



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note also dated November 17, 2023)

Drafting Number: LLS 23B-0021
Prime Sponsors: Rep. Snyder
Sen. Mullica

Date: November 17, 2023
Bill Status: House Appropriations
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Bill Topic: **PROPERTY TAX TASK FORCE**

Summary of Fiscal Impact:

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

The bill creates a legislative commission on property tax to consider causes of rising property taxes and potential solutions. The bill increases state expenditures in FY 2023-24.

Appropriation Summary: For the current FY 2023-24, the bill requires an appropriation of \$80,271 to the Legislative Department.

Fiscal Note Status: The fiscal note reflects the introduced bill, as amended by the House State, Civic, Veterans, and Military Affairs Committee.

Table 1
State Fiscal Impacts Under HB 23B-1003

		Current Year FY 2023-24	Budget Year FY 2024-25	Out Year FY 2025-26
Revenue		-	-	-
Expenditures	General Fund	\$80,271	-	-
	Centrally Appropriated	\$14,933	-	-
	Total Expenditures	\$95,204	-	-
	Total FTE	0.9 FTE	-	-
Transfers		-	-	-
Other Budget Impacts	General Fund Reserve	\$12,041	-	-

Summary of Legislation

The bill creates the Commission on Property Tax to identify the causes of increasing property taxes, review best practices for short- and long-term property tax relief, and make recommendations. The Legislative Council Staff and the Office of Legislative Legal Services must assist the task force.

The bill outlines the membership of the task force including legislators, the property tax administrator, and a variety of representatives of local governments. The commission may call subpanels to assist in forming recommendations. Legislative members receive compensation and reimbursement of expenses.

The task force must meet every week between November 27, 2023, and March 1, 2024, and report to Legislative Council by March 1, 2024. Following the report, the task force may disband, or extend through December 31, 2024.

State Expenditures

The bill increases state General Fund expenditures in the Legislative Department by \$95,204. Expenditures are shown in Table 2 and detailed below. This estimate assumes that the commission will disband after the first report on March 1, 2024. If the task force chooses to continue past this date through December 31, 2024, costs will depend on how frequently they meet.

Table 2
Expenditures Under HB 23B-1003

	FY 2023-24 <i>current year</i>	FY 2024-25	FY 2025-26
Legislative Department			
Personal Services	\$70,627	-	-
Operating Expenses	\$1,152	-	-
Legislator Per Diem	\$4,028	-	-
Legislator Travel Costs	\$4,464	-	-
Centrally Appropriated Costs ¹	\$14,933	-	-
Total	\$95,204	-	-
Total FTE	0.9 FTE	-	-

¹ Centrally appropriated costs are not included in the bill's appropriation.

Legislative Department. The Legislative Council Staff (LCS) and the Office of Legislative Legal Services (OLLS) will require staff to support the task force and the General Assembly will incur additional costs to facilitate meetings and reimburse members.

- **Staff.** LCS requires temporary 0.8 FTE, including 0.6 FTE for a research analyst and 0.2 FTE for an economist to support the task force. Duties include logistical support, research, presentations, and analysis of property tax relief proposals. OLLS requires temporary 0.1 FTE for an attorney to support the committee. Standard operating expenses are included.
- **Legislator per diem and travel costs.** The six legislators on the task force are eligible for per diem and travel cost compensation for the six meetings that will occur outside of the legislative session. Costs are based on standard per diem and interim committee travel reimbursements.

Department of Local Affairs. The Division of Property Taxation in the Department of Local Affairs will have increased workload for the property tax administrator to serve on the task force. No change in appropriations is required.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are shown in Table 2.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, decreasing the amount of General Fund available for other purposes.

Local Government

The bill increase workload and costs for the local governments that have representatives serving on the task force or the subpanels, including representatives from municipalities, special districts, county assessors, school boards, and county commissioners.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For the current FY 2023-24, the bill requires a General Fund appropriation of \$80,271 to the Legislative Department.

State and Local Government Contacts

Counties
Local Affairs

Legislative Council Staff

Legislative Legal Services