

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 13-0747

Date: February 11, 2013

Prime Sponsor(s): Rep. Rankin

Bill Status: House Local Government

Fiscal Analyst: Alex Schatz (303-866-4375)

TITLE: CONCERNING THE ELIMINATION OF THE REQUIREMENT THAT A POLITICAL SUBDIVISION PROVIDE CERTAIN REPORTS ON AN ANNUAL BASIS.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue		
State Expenditures		
FTE Position Change		
Effective Date: August 7, 2013, if the General Assembly adjourns on May 8, 2013, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2013-2014: None required.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

Under current law, local governments are authorized to contract with one another to provide any function, service, or facility, including contracts that involve cost sharing, revenue sharing, or joint obligations on debt. By February 1 each year, local governments that have formed such contracts must file a list of such contracts with the Department of Local Affairs (DOLA).

This bill repeals the requirement that local governments file a list of contracts with the DOLA annually. Instead, the DOLA may make a written request for such a list from any local government. Upon receipt of a request from DOLA, a local government has 30 days to provide the list.

State Expenditures

The bill will have a minimal effect on the workload of the Division of Local Government (DLG) in the DOLA, with no adjustment in existing appropriations. Currently, approximately 1,000 out of 3,200 local governments annually report the status of contracts with other local governments, and the DLG expends minimal effort (less than 70 hours) filing these reports. Assuming the DLG solicits lists from all 3,200 local governments over the course of a 5-year cycle, and assuming the same number of local governments make a report, there is negligible change in the workload to maintain DLG records. If the DLG does not solicit reports or solicits reports more selectively, the bill may result in minimal savings to the DOLA.

Local Government Impact

The bill results in potential savings to approximately 1,000 local governments that are no longer required to make filings with the DLG on an annual basis. The workload involved with compiling a list of contracts with other local governments is minimal.

Departments Contacted

Local Affairs

Municipalities

Counties