



**Colorado
Legislative
Council
Staff**

HB16-1011

**FINAL
FISCAL NOTE**

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

Drafting Number: LLS 16-0495 **Date:** August 23, 2016
Prime Sponsor(s): Rep. Vigil **Bill Status:** Signed into Law
 Sen. Garcia; Grantham **Fiscal Analyst:** Damion Pechota (303-866-4789)

BILL TOPIC: METRO DIST AUTHORITY PROMOTE BUSINESS DEVELOPMENT

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures	Minimal workload increase	
Appropriation Required: None.		
Future Year Impacts: Ongoing minimal state workload increase.		

Summary of Legislation

Under current law, the board of a metropolitan district has the power to provide activities in support of business recruitment, management, and development within the district if the valuation assessment of the commercial property within the district is more than \$1.25 billion dollars. The bill removes the specified minimum valuation of commercial property for a metropolitan district's board to provide activities in support of business development within the district.

Background

Currently only one metropolitan district, the Southwest Public Improvement Metropolitan District, has sufficient commercial valuation to qualify for business development activities. There are an additional 1,472 metropolitan districts that will qualify for business development activities without the specified minimum valuation for assessment of commercial property.

State Expenditures

The bill will require that municipalities change their service plans to incorporate new authorizations for business development for the metropolitan districts. The Division of Local Government in the Department of Local Affairs receives amended service plans for public record. The increase in receiving and processing amended service plans will have a minimal workload increase for the division. The increased workload does not require additional appropriations.

Local Government Impact

The bill will have minimal impact on workload for local governments as described below.

Metropolitan districts. A metropolitan district will have increased legal costs and workload associated with amending a service plan to include business services. The increased costs will depend on the service plans and the review process for approving amended plans. Costs to provide new business services may also increase.

Cities and municipalities. A metropolitan district must notify the county or municipality in which it is located of any changes to the service plan. If the county or municipality determines that the changes are significant modifications, a hearing must be held to consider the amended plan. This hearing process will have minimal workload and cost for the county or municipality. In addition, the county or municipality may charge a limited fee deemed appropriate to review the service plan, this fee may also be waived.

Effective Date

The bill was signed into law by the Governor and took effect on April 15, 2016.

State and Local Government Contacts

Colorado Counties
Local Affairs
Property Tax

Colorado Municipal League
Office of Economic Development and International Trade
Special District Association

Research Note Available

An LCS Research Note for HB 16-1011 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.