



**Legislative Council Staff**

*Nonpartisan Services for Colorado's Legislature*

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**Fiscal Note**

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| <b>Drafting Number:</b> | LLS 24-0805                   | <b>Date:</b>           | February 2, 2024                                  |
| <b>Prime Sponsors:</b>  | Sen. Simpson<br>Rep. Martinez | <b>Bill Status:</b>    | Senate Local Govt. & Housing                      |
|                         |                               | <b>Fiscal Analyst:</b> | Josh Abram   303-866-3561<br>josh.abram@coleg.gov |

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**Bill Topic:** **PROPERTY TAX DISTRAINT SALE MOBILE HOME**

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| <b>Summary of Fiscal Impact:</b> | <input type="checkbox"/> State Revenue                | <input type="checkbox"/> State Transfer | <input checked="" type="checkbox"/> Local Government |
|                                  | <input checked="" type="checkbox"/> State Expenditure | <input type="checkbox"/> TABOR Refund   | <input type="checkbox"/> Statutory Public Entity     |

The bill requires that any surplus revenue following the sale of a foreclosed mobile home by a county be returned to the property owner.

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**Appropriation Summary:** No appropriation is required.

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**Fiscal Note Status:** The fiscal note reflects the introduced bill.

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**Summary of Legislation**

Under current law, any surplus of the sale proceeds from the public auction of a mobile home seized by a county for back property taxes may be credited to the counties' general fund. This bill requires that surplus sale proceeds be paid instead to the owner of the mobile home, or any other person having a legal right of ownership. Surplus proceeds are the amount remaining after accounting for back taxes, interest, and the administrative cost of conducting the sale. The owner of a mobile home that is located on leased land or other land not owned by the mobile home owner has two years to redeem the proceeds from sale of the seized property.

**State Expenditures**

The bill minimally increases workload in the Mobile Home Park Oversight Program in the Division of Housing in the Department of Local Affairs (DOLA). The program conducts education and outreach efforts to mobile home owners and landlords, and responds to questions and complaints from park residents and owners. This effort does not require new appropriations.

## **Local Government**

Following the distraint sale of a mobile home to collect delinquent property taxes, any surplus income from the sale must be returned to the mobile home property owner, and not retained by the county government that foreclosed on the home. In limited circumstances, this reduces local government revenue from these sales. Counties will also have additional workload and costs to conduct auctions to sell these properties, which may be offset by fees charged as part of the auction.

## **Effective Date**

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## **State and Local Government Contacts**

Counties

Local Affairs

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).