



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Final Fiscal Note

<b>Drafting Number:</b>	LLS 23B-0021	<b>Date:</b>	December 1, 2023
<b>Prime Sponsors:</b>	Rep. Snyder Sen. Mullica, Fenberg	<b>Bill Status:</b>	Signed into Law
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**Bill Topic:** PROPERTY TAX TASK FORCE

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

The bill creates a legislative commission on property tax to consider causes of rising property taxes and potential solutions. The bill increases state expenditures in FY 2023-24 only.

**Appropriation Summary:** For the current FY 2023-24, the bill requires and includes an appropriation of \$80,271 to the Legislative Department.

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

**Table 1**  
**State Fiscal Impacts Under HB 23B-1003**

		Current Year FY 2023-24	Budget Year FY 2024-25	Out Year FY 2025-26
<b>Revenue</b>		-	-	-
<b>Expenditures</b>	General Fund	\$80,271	-	-
	Cash Funds	\$32,500		
	Centrally Appropriated	\$14,798	-	-
	<b>Total Expenditures</b>	<b>\$127,569</b>	-	-
	<b>Total FTE</b>	<b>0.9 FTE</b>	-	-
<b>Transfers</b>		-	-	-
<b>Other Budget Impacts</b>	General Fund Reserve	\$12,041	-	-

**Summary of Legislation**

The bill creates the Commission on Property Tax to identify the causes of increasing property taxes, review best practices for short- and long-term property tax relief, and make recommendations. The Legislative Council Staff, the Office of Legislative Legal Services, and a contracted facilitator will support the task force.

The bill outlines the membership of the task force including legislators, the property tax administrator, representatives of local governments, and other stakeholders. The commission may create subpanels to assist in developing recommendations. Legislative members receive compensation and reimbursement of expenses.

The task force must meet twice per month between December 2023 and February 2024, and report to Legislative Council by March 2024. Following the report, the task force may disband, or vote to extend itself through December 31, 2024.

**State Expenditures**

For the current FY 2023-24, The bill increases state expenditures in the Legislative Department by about \$128,000. These costs, which are paid from the General Fund and the Legislative Department Cash Fund, are shown in Table 2 and detailed below. This estimate assumes that the commission will disband after the first report. If the task force continues past this date, costs will be higher than estimated and depend on how frequently and for how much longer they meet.

**Table 2  
Expenditures Under HB 23B-1003**

	<b>FY 2023-24 Current Year</b>	<b>FY 2024-25 Budget Year</b>	<b>FY 2025-26 Out Year</b>
<b>Legislative Department</b>			
Personal Services	\$70,627	-	-
Operating Expenses	\$1,152	-	-
Legislator Per Diem	\$8,492	-	-
Facilitator Contract	\$32,500	-	-
Centrally Appropriated Costs <sup>1</sup>	\$14,798	-	-
<b>Total Costs</b>	<b>\$127,569</b>	-	-
<b>Total FTE</b>	<b>0.9 FTE</b>	-	-

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

**Legislative Department.** The Legislative Council Staff (LCS) and the Office of Legislative Legal Services (OLLS) will require staff to support the task force and the General Assembly will incur additional costs to facilitate meetings and reimburse members. All costs are paid from the General Fund, except that the contracted facilitator will be paid from the Legislative Department Cash Fund.

- **Staff.** LCS requires temporary 0.8 FTE, including 0.6 FTE for a research analyst and 0.2 FTE for an economist to support the task force. Duties include logistical support, research, presentations, and analysis of property tax relief proposals. OLLS requires temporary 0.1 FTE for an attorney to support the committee. Standard operating expenses are included.
- **Legislator per diem and travel costs.** The four legislators on the task force are eligible for per diem and travel cost compensation for the three meetings that will occur outside of the legislative session. Costs reflect what was included in the appropriations clause.
- **Facilitator Contract.** LCS will contract with the facilitator appointed by the commission. Costs are based on similar facilitators used for prior task forces, and accounting for the condensed timeline and the scope of work. This cost will be paid from the Legislative Department Cash Fund, which is continuously appropriated for use by the Legislative Department.

**Department of Local Affairs.** The Division of Property Taxation in the Department of Local Affairs will have increased workload for the property tax administrator to serve on the task force. No change in appropriations is required.

**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.

## Local Government

The bill increase workload and costs for the local governments that have representatives serving on the task force or the subpanels, including representatives from municipalities, special districts, county assessors, school boards, and county commissioners.

## Effective Date

The bill was signed into law by the Governor and took effect on November 28, 2023

## State Appropriations

For the current FY 2023-24, the bill includes an appropriation of \$80,271 from the General Fund to the Legislative Department, and 0.9 FTE, as follows:

- \$8,492 to the General Assembly for legislator per diem and reimbursement;
- \$63,185 and 0.8 FTE to Legislative Council Staff; and
- \$8,594 and 0.1 FTE to the Office of Legislative Legal Services.

No appropriation is required for the portion of the costs from the Legislative Department Cash Fund.

**State and Local Government Contacts**

Counties  
Local Affairs

Legislative Council Staff

Legislative Legal Services