

FISCAL NOTE

Drafting Number: LLS 20-0728 **Date:** January 21, 2020

Prime Sponsors: Rep. McCluskie; Wilson Bill Status: House Trans. & Local Govt. Fiscal Analyst: Josh Abram | 303-866-3561 Sen. Donovan

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COUNTY AUTHORITY LICENSE AND REGULATE BUSINESS Bill Topic:

Summary of **Fiscal Impact:** □ State Revenue □ State Expenditure

□ State Transfer

□ TABOR Refund □ Local Government

□ Statutory Public Entity

The bill allows a board of county commissioners to licenses and regulate any businesses located in the county. The bill increase county government expenditures

and revenue on an ongoing basis.

Appropriation Summary:

No appropriation is required.

Fiscal Note Status:

The fiscal note reflects the introduced bill.

Summary of Legislation

The bill gives a local board of county commissioners the authority to license and regulate any business or business activity occurring within the county, including short-term rentals or the advertising of such rentals. County commissioners may fix the fees, terms, and manner for issuing and revoking business licenses for regulated businesses.

Local Government

Allowing counties to license and regulate businesses provides for the collection and remittence of local sales tax and/or lodging taxes by businesses in unincorporated areas. This may result in additional sales tax revenue for counties. Counties may also increase revenue from fees charged within the regulatory program. This potential revenue increase has not been estimated. New revenue obtained by counties will be spent in the daily operations and regulatory activities of those counties.

Effective Date

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

HB 20-1093

State and Local Government Contacts

Counties Local Affairs