



COLORADO
MUNICIPAL
LEAGUE



OPPOSE
SB26-129



Mitigate Impacts of Tax Increment Financing (TIF)

WHAT DOES THE BILL DO?

Senate Bill 26-129 requires taxing districts to provide **costly and unnecessary certifications or rebuttals** to impact reports when TIF is used. Impact reports summarize the estimated property tax increment generated by a project and the portion allocated to fund the project, among other details.

The bill also **perpetuates the harmful myth that property tax revenue used in TIF “would have gone to education if not for tax increment financing”** by requiring Legislative Council Staff to annually quantify that amount.

That task would be impossible because **TIF does not divert existing tax revenue - it generates new revenue** that would otherwise not exist. The assumption that taxing bodies are “losing” money to TIF is practically, constitutionally, and legally incorrect.

WHY VOTE NO

SB26-129 makes it harder for local governments to revitalize communities and access funding through TIF for housing construction, environmental cleanup, and economic development.

SB26-129 imposes adversarial requirements into a collaborative and transparent process developed through years of hard work and compromise to achieve important goals. TIF already requires a detailed impact report and taxing entities have full authority to present objections at public hearings and through their representative member on Urban Renewal Authority boards.

Whether and how TIF is used in a project is the result of negotiation, partnership, and compromise. **This cooperative framework works, and SB26-129 would undermine it.**

CML RESPECTFULLY REQUESTS YOUR NO VOTE

SB26-129 misrepresents how TIF works and undermines tools that are already accountable, already cooperative, and already delivering results for Colorado communities.

CONTACT

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