



**Colorado  
Legislative  
Council  
Staff**

**HB17-1088**

**FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 17-0489  
**Prime Sponsor(s):** Rep. Neville P.

**Date:** February 7, 2017  
**Bill Status:** House SVMA  
**Fiscal Analyst:** Chris Creighton (303-866-5834)

**BILL TOPIC:** VOTER SIGNATURE VERIFICATION & ELECTION PETITION PILOT

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022
<b>State Revenue</b>					
<b>State Expenditures</b>		<b>up to \$54,380</b>	<b>up to \$19,741</b>	<b>up to \$1,065,500</b>	<b>up to \$341,311</b>
Cash Funds	Workload increase.	up to 54,380	up to \$19,741	up to 1,065,500	up to \$341,311
<b>Appropriation Required:</b> None.					
<b>Future Year Impacts:</b> Ongoing state expenditure increase.					

**Summary of Legislation**

This bill requires the Department of State to compare each signature on a candidate petition with the signature stored in the statewide voter registration system (SCORE) for any candidate petition filed for an election conducted on or after January 1, 2018. Under current law, voter information including address and voter eligibility is validated, but signatures are not compared.

Beginning January 1, 2020, the Department of State must compare each signature on any ballot issue petition with the signature stored in SCORE, once it has been established that the issue petition has a sufficient number of signatures through random sampling. Under current law, signatures on ballot issue petitions are verified using random sampling with at least 4,000 signatures, or up to five percent of the signatures being verified. Similar to candidate petitions, signatures on issue petitions are validated by checking information including address and voter eligibility, but the signatures are not compared.

This bill also requires the Department of State to create a voluntary pilot program to test an electronic petition process in coordination with the county clerks.

**Background**

The Department of State uses the Integrated Document Solutions (IDS) group in the Department of Personnel and Administration (DPA) to validate candidate and issue petitions. Petitions are required to be validated within 30 days of being filed. When factoring in administrative time IDS has 25 days to complete the validation. Temporary staff are used to meet the workload

demand within this time period. The amount of temporary staff needed varies based on the number of petitions filed, the number of petition signatures, and the type of election.

**State Expenditures**

This bill increases state agency costs annually beginning in FY 2018-19 as shown Table 1. Workload is also increased beginning in FY 2017-18. These impacts are described below.

<b>Table 1. Expenditures Under HB17-1088</b>				
<b>Cost Components</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>
IDS Candidate Petition Verification	up to 54,380	up to 19,741	up to 54,380	up to 19,741
IDS Issue Petition Verification			up to 1,011,120	up to 321,570
<b>TOTAL</b>	<b>up to \$54,380</b>	<b>up to \$19,741</b>	<b>up to \$1,065,500</b>	<b>up to \$341,311</b>

**Integrated Document Solutions.** Beginning in FY2018-19, this bill increases IDS costs in the DPA. This is for temporary staff to review and verify voter information and signatures on candidate petitions for the Department of State. The requirement to verify each signature increases the amount of time necessary to complete the verification by 127 percent. This requires up to 3,320 additional temporary staff hours (16.6 temporary staff for a 25-day period) at a rate of \$16.38 per hour for an estimated cost increase of up to \$54,380. These costs are paid using funds reappropriated to the DPA from the Department of State. FY 2018-19 is a general election year and temporary staff needs are contingent on the number of candidate petitions filed and number of signatures in the petitions. Costs in non-general election years, such as FY 2019-20, will be less and are estimated to increase by at least \$19,741, but are also contingent on the number of candidate petitions filed and number of signatures in the petitions. Appropriate spending authority will be sought by the DPA in future years though the annual budget process.

IDS costs are further increased beginning in FY 2020-21 when signature verification of all signatures on issue petitions is required. This increases the number of signatures that will need to be verified in a general election year from 32,000 to 1,203,976. This requires up to 61,729 additional temporary staff hours (approximately 308.6 temporary staff for a 25-day period) at a rate of \$16.38 per hour for an estimated cost increase of up to \$1,011,120. In addition, up to \$54,380 will be needed for temporary staff to verify all candidate petition signatures, resulting in total costs of up to \$1,065,500. These costs are paid using reappropriated funds to the DPA from the Department of State. FY 2020-21 is a general election year and temporary staff needs are also dependent on the number of petitions received and the number of signatures in the petitions. For non-general election years, such as FY 2021-22, costs will be less and are estimated to increase by at least \$321,570. Appropriate spending authority will be sought by the DPA through the annual budget process.

While it is assumed that IDS will be used to meet the signature verification requirements in this bill, alternative solutions including the electronic petition pilot project will be explored by the Department of State and the most cost efficient signature verification method will be used. Additionally, the number of future issue petitions filed may decrease due to the passage of Amendment 71 in 2016, which changes the signature requirement for citizen initiatives, but the extent of any such decrease is unknown at this time and is not factored into this analysis.

**Office of Administrative Courts.** This bill potentially increases workload in the Office of

Administrative Courts (OAC) for administrative law judges to hear cases related to candidate and issue petitions. This would also increase Department of State costs. It is believed that any increase in workload resulting from this bill can be accomplished within the existing resources and additional appropriations will be requested through the annual budget process, if needed.

**Department of State rulemaking.** This bill increases Department of State workload in FY 2017-18 to promulgate rules regarding candidate petition signature verification and the electronic petition process pilot program. This workload increase can be accomplished within the department's existing rulemaking duties.

**Electronic Petition Pilot Program.** Department of State workload is increased to complete the pilot program in FY 2017-18. The City and County of Denver has created electronic petitioning and will allow the Department of State to use this program. Participation by counties is voluntary and all participating counties will be required to provide the supplies necessary to participate in the study. This workload can be accomplished within existing appropriations and no additional funds are needed due to the partnership with Denver and supply requirement for county participation. Depending on the outcome of the pilot, future funding may be needed to create electronic petitioning similar to that of Denver or to procure and implement a separate system.

### **Local Government Impact**

Counties will have increased workload and costs to participate in the electronic petition pilot program. Participation is voluntary and only the counties that choose to participate will be impacted.

### **Effective Date**

The bill takes effect August 9, 2017, if the General Assembly adjourns on May 10, 2017, as scheduled, and no referendum petition is filed.

### **State and Local Government Contacts**

Clerks	Counties
Information Technology	Local Affairs
Personnel and Administration	Secretary of State