

First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

REDRAFT

1.8.23

Double underlining
denotes changes from
prior draft

DRAFT

LLS NO. 23-0425.01 Pierce Lively x2059

SENATE BILL

SENATE SPONSORSHIP

Pelton B.,

HOUSE SPONSORSHIP

Pugliese,

BILL TOPIC: "Property Tax Task Force"

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF THE PROPERTY TAX TASK FORCE.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill creates the property tax task force (task force). The task force consists of both members of the general assembly and individuals who are not members of the general assembly. The purpose of the task force is to develop a permanent and sustainable tax structure for the state of Colorado.

The task force is required to:

- Convene by July 15, 2023;
- Meet at least 4 times in its first year and at least 8 times

*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

- every year; and
● Submit reports with its findings and recommendations to the general assembly by November 1.

After the task force makes its first report to the general assembly, the task force may determine that it has fulfilled its purposes and the task force may be disbanded.

The task force is repealed on November 1, 2026.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds and declares that:

4 (a) Historic growth in property values has resulted in burdensome
5 property tax increases for homeowners, contributing to an increase in the
6 cost of housing;

7 (b) With the total assessed value of residential property expected
8 to increase thirty-eight and five-tenths percent from seventy-one billion
9 dollars to ninety-eight billion three hundred thousand dollars between
10 2021 and 2025, it's important that leaders come together to work toward
11 developing a property tax structure that balances the needs of
12 homeowners and the community;

13 (c) The state of Colorado has a long tradition of respecting local
14 control; in furtherance of that tradition, the general assembly declares that
15 buy-in and involvement from individuals with an intimate understanding
16 of the needs of their communities will be crucial in realizing its goal to
17 develop a permanent and sustainable property tax structure for the state
18 of Colorado; and

19 (d) There exists a disparity between the property taxes owed by
20 the owners of residential properties and the owners of other properties,
21 and this disparity must be cured if Colorado wishes to uphold its
22 reputation as a business-friendly state.

1 **SECTION 2.** In Colorado Revised Statutes, **add** 39-1-125 as
2 follows:

3 **39-1-125. Property tax task force - creation - powers and**
4 **duties - report - repeal.** (1) NOTWITHSTANDING SECTION 2-3-303.3,
5 THERE IS CREATED THE PROPERTY TAX TASK FORCE, REFERRED TO IN THIS
6 SECTION AS THE "TASK FORCE". THE TASK FORCE SHALL MEET AS
7 NECESSARY DURING ANY LEGISLATIVE SESSION OR ANY INTERIM BETWEEN
8 LEGISLATIVE SESSIONS TO DEVELOP A PERMANENT AND SUSTAINABLE
9 PROPERTY TAX STRUCTURE FOR THE STATE OF COLORADO.

10 (2) THE TASK FORCE CONSISTS OF THE FOLLOWING TWENTY-TWO
11 MEMBERS:

12 (a) SEVENTEEN VOTING MEMBERS CONSISTING OF:

13 (I) THREE MEMBERS FROM THE HOUSE OF REPRESENTATIVES WITH
14 EXPERIENCE IN LOCAL GOVERNMENT, APPOINTED BY THE GOVERNOR;

15 (II) THREE MEMBERS FROM THE SENATE WITH EXPERIENCE IN
16 LOCAL GOVERNMENT, APPOINTED BY THE GOVERNOR;

17 (III) THE PROPERTY TAX ADMINISTRATOR IN THE DIVISION OF
18 PROPERTY TAXATION OF THE DEPARTMENT OF LOCAL AFFAIRS;

19 (IV) ONE INDIVIDUAL WITH EXPERIENCE IN LOCAL GOVERNMENT,
20 APPOINTED BY A STATEWIDE ORGANIZATION REPRESENTING
21 MUNICIPALITIES AND LOCAL GOVERNMENTS;

22 (V) ONE INDIVIDUAL WHO HAS SERVED AS A COUNTY ASSESSOR,
23 APPOINTED BY THE COLORADO ASSESSORS' ASSOCIATION;

24 (VI) ONE INDIVIDUAL WITH EXPERIENCE IN SPECIAL DISTRICTS,
25 APPOINTED BY THE SPECIAL DISTRICT ASSOCIATION OF COLORADO;

26 (VII) TWO INDIVIDUALS WHO HAVE SERVED ON A LOCAL SCHOOL
27 BOARD, APPOINTED BY THE COLORADO ASSOCIATION OF SCHOOL BOARDS;

1 AND

2 (VIII) THE FOLLOWING COUNTY COMMISSIONERS, APPOINTED BY
3 A STATEWIDE ORGANIZATION REPRESENTING THE MAJORITY OF THE
4 COUNTIES IN COLORADO, AND REPRESENTING THE FOLLOWING REGIONS AS
5 DEFINED IN SECTION 26-5-103.5 (2)(d):

6 (A) ONE COUNTY COMMISSIONER FROM THE EASTERN REGION OF
7 COLORADO;

8 (B) ONE COUNTY COMMISSIONER FROM THE FRONT RANGE REGION
9 OF COLORADO;

10 (C) ONE COUNTY COMMISSIONER FROM THE MOUNTAIN REGION OF
11 COLORADO;

12 (D) ONE COUNTY COMMISSIONER FROM THE SOUTHERN REGION OF
13 COLORADO; AND

14 (E) ONE COUNTY COMMISSIONER FROM THE WESTERN REGION OF
15 COLORADO;

16 (b) FIVE NONVOTING MEMBERS CONSISTING OF:

17 (I) ONE INDIVIDUAL APPOINTED BY COLORADO CONCERN;

18 (II) ONE INDIVIDUAL APPOINTED BY THE COLORADO APARTMENT
19 ASSOCIATION;

20 (III) ONE INDIVIDUAL APPOINTED BY THE COLORADO CHAMBER OF
21 COMMERCE;

22 (IV) ONE INDIVIDUAL APPOINTED BY THE BUILDING OWNERS AND
23 MANAGERS ASSOCIATION INTERNATIONAL; AND

24 (V) ONE INDIVIDUAL APPOINTED BY THE COMMERCIAL REAL
25 ESTATE DEVELOPMENT ASSOCIATION.

26 (3) (a) ALL APPOINTMENTS DESCRIBED IN SUBSECTION (2) OF THIS
27 SECTION MUST BE MADE NO LATER THAN JUNE 1, 2023. MEMBERS OF THE

1 TASK FORCE SERVE AT THE PLEASURE OF THE APPLICABLE APPOINTING
2 AUTHORITY OR UNTIL THE MEMBER NO LONGER SERVES IN THE POSITION
3 FOR WHICH THAT MEMBER WAS APPOINTED TO THE TASK FORCE, AT WHICH
4 TIME A VACANCY IS DEEMED TO EXIST ON THE TASK FORCE. IF A VACANCY
5 ARISES ON THE TASK FORCE, THE APPROPRIATE APPOINTING AUTHORITY
6 SHALL APPOINT A REPLACEMENT MEMBER THAT MEETS THE
7 REQUIREMENTS SET FORTH IN SUBSECTION (2) OF THIS SECTION FOR THE
8 VACANT POSITION.

9 (b) STARTING IN 2023, THE TASK FORCE SHALL ELECT A CHAIR AND
10 A VICE-CHAIR AT THE FIRST MEETING HELD ON OR BEFORE JULY 15, 2023.
11 THE CHAIR AND VICE-CHAIR APPOINTMENTS MUST ALTERNATE BETWEEN
12 A MEMBER FROM THE HOUSE OF REPRESENTATIVES AND A MEMBER FROM
13 THE SENATE WITH THE FIRST CHAIR BEING FROM THE SENATE AND THE
14 FIRST VICE-CHAIR BEING FROM THE HOUSE OF REPRESENTATIVES. THE
15 PERSON SERVING AS CHAIR, OR A MEMBER OF THE SAME HOUSE IF SUCH
16 PERSON IS NO LONGER A MEMBER THEREOF, SHALL SERVE AS VICE-CHAIR
17 DURING THE NEXT LEGISLATIVE SESSION; AND THE PERSON SERVING AS
18 VICE-CHAIR, OR A MEMBER OF THE SAME HOUSE IF SUCH PERSON IS NO
19 LONGER A MEMBER THEREOF, SHALL SERVE AS CHAIR DURING THE NEXT
20 LEGISLATIVE SESSION.

21 (4) IN 2023, THE TASK FORCE SHALL MEET FOUR TIMES, WITH THE
22 FIRST MEETING OCCURRING NO LATER THAN JULY 15, 2023. STARTING IN
23 2024, THE TASK FORCE SHALL MEET AT LEAST EIGHT TIMES PER YEAR.
24 TASK FORCE MEETINGS MUST BE OPEN TO THE PUBLIC AND THE TASK
25 FORCE SHALL SOLICIT THE TESTIMONY OF THE MEMBERS OF THE PUBLIC.

26 (5) (a) THE MEMBERS OF THE TASK FORCE APPOINTED PURSUANT
27 TO SUBSECTIONS (2)(a)(I) AND (2)(a)(II) OF THIS SECTION ARE ENTITLED

1 TO RECEIVE COMPENSATION AND REIMBURSEMENT OF EXPENSES AS
2 PROVIDED IN SECTION 2-2-326.

3 (b) THE LEGISLATIVE COUNCIL STAFF AND THE OFFICE OF
4 LEGISLATIVE LEGAL SERVICES SHALL BE AVAILABLE TO ASSIST THE TASK
5 FORCE IN CARRYING OUT ITS DUTIES.

6 (6) NO LATER THAN NOVEMBER 1, 2024, AND NO LATER THAN
7 EACH NOVEMBER 1 THEREAFTER THROUGH NOVEMBER 1, 2026, THE TASK
8 FORCE SHALL MAKE A REPORT TO THE LEGISLATIVE COUNCIL CREATED IN
9 SECTION 2-3-301 THAT MAY OR MAY NOT INCLUDE RECOMMENDATIONS
10 FOR LEGISLATION.

11 (7) THE PURPOSES OF THE TASK FORCE ARE TO:

12 (a) IDENTIFY THE CAUSES OF INCREASINGLY BURDENSOME
13 PROPERTY TAXES ACROSS COLORADO;

14 (b) REVIEW BEST PRACTICES IN PUBLIC POLICY STRATEGIES THAT
15 CREATE SHORT-TERM AND LONG-TERM PROPERTY TAX RELIEF FOR
16 HOMEOWNERS AND BUSINESSES, WHILE PREVENTING LAPSES IN THE
17 ADMINISTRATION OF PUBLIC SERVICES BY LOCAL GOVERNMENTS THAT
18 RELY ON PROPERTY TAX REVENUE TO PROVIDE SUCH PUBLIC SERVICES;
19 AND

20 (c) MAKE RECOMMENDATIONS TO ASSIST IN THE DEVELOPMENT OF
21 SHORT-TERM AND LONG-TERM LEGISLATIVE CHANGES NEEDED TO CREATE
22 SHORT-TERM AND LONG-TERM PROPERTY TAX RELIEF FOR HOMEOWNERS
23 AND BUSINESSES.

24 (8) AT ANY POINT AFTER THE TASK FORCE MAKES ITS FIRST REPORT
25 REQUIRED BY SUBSECTION (6) OF THIS SECTION, THE TASK FORCE MAY
26 HOLD A VOTE TO DETERMINE WHETHER THE TASK FORCE HAS FULFILLED
27 ITS PURPOSES AS IDENTIFIED IN SUBSECTION (7) OF THIS SECTION. IF A

1 MAJORITY OF THE TASK FORCE VOTES TO AFFIRM THAT THE TASK FORCE
2 HAS FULFILLED ITS PURPOSES, THEN, NOTWITHSTANDING ANY OTHER
3 PROVISION OF THIS SECTION TO THE CONTRARY, THE TASK FORCE SHALL BE
4 DISBANDED AND SHALL NOT BE REQUIRED TO HOLD ADDITIONAL MEETINGS
5 UNDER SUBSECTION (4) OF THIS SECTION OR MAKE ADDITIONAL REPORTS
6 UNDER SUBSECTION (6) OF THIS SECTION.

7 (9) THIS SECTION IS REPEALED, EFFECTIVE NOVEMBER 1, 2026.

8 **SECTION 3. Safety clause. The general assembly hereby finds,**
9 **determines, and declares that this act is necessary for the immediate**
10 **preservation of the public peace, health, or safety.**