Current law requires county revitalization authorities and urban renewal authorities to, in certain instances, submit impact reports that

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

detail the potential impacts of a proposed urban renewal or county revitalization plan on local services and infrastructure. The bill requires taxing entities that would be subject to tax increment financing pursuant to a proposed urban renewal or county revitalization plan to file either a certification of or a technical rebuttal to an impact report. If a taxing entity does not file either a certification or a technical rebuttal within 45 days after a county revitalization authority or urban renewal authority's submission of an urban renewal or county revitalization impact report, the impact report is presumed certified. The bill also requires taxing entities that would be subject to tax increment financing pursuant to a downtown development authority's proposed plan of development to file either a certification of or a technical rebuttal to a downtown development authority's impact report.

On or before October 1, 2027, and on or before October 1 of each year thereafter, the legislative council staff is required to prepare a report or issue brief on the impact of tax increment financing on the state and local shares of education funding.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 30-31-103, **add**
3 (14.5) as follows:

4 **30-31-103. Definitions.**

5 As used in this article 31, unless the context otherwise requires:

6 (14.5) "TAXING ENTITY" MEANS A PUBLIC BODY THAT LEVIES
7 SALES OR PROPERTY TAXES AND WHOSE TAX REVENUE IS ALLOCATED AS
8 PART OF A PROPOSED OR FINALIZED COUNTY REVITALIZATION PLAN
9 PURSUANT TO SECTION 30-31-109 (13).

10 **SECTION 2.** In Colorado Revised Statutes, 30-31-109, **add**
11 (3)(d) as follows:

12 **30-31-109. Approval of county revitalization plans by local**
13 **governing body - definitions.**

14 (3) (d) WITHIN FORTY-FIVE DAYS OF A COUNTY OR AUTHORITY
15 SUBMITTING A COUNTY REVITALIZATION IMPACT REPORT IN CONNECTION
16 WITH A COUNTY REVITALIZATION PLAN IN ACCORDANCE WITH THIS

1 SUBSECTION (3), EACH TAXING ENTITY IMPACTED BY THAT PLAN SHALL
2 FILE EITHER A CERTIFICATION OF OR A TECHNICAL REBUTTAL TO THE
3 COUNTY REVITALIZATION IMPACT REPORT. IF A TAXING ENTITY DOES NOT
4 FILE EITHER A CERTIFICATION OR A TECHNICAL REBUTTAL, THE COUNTY
5 REVITALIZATION IMPACT REPORT IS PRESUMED CERTIFIED.

6 **SECTION 3.** In Colorado Revised Statutes, 31-25-103, **add** (7.3)
7 as follows:

8 **31-25-103. Definitions.**

9 As used in this part 1, unless the context otherwise requires:

10 (7.3) "TAXING ENTITY" MEANS A PUBLIC BODY THAT LEVIES SALES
11 OR PROPERTY TAXES AND WHOSE TAX REVENUE INCREMENT IS ALLOCATED
12 AS PART OF A PROPOSED OR FINALIZED URBAN RENEWAL PLAN PURSUANT
13 TO SECTION 31-25-107 (9)(a).

14 **SECTION 4.** In Colorado Revised Statutes, 31-25-107, **add**
15 (3.5)(d) and (14) as follows:

16 **31-25-107. Approval of urban renewal plans by local**
17 **governing body - definitions.**

18 (3.5) (d) WITHIN FORTY-FIVE DAYS OF AN AUTHORITY SUBMITTING
19 AN URBAN RENEWAL IMPACT REPORT IN CONNECTION WITH AN URBAN
20 RENEWAL PLAN IN ACCORDANCE WITH THIS SUBSECTION (3.5), EACH
21 TAXING ENTITY IMPACTED BY THAT PLAN SHALL FILE EITHER A
22 CERTIFICATION OF OR A TECHNICAL REBUTTAL TO THE URBAN RENEWAL
23 IMPACT REPORT. IF A TAXING ENTITY DOES NOT FILE EITHER A
24 CERTIFICATION OR A TECHNICAL REBUTTAL, THE URBAN RENEWAL IMPACT
25 REPORT IS PRESUMED CERTIFIED.

26 (14) ON OR BEFORE OCTOBER 1, 2027, AND ON OR BEFORE
27 OCTOBER 1 OF EACH YEAR THEREAFTER, THE LEGISLATIVE COUNCIL STAFF

1 SHALL PREPARE A REPORT OR ISSUE BRIEF ON THE IMPACT OF TAX
2 INCREMENT FINANCING ON THE STATE AND LOCAL SHARES OF EDUCATION
3 FUNDING. THE REPORT OR ISSUE BRIEF MUST QUANTIFY THE TOTAL
4 AMOUNT OF PROPERTY TAX REVENUE COLLECTED IN THE STATE IN THE
5 PREVIOUS FISCAL YEAR THAT WOULD HAVE BEEN DIRECTED TO FUNDING
6 EDUCATION IF NOT FOR TAX INCREMENT FINANCING.

7 **SECTION 5.** In Colorado Revised Statutes, 31-25-807, **add** (5)
8 as follows:

9 **31-25-807. Powers - duties.**

10 (5) WITHIN FORTY-FIVE DAYS AFTER A BOARD OR GOVERNING
11 BODY HAS SUBMITTED AN IMPACT REPORT RELATED TO TAX INCREMENT
12 FINANCING, EACH TAXING ENTITY THAT IS PROPOSED TO BE INCLUDED IN
13 THE TAX INCREMENT FINANCING PLAN SHALL FILE EITHER A CERTIFICATION
14 OF OR A TECHNICAL REBUTTAL TO THE IMPACT REPORT. IF A TAXING
15 ENTITY DOES NOT FILE EITHER A CERTIFICATION OR A TECHNICAL
16 REBUTTAL, THE IMPACT REPORT IS PRESUMED CERTIFIED.

17 **SECTION 6. Act subject to petition - effective date.** This act
18 takes effect at 12:01 a.m. on the day following the expiration of the
19 ninety-day period after final adjournment of the general assembly (August
20 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a
21 referendum petition is filed pursuant to section 1 (3) of article V of the
22 state constitution against this act or an item, section, or part of this act
23 within such period, then the act, item, section, or part will not take effect
24 unless approved by the people at the general election to be held in
25 November 2026 and, in such case, will take effect on the date of the
26 official declaration of the vote thereon by the governor.