



**Colorado  
Legislative  
Council  
Staff**

**HB16-1088**

**FINAL  
FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 16-0490  
**Prime Sponsor(s):** Rep. Dore  
Sen. Roberts

**Date:** June 14, 2016  
**Bill Status:** Signed into Law  
**Fiscal Analyst:** Josh Abram (303-866-3561)

**BILL TOPIC:** FIRE PROTECTION DIST IMPACT FEE ON NEW DEVELOPMENT

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures	Potential increase.	
<b>Appropriation Required:</b> None.		
<b>Future Year Impacts:</b> Ongoing potential increase in state expenditures.		

**Summary of Legislation**

This bill authorizes a local government to impose an impact fee on new construction to fund fire and emergency services provided by that local government. Prior to issuing a development permit, the local government is required to:

- confer with any fire and emergency services provider that will provide services to the new development, and with the owner or developer to assess and determine if an impact fee or other similar development charge is required; and
- enter into an intergovernmental agreement defining such fees or development charges and the details of collection and remittance.

A local government may not charge an impact fee or similar development charge on an individual landowner to fund any capital facility used for fire, rescue, and emergency services if the landowner is already required to pay an impact fee or development charge for another capital facility used to provide a similar service, or if the landowner has voluntarily contributed money for such a capital facility.

**State Expenditures**

Conditional upon the actions of local governments, the bill increases state expenditures for impact fees and other development charges paid to local governments. Because the bill allows additional impact fees, some construction or improvements managed by a state agency will be subject to fees should local governments choose to charge them. For example, the Department of Natural Resources manages a variety of new construction and improvement projects, particularly in the Division of Parks and Wildlife, the Colorado Oil and Gas Conservation Commission, and the State Lands Board, which obtains revenue in part from oil and gas leases on state lands.

### **Local Government Impact**

The bill is expected to increase fee revenue for local governments that choose to implement impact fees. The bill authorizes fees for local governments to offset the cost of providing fire and other emergency services to the areas within their jurisdiction, including areas under construction or development. The fiscal note assumes this permissive authority will be used by some local governments, increasing fee revenue for those governments. Since the number, location, and amount of impact fees or other development charges is unknown, no estimate is made on local government revenue or expenditures.

### **Effective Date**

The Governor signed the bill into law and it took effect on June 8, 2016.

### **State and Local Government Contacts**

Counties	Law
Local Affairs	Municipalities
Natural Resources	Office Of Information Technology
Public Health	Public Safety
Regulatory Agencies	Special District Association

### **Research Note Available**

An LCS Research Note for HB16-1088 is available online and through the iLegislate app. Research notes provide additional policy and background information about the bill and summarize action taken by the General Assembly concerning the bill.