



## Fiscal Note

### Legislative Council Staff

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## HB 26-1206: IMPROVED FUNDING TO SUPPORT DEVELOPMENT

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**Prime Sponsors:**

Rep. Joseph; Gonzalez R.  
Sen. Lindstedt; Benavidez

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**Version:** Third Revised Note

**Date:** May 7, 2026

**Fiscal note status:** This revised fiscal note reflects the reengrossed bill, as amended by the Senate Finance committee.

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### Summary Information

**Overview.** The bill allows cities and counties to enter into agreements with housing authorities to impose a sales and use tax on the existing tax base with voter approval, and dedicate the revenue to the housing authority. The bill also allows county housing authorities to issue bonds.

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

- Minimal State Workload
- Local Government

**Appropriations.** No appropriation is required.

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**Table 1**  
**State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
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**

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The bill allows cities and counties to enter into an intergovernmental agreement to impose a sales and use tax on the existing tax base of the city or county. The revenue from the tax will be dedicated to the housing authority. New taxes will require voter approval. The bill also allows county housing authorities to issue bonds.

## **Background**

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According to the Division of Local Government in the Department of Local Affairs, there are 29 county housing authorities and 89 municipal housing authorities in the state.

## **State Expenditures**

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The bill minimally increases workload in the Department of Revenue to update rates, collect, and administer sales and use taxes under the bill for state-collected city and county sales and use taxes. Workload is expected to be accomplished within existing appropriations.

## **Local Government**

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### **Local Revenue**

The bill conditionally increases sales and use tax revenue for city and county housing authorities. Revenue will depend on tax rates and market conditions.

The bill conditionally increases revenue from bond proceeds for county housing authorities that issue bonds.

### **Local Expenditures**

#### Local Elections

The bill conditionally increases expenditures for municipalities and counties related to elections seeking voter approval of new taxes.

#### Housing Authorities

County housing authorities that issue bonds will have increased costs related to obtaining financing and long-term debt service.

## **Effective Date**

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

## **State and Local Government Contacts**

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Counties

Personnel

Municipalities

Property Tax Division

Revenues

Revenue

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).