

HB 25-1334: CONDEMNATION AUTH OF CERTAIN SPECIAL DISTRICTS

Prime Sponsors: Fiscal Analyst:

Rep. Bacon Colin Gaiser, 303-866-2677 colin.gaiser@coleg.gov

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Fiscal note status: The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill clarifies that certain special districts cannot acquire state-owned property of a home rule local government through eminent domain.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

State Expenditures

Local Government

Appropriations. No appropriation is required.

Table 1 State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill clarifies that metropolitan districts and water and sanitation districts cannot exercise the power of eminent domain to acquire state-owned property or the property of a home rule local government. The bill does not affect the rights or liabilities of transactions that have vested as of the effective date of the bill or for past transactions.

State Expenditures

State legal expenses for litigation and other legal processes related to claims of eminent domain may decrease to the extent metropolitan districts or water and sanitation districts would have otherwise sought to acquire state-owned property through this method in the future. The use of eminent domain to acquire state property is assumed to occur rarely and no change in appropriations is required.

Local Government

The bill affects local governments in two ways.

First, metropolitan districts and water and sanitation districts can no longer purse a claim of eminent domain against state-owned property or the property of a home rule local government. This may increase their costs to adjust development plans or to pursue the purchase of alternate properties.

Second, similar to the state impact described above, legal expenses for home rule local governments may decrease from less litigation and other processes related to claims of eminent domain by metropolitan districts or water and sanitation districts.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Counties Law Local Affairs Municipalities Stadium Districts