

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 14-0679	Date: January 23, 2014
Prime Sponsor(s): Sen. Grantham Rep. Fields	Bill Status: Senate Business, Labor, & Technology
	Fiscal Analyst: Alex Schatz (303-866-4375)

SHORT TITLE: STATUTORY PROP VALUATION ARBITRATOR QUALIFICATIONS

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue		
State Expenditures	Minimal workload impact.	
FTE Position Change		
Appropriation Required: None		

** This summary shows changes from current law under the bill for each fiscal year.*

Summary of Legislation

Under current law, each county clerk and recorder maintains a list of arbitrators who are qualified to take appeals from a county board of equalization's property valuation decisions. In addition to possessing experience in property taxation and holding a Colorado real estate appraiser license, individuals on the list must be a legal professional, former county assessor, real estate broker, or a member of the Institute of Real Estate Appraisers.

This bill simplifies the qualifications for individuals to be listed as an arbitrator in property valuation cases. To serve as an arbitrator, the individual must be experienced in property taxation and hold a Colorado real estate appraiser license, but is not required to possess any additional qualifications.

Background

Following action by the county board of equalization on a property valuation protest, a taxpayer whose petition is denied in whole or in part may appeal the decision to the Board of Assessment Appeals or to the district court, or by submitting the appeal to the statutory arbitration process.

State Expenditures

The bill results in a one-time workload increase in the Department of Local Affairs (DOLA) and minimal changes in the ongoing workload of the Judicial Branch and the Board of Assessment Appeals.

The Division of Property Taxation in DOLA must update manuals, publications, and training materials to reflect changes in the bill. These updates occur on a regular basis and will not require new appropriations.

The arbitration process may become a more viable option in certain counties as a result of the bill. This change is only anticipated to be significant in smaller, rural counties, affecting a small number of cases and reducing by a minimal amount the workload of trial courts in the Judicial Branch and the workload of the Board of Assessment Appeals in DOLA.

Local Government Impact

The bill may result in minimal workload increase for some counties. Enlarging the pool of qualified arbitrators requires county clerks to modify the list maintained by their office. This bill is especially likely to generate new arbitrators for the list in rural counties, where qualification requirements under current law have deterred candidates in the past.

Effective Date

The bill takes effect August 6, 2014, if the General Assembly adjourns on May 7, 2014, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Local Affairs	Property Taxation	Assessors
Judicial Branch	Regulatory Agencies	Counties
Municipalities	Personnel and Administration	