



LOCAL CONDITIONAL FISCAL IMPACT

Drafting Number: LLS 10-0644
Prime Sponsor(s): Rep. Summers

Date: January 29, 2010
Bill Status: House Local Government
Fiscal Analyst: Harry Zeid (303-866-4753)

TITLE: CONCERNING THE AUTHORIZATION FOR COUNTY GOVERNMENTS TO OBTAIN VOTER APPROVAL TO LEVY SPECIFIED TAXES FOR THE PURPOSE OF PROVIDING FINANCIAL ASSISTANCE TO SPECIFIED INSTITUTIONS OF HIGHER EDUCATION WITHIN THEIR TERRITORIAL BOUNDARIES THAT ARE NOT UNIVERSITIES.

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
State Revenue		
State Expenditures		
FTE Position Change		
Effective Date: August 11, 2010, assuming the General Assembly adjourns May 12, 2010, as scheduled and no referendum petition is filed.		
Appropriation Summary for FY 2010-2011: None required.		
Local Government Impact: See the Local Government Impact section.		

Summary of Legislation

The bill authorizes county commissioners to seek voter approval to impose either a property tax increase or a sales tax increase to support a state college or community college whose main campus is located within the county. The governing body of the state college or the State Board for Community Colleges and Occupational Education must consent to placing the question on the ballot. Counties are precluded from imposing the tax in order to raise moneys on behalf of a university.

The bill specifies requirements concerning the ballot question, the levying and collection of the sales and property tax, and distribution of the tax revenue collected. The bill further specifies the permissible uses of the revenue.

State Expenditures

The Department of Revenue will continue to collect and enforce sales tax regulations for any sales tax imposed. The bill will not add any additional workload to collect the additional sales tax authorized by any statutory county for which the department already administers the sales tax.

Local Government Impact

Since the bill is permissive in allowing county commissioners to seek voter approval to raise the sales or property tax, the bill is assessed as having a local conditional fiscal impact. It is unknown whether any county will seek voter approval and whether voters of the county will approve such tax increases. If a tax increase is approved by the voters, the bill will increase revenue to the school for which the voters have approved the action. Election and administrative costs related to tax collection will occur if an election occurs and the outcome passes.

Departments Contacted

Local Affairs

Revenue