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Nonpartisan Services for Colorado's Legislature

HB 20-1161

FISCAL NOTE

Drafting Number: LLS 20-0541 Date: February 5, 2020
Prime Sponsors: Rep. Bird Bill Status: House Finance
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Bill Topic: PRIVATE ACTIVITY BOND ALLOCATION

- Summary of Fiscal Impact: State Revenue, State Expenditure, State Transfer, TABOR Refund, Local Government, Statutory Public Entity

The bill eliminates the Bond Allocation Committee and removes current restrictions on fee revenue in the Department of Local Affairs.

Appropriation Summary: No appropriation is required.

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

Summary of Legislation

The bill eliminates the Bond Allocation Committee. Under current law, the committee reviews and makes recommendations to the executive director of the Department of Local Affairs (DOLA) regarding statewide priorities for the allocation of bonding authority. The bill instead requires that The State Housing Board conduct the review and make the recommendations. The bill also eliminates a requirement that DOLA limit the amount of the direct allocation fee paid by bond issuers to no more than 30 percent of department costs related to private activity bond allocation, and eliminates the executive director's authority to promulgate rules to implement the statutes that govern private activity bond allocation.

State Revenue

The bill potentially affects cash fund revenue to the DOLA. The DOLA may set a fee for administering direct allocations of bonding authority, but must not collect more than thirty percent of expenses from this fee. Removing this requirement allows the department to balance the cost of the private activity bond program more evenly between the direct allocation fee and other revenue sources. The bill does not directly require a change in the fees charged.

State Expenditures

The bill shifts workload from a The Bond Allocation Committee, which meets only intermittently, to The State Housing Board, which meets regularly. This workload does not require additional appropriations to the DOLA.

Effective Date

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Local Affairs