



## Legislative Council Staff

*Nonpartisan Services for Colorado's Legislature*

## REVISED FISCAL IMPACT STATEMENT

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**Date:** December 17, 2019

**Fiscal Analyst:** Josh Abram (303-866-3561)

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**LCS TITLE:** PETITIONS

**Disclaimer.** *This initial fiscal impact statement has been prepared for the Title Board. If the initiative is placed on the ballot, Legislative Council Staff may revise this estimate for the ballot information booklet (Blue Book) if new information becomes available.*

**Note:** *This revised fiscal impact statement reflects the amended version of Initiative #127.*

### Summary of Measure

The measure amends both the state constitution and state statutes related to citizen petitions and referenda. The measure repeals most of the existing requirements in state law and the constitution related to submitting ballot measures, the conduct of review and comment hearings by legislative staff, the setting of single subject titles by the State Title Board, and the preparation of a statewide ballot voter guide (the Blue Book). The measure also eliminates the requirement that constitutional amendments secure signatures from electors in every senate district, and the requirement that adding provisions to the state constitution requires 55 percent of the vote to pass. Finally, the measure repeals all local initiative laws, and invalidates conflicting state laws relating to initiatives and referenda. Among its other provisions, the measure:

- modifies the filing process, the deadlines for gathering signatures, government administration, signature form requirements and review, qualifying signature thresholds, verification of valid signatures, enforcement, election timing, and the procedures and time lines for protests and appeals;
- revises and expands the role of the Colorado Supreme Court to review petitions, protests, and appeals;
- repeals the statute delineating the topics that can be considered in odd versus even year elections; and
- extends the statewide process for citizen initiatives and referenda to counties, local and home rule governments, enterprises, authorities, school districts, and other special districts.

Under current law, citizens are given 90 days to initiate a referendum petition to hold an election to invalidate, in whole or in part, legislation passed by the state legislature. However, the legislature may pass bills with a clause that exempts the legislation from this citizen initiated petition and election. This measure:

- limits the number of bills that the state legislature may exempt from a citizen referendum petition process;
- requires that an exempted bill receive 75 percent of the vote in each chamber of the legislature in order to pass; and
- requires voter approval for any subsequent bill offered on any rejected topic.

## State Revenue

The measure requires fines for individuals who illegally prevent the collection of signatures; however, details on what level of government is responsible for the enforcement, collection, and disposition of fine revenue is not included in the measure. Should enabling legislation determine that the state enforce these provisions and collect fines, state revenue may increase. Given the uncertainty of this implementation, state fine revenue is indeterminate and has not been quantified.

## State Expenditures

The measure is not anticipated to change the overall expenditures of state government; however, since this measure may increase the number of citizen initiated ballot measures in the future, workload for several agencies may be affected as described below.

**Judicial department.** The measure shifts some of the current workload and costs of district courts to the state supreme court by requiring that the supreme court act as the court of primary jurisdiction for all protests and appeals related to citizen initiatives.

Although no immediate increase in judicial department expenditures is anticipated, for every increase of 20 cases considered by the supreme court, the department requires the addition of 0.5 FTE Staff Attorney. Should the number of cases facing the Supreme Court exceed department resources, state expenditures will increase via the annual budget setting process.

**Secretary of State (SOS).** The measure shifts the current workload and costs for the SOS. The department will no longer participate in Title Board deliberations. Further, the department is prohibited from using the current statistical verification processes for validating petition signatures, and instead is restricted to counting and reporting the completion of petition forms. Although this potentially reduces the workload of the department, the measure also allows citizens to initiate both state and local petitions with the SOS, thus increasing the department's workload. Under current law, the SOS may only process statewide ballot measures.

**Legislative service agencies.** The measure shifts the workload for legislative service agency staff. For example, Joint Budget Committee staff must modify the supplemental appropriations and budget bill process to eliminate the use of exemptions to the referendum petition, since the measure only permits this exemption for one budget bill, presumably the annual appropriations act (the Long Bill). Staff attorneys in the Office of Legislative Legal Services will no longer participate in the Title Board or prepare memorandums for a ballot measure review and comment hearing; however, legal services may increase to advise the state legislature concerning the measure's implementation. Legislative Council Staff will no longer prepare initial fiscal impact statements for proposed ballot measures, or prepare a statewide voter guide for measures that reach the ballot. This workload decrease changes annually with the number of ballot measures initiated by citizens or referred by the legislature.

## Local Government Impact

Local governments without a petition process will be required to establish such a process, incurring administrative and computer programming costs. Local governments may also experience an increase in the number of petitions received. Changes in local government revenue and expenditures will depend upon the number of petitions filed.

The measure repeals and replaces existing local laws related to citizen initiatives, and may also require that any county clerk's office process any state or local citizen initiative. These provisions potentially increase workload and costs for county offices to assume these tasks. This includes processing citizen initiatives, preparing printed ballot petitions, verifying signatures, and validating petitions. Local governments will also have increased costs for legal services to attend to protests and appeals heard in the Supreme Court.

## **Economic Impacts**

While this measure may impact the number and type of citizen-initiative measures proposed or enacted in the future, Initiative #127 itself is not expected to have a direct economic impact on the state.

## **Effective Date**

If approved by voters at the 2020 general election, this measure takes effect upon proclamation of the Governor, no later than 30 days after the official canvass of the vote is completed.

## **State and Local Government Contacts**

Counties	County Clerks	Judicial
Law	Legislature	Secretary of State

## **Abstract of Initiative 127: PETITIONS**

*The abstract includes estimates of the fiscal impact of the proposed initiative. If this initiative is to be placed on the ballot, Legislative Council Staff will prepare new estimates as part of a fiscal impact statement, which includes an abstract of that information. All fiscal impact statements are available at [www.ColoradoBlueBook.com](http://www.ColoradoBlueBook.com) and the abstract will be included in the ballot information booklet that is prepared for the initiative.*

**This initial fiscal estimate, prepared by the nonpartisan Director of Research of the Legislative Council as of December 3, 2019, identifies the following impacts:**

**State revenue.** The measure imposes fines for certain offenses related to impeding the gathering of petition signatures. Fine revenue is indeterminate and has not been quantified.

**State expenditures.** The measure potentially increases the number of citizen initiated statewide ballot petitions. State workload and costs may increase due to a greater number of petitions administered by the Secretary of State, and because the state Supreme Court must review ballot disputes within newly established deadlines. Workload and costs may decrease to approve each petition because administrative processes have been eliminated and signatures will only be counted and not verified.

**Local government impact.** Local governments without a petition process will be required to establish such a process, incurring administrative and computer programming costs. Local governments may also experience an increase in the number of petitions received. Changes in local government revenue and expenditures is indeterminate and has not been quantified.

**Economic impacts.** While this measure may impact the number and type of citizen-initiative measures proposed or enacted in the future, Initiative #127 itself is not expected to have a direct economic impact on the state.