



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature

HB 19-1052

FINAL
FISCAL NOTE

Drafting Number:	LLS 19-0319	Date:	May 28, 2019
Prime Sponsors:	Rep. McCluskie; Rich Sen. Rankin; Bridges	Bill Status:	Signed into Law
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Bill Topic: EARLY CHILDHOOD DEVELOPMENT SPECIAL DISTRICT

Summary of Fiscal Impact:

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

This bill authorizes the creation of an early childhood development service district to provide both direct and indirect early childhood developmental services. It increases state and local revenue and expenditures on an ongoing basis.

Appropriation Summary: No appropriation is required.

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

Summary of Legislation

This bill authorizes the creation of an Early Childhood Development Service District to provide both direct and indirect early childhood developmental services. Early childhood developmental services are services provided from birth to the age of eight including, but not limited to, early care and education, health, mental health, and developmental services.

Any district created must be formed and governed in accordance with the Special District Act. The bill specifies the process and requirements for the organization of the district, district service plan, public hearing and approval process to create the district, and powers of a created district which include the right to levy sales and use and property tax upon receipt of voter approval.

State Revenue

Beginning in FY 2019-20, and conditional upon local approval of a district service plan, filing fee cash fund revenue in the Judicial Department will increase if petitions are filed with the court to create a new special district. The increase in filing fees is expected to be minimal. Filing fee revenue is subject to TABOR; however, under the March 2019 Legislative Council Staff forecast, a TABOR surplus is not expected in FY 2019-20 or FY 2020-21.

State Expenditures

Beginning in FY 2019-20, this bill increases state agency workload as described below.

Judicial Department. This bill increases trial court workload by a minimal amount for the courts to review and approve any petitions submitted to create a new special district. If petitions are filed challenging the creation of the district workload will further increase. Because a district court judge can handle 549 cases per year and between 2016 and 2018, there was an average of 85 special district petitions filed with the trial courts each year, this impact is assumed to be minimal.

Department of Local Affairs. This bill minimally increases workload in the Division of Local Government to update special district publications, provide guidance to any newly created early childhood development service district, and to collect financial reporting information from the district. This workload can be accomplished within existing appropriations.

Department of Revenue. Conditional upon the creation of a new special district and approval by voters of sales and use tax, this bill minimally increases Department of Revenue costs and workload to collect and enforce the tax and distribute it to the district on a monthly basis. This cost can be accomplished within existing appropriations.

Local Government

Following the creation of an Early Childhood Development Service District, this bill increases special district revenue and costs. These impacts will vary based on the size of the district, voter authorized revenue, and services offered. Revenue is increased if district voters approve the collection of property or sales and use tax for the district. Costs, which could include staffing, contract, operating, and capital costs, are increased to hold an election and to provide early childhood development services.

Effective Date

The bill was signed into law by the Governor on April 3, 2019, and takes effect August 2, 2019, assuming no referendum petition is filed.

State and Local Government Contacts

Counties	County Clerks	Judicial	Local Affairs
Municipalities	Revenue	Special Districts	