SB25-261

JBC Staff Fiscal Analysis

House Appropriations Committee

Concerning the administration of the property tax deferral program, and, in connection therewith, reversing the 2022 shift of administrative responsibilities for the program from county treasurers to the state treasurer and rescinding eligibility for deferral for persons who are not seniors or persons called into active military service.

Prime Sponsors:
Senators Amabile; Kirkmeyer
Representatives Bird; Sirota

Date Prepared:
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JBC Analyst:
Louellen Lowe
303-866-2981

Fiscal Impacts

Appropriation Required, Amendment in Packet

General Fund Impact

Fiscal Note Status

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/07/25.

No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill.

Amendments in This Packet

J.001 Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001

Staff amendment **J.001** (attached) appropriates a total of $160,826 General Fund to the Department of Treasury for FY 2025-26.

Points to Consider

General Fund Impact

Appropriation adjustments related to the administration changes for the Property Tax Deferral program have been made in the Long Bill. The changes reflect a reduction of $2.5 million General Fund appropriations to the Department of Treasury in FY 2025-26.

The Joint Budget Committee has proposed a budget package for FY 2025-26 based on the March 2025 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes $18.2 million in set-asides for legislation outside of the package (see table below). The budget package accounts for the 15.0 percent reserve associated with the placeholders.

General Fund Appropriation Placeholders for Other 2025 Legislation	
Description	FY 2025-26 Appropriation
Juvenile diversion, deflection, or detention	$10,000,000
General Assembly legislative priorities	6,521,739
Voter approved initiatives	1,700,000
Total	$18,221,739

This bill requires a General Fund appropriation of $160,826 for FY 2025-26, reducing the $18.2 million set aside by the same amount.

Technical Issues

After introduction of the Long Bill, and after passage through the Senate Appropriations Committee, the Department of Treasury informed LCS and JBC staff that due to the requirements still placed on the Department to verify deferral applications once received from counties, to keep records of all approved deferrals, and to issue certificates of verification for deferral applications, the Department would need funding to support these functions. Specifically, prior to the passage of Senate Bill 22-220 moved administration of the program from the counties to the State Treasurer, the Department used an Access database for verification, record-keeping, and certification of deferrals. That database and the system that supports it are now obsolete. This funding would support a minimal system to maintain accurate records of deferral applications and certifications as required in statute.