



Colorado
Legislative
Council
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MEMORANDUM

February 1, 2010

TO: Representative Bradford
FROM: Todd Herreid, Fiscal Director (303-866-2633)
SUBJECT: Fiscal Assessment of Proposed Amendment **HB1093_L.003**.

This memorandum is an assessment of the fiscal impact of the attached proposed amendment to **HB10-1093**. This fiscal assessment is for the impact of the bill with inclusion of this amendment only. Any other added amendment could influence the fiscal impact.

Summary of Proposed Amendment

The amendment strikes language in the bill that prohibits assessors from considering the value of personal property when making determinations about the value of real property. The amendment also restricts the provisions of the bill to only apply to residential real property or vacant land.

Fiscal Impact of Amendment

The amendment reduces the fiscal impact associated with the bill. The fiscal note estimated a \$759.7 million reduction in assessed value relating to railroad and airline property. This generated an annual school finance expenditure of \$15.2 million, starting in FY 2011-12. The amendment reduces the annual school finance expenditure to at least \$16,000 in FY 2011-12. The local property tax impact is similarly reduced from a maximum loss of \$58.5 million per year to at least \$57,000 per year.

Bill's Revised Fiscal Impact with Amendment

With the adoption of the amendment, the bill will continue to be assessed as having a *State and Local Fiscal Impact*. The magnitude of the state's school finance expenditure would be reduced along with the local government revenue loss.