



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Fiscal Note

**Drafting Number:** LLS 23-0605      **Date:** March 27, 2023  
**Prime Sponsors:** Rep. Sharbini; Lindsay      **Bill Status:** House Trans. & Local Govt.  
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**Bill Topic:**      **TASK FORCE TO STUDY CORPORATE HOUSING OWNERSHIP**

**Summary of Fiscal Impact:**

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

The bill creates a task force to study corporate ownership of housing. The bill increases state expenditures in FY 2023-24 and FY 2024-25 only.

**Appropriation Summary:** For FY 2023-24, the bill requires an appropriation of \$85,386 to the Department of Local Affairs, and \$944 to the Legislative Department.

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

**Table 1**  
**State Fiscal Impacts Under HB 23-1253**

		Budget Year FY 2023-24	Out Year FY 2024-25
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund	\$86,330	\$37,635
	Centrally Appropriated	\$6,783	\$3,811
	<b>Total Expenditures</b>	<b>\$93,113</b>	<b>\$41,446</b>
	<b>Total FTE</b>	<b>0.4 FTE</b>	<b>0.2 FTE</b>
<b>Transfers</b>		-	-
<b>Other Budget Impacts</b>	General Fund Reserve	\$12,950	\$5,645

## Summary of Legislation

The bill creates the eight-member Task Force on Corporate Housing Ownership in the Division of Housing in the Department of Local Affairs (DOLA). The task force, including two legislators, must examine home sales since January 2008 and report the total number of home sales within specified sales price ranges, and the number of home sales for occupied and unoccupied homes that resulted in partial or exclusive ownership by a corporation. The task force may consider recommending a fee on corporations to fund a grant program to award money to organizations addressing housing issues.

The task force must convene no later than December 1, 2023, meet at least once quarterly, and report to the local government committees of the legislature no later than October 1, 2025. Non-legislative members of the task force receive no compensation. Legislative Council Staff may supply assistance to the task force. The task force is repealed September 1, 2027.

## Assumptions

Although the task force includes legislative members, it is created in the executive branch in the DOLA and will primarily receive staff support from the Division of Housing. Legislative expenses include only per diem for members attending task force meetings outside the regular legislative session, and do not require an increase in appropriations for any staff support from Legislative Council. The task force is repealed September 1, 2027; however, this fiscal note assumes the task force will complete its charge and make its report no later than October 1, 2025.

## State Expenditures

In FY 2023-24, the bill increases state expenditures in the DOLA by \$92,169, and in the Legislative Department by \$944. In FY 2024-25, new costs in the DOLA are \$40,974, and in the Legislative Department are \$472. State expenditures are paid from the General Fund. Expenditures are shown in Table 2 and detailed below.

**Table 2  
 Expenditures Under HB 23-1253**

	FY 2023-24	FY 2024-25
<b>Department of Local Affairs</b>		
Personal Services	\$25,386	\$17,163
Professional Facilitator	\$50,000	\$20,000
Home Sales Data	\$10,000	
Centrally Appropriated Costs <sup>1</sup>	\$6,783	\$3,811
FTE – Personal Services	0.4 FTE	0.2 FTE
<b>Dept. Subtotal</b>	<b>\$92,169</b>	<b>\$40,974</b>
<b>Legislative Department</b>		
Legislator Per Diem	\$944	\$472
<b>Total</b>	<b>\$93,113</b>	<b>\$41,446</b>
<b>Total FTE</b>	<b>0.4 FTE</b>	<b>0.2 FTE</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**Department of Local Affairs.** DOLA will have administrative expenses for staff support to the task force, which includes contracting with a professional facilitator, managing all task force logistics, conducting research, and preparing legislative reports. The facilitator contract is estimated at \$50,000 in FY 2023-24, and \$20,000 in FY 2024-25. DOLA will also have costs to obtain data on home sales. Personal service costs in FY 2023-24 are prorated for the bill's effective date. Personal services costs in FY 2024-25 are prorated for a four-month impact.

**Legislative Department.** The legislative members must be paid per diem for participation in task force meetings that occur outside of the regular legislative session.

**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.

## Effective Date

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

## State Appropriations

For FY 2023-24, the bill requires the following General Fund appropriations:

- \$85,386 to the Department of Local Affairs, and 0.4 FTE; and
- \$944 to the Legislative Department.

## State and Local Government Contacts

Law

Legislature

Local Affairs