

STATE OF COLORADO

Colorado General Assembly

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MEMORANDUM

TO: Dave Davia and Michael Fields
FROM: Legislative Council Staff and Office of Legislative Legal Services
DATE: April 3, 2024
SUBJECT: Proposed initiative measure 2023-2024 #295, concerning Valuation for Assessments

Section 1-40-105 (1), Colorado Revised Statutes, requires the directors of the Colorado Legislative Council and the Office of Legislative Legal Services to "review and comment" on initiative petitions for proposed laws and amendments to the Colorado constitution. We hereby submit our comments to you regarding the appended proposed initiative.

The purpose of this statutory requirement of the directors of Legislative Council and the Office of Legislative Legal Services is to provide comments intended to aid proponents in determining the language of their proposal and to avail the public of knowledge of the contents of the proposal. Our first objective is to be sure we understand your intent and your objective in proposing the amendment. We hope that the statements and questions contained in this memorandum will provide a basis for discussion and understanding of the proposal.

This initiative was submitted with a series of initiatives including proposed initiatives 2023-2024 #294 and 296 to 306. The comments and questions raised in this memorandum will not include comments and questions that were addressed in the memoranda for proposed initiatives 2023-2024 #294 and 296 to 306, except as necessary to fully understand the issues raised by the revised proposed initiative. Comments and questions addressed in those other memoranda may also be relevant, and those questions and comments are hereby incorporated by reference in this memorandum.

Earlier versions of this proposed initiative, proposed initiatives 2023-2024 #198 to 200 were the subject of memoranda dated February 19, 2024 and were discussed at public meetings on February 23, 2024 and proposed initiatives 2023-2024 #244 to 249 were the subject of memoranda dated March 20, 2024 and were discussed at public meetings on March 22, 2024. The substantive and technical comments and questions raised in this memorandum will not include comments and questions that were addressed at the earlier meetings, except as necessary to fully understand the issues raised by the revised proposed initiative. However, the prior comments and questions that are not restated here continue to be relevant and are hereby incorporated by reference in this memorandum.

Purposes

The major purposes of the proposed amendment to the **Colorado Revised Statutes** appear to be:

1. Lowering the valuation for assessment of all taxable nonresidential property in the state, excepting residential real property, producing mines, lands or leaseholds producing oil or gas, agricultural property, or renewable energy production property, on or after January 1, 2025, by one percentage point per year for five years from 29 percent to 24 percent of actual value;
2. Setting the valuation for assessment for the same taxable nonresidential property for subsequent years at 24 percent of actual value;
3. Lowering the valuation for assessment for residential real property and multi-family residential real property on or after January 1, 2025, by 0.37 percent per year for five years from 7.15 percent to 5.3 percent of actual value;
4. Setting the valuation for assessment for the same residential real property and multi-family residential real property for subsequent years at 5.3 percent of actual value;
5. No later than April 15 of each year, requiring the state treasurer to issue a warrant to reimburse local districts for revenue loss due to the reduced valuations for assessment set forth in the proposed initiative; and
6. Requiring the general assembly to appropriate reimbursements to the maximum extent practicable.

Substantive Comments and Questions

There are no new substantive comments.

Technical Comments

There are no new technical comments.