



**Colorado
Legislative
Council
Staff**

HB16-1067

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0643
Prime Sponsor(s): Rep. Mitsch Bush
Sen. Donovan

Date: January 21, 2016
Bill Status: House Local Government
Fiscal Analyst: Larson Silbaugh (303-866-4720)

BILL TOPIC: REGIONAL TRANSPORTATION AUTHORITY MILL LEVY

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures		
FTE Position Change		
Appropriation Required: None.		
Future Year Impacts: Conditional state expenditure increase.		

Summary of Legislation

This bill extends the authority of Regional Transportation Authorities (RTAs) to impose a property tax of five mills until January 1, 2029, if approved by voters. Under current law, they are permitted to levy this property tax until 2019.

Background

RTAs are formed by two or more local governments to finance, construct, operate, and maintain regional transportation systems. They are authorized to issue bonds to be repaid through several means, including motor vehicle registration fees, sales and use taxes, and visitor benefit taxes. Sales and use taxes are the primary source of RTA funding. The creation of RTAs, and the imposition of any new taxes must be approved by voters within the proposed authority's boundaries. The following five RTAs have been organized and are currently operating in Colorado:

- Roaring Fork Transportation Authority
- Gunnison Valley Transportation Authority
- Pikes Peak Rural Transportation Authority
- Baptist Road Rural Transportation Authority
- South Platte Valley Regional Transportation Authority

None of the RTAs currently levy a property tax.

State Expenditures

The Department of Revenue will have an increased workload if voters of an RTA approve a mill levy increase that applies to motor vehicles. The Division of Motor Vehicles works with local governments to collect county specific taxes when vehicles are registered. If voters approve a mill levy increase that applies to vehicles for an RTA, programming may be required to the state's vehicle registration software to account for the new tax.

Local Government Impact

The bill extends the statutory authority of local governments, acting through RTAs, to levy a property tax. Because the property taxes are subject to approval by voters within the RTA, the bill is assessed as having a conditional fiscal impact. Any costs for conducting the election would be paid by the local governments affiliated with the RTA. If a property tax is approved, any costs for issuing bonds and making transportation improvements will be paid from tax proceeds. These costs cannot be determined at this time.

Effective Date

The bill takes effect August 10, 2016, if the General Assembly adjourns on May 11, 2016, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Local Affairs
Revenue

Office of Information Technology
Transportation

Property Tax