



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature

HB 19-1079

**FINAL
FISCAL NOTE**

Drafting Number:	LLS 19-0499	Date:	May 7, 2019
Prime Sponsors:	Rep. Williams D.	Bill Status:	Postponed Indefinitely
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Bill Topic: END TAXPAYER-FUNDED LOBBYING ACT

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure (<i>minimal</i>)	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill prohibits state agencies from using public funds to pay for lobbying activities. The bill is expected to have a minimal ongoing decrease in departmental expenditures for lobbying activities.

Appropriation Summary: No change in appropriations is required.

Fiscal Note Status: The fiscal note reflects the introduced bill. This bill was not enacted into law; therefore the impacts identified in this analysis did not take effect.

Summary of Legislation

This bill prohibits state agencies from using public funds to pay for lobbying activities that are aimed at the General Assembly, members of the General Assembly, or staff agencies serving the General Assembly. Institutions of higher education are excluded from this prohibition, but the Department of Higher Education is included. Agencies may continue to employ a legislative liaison to provide information and testimony to the General Assembly as long as they refrain from lobbying activities and expressing their personal support or opposition to legislation.

Background

Most state agencies employ a legislative liaison who provides various services to the General Assembly, such as sharing information about programs and answering questions about department operations. Legislative liaisons may also lobby on behalf of the agency they work for. Most legislative liaisons are required to register as lobbyists with the Secretary of State, but they do not pay a registration fee. Legislative liaisons registered with the Secretary of State are required to submit monthly disclosure reports indicating the amount of public funds used for lobbying besides salary, the number of hours spent lobbying or preparing to lobby, the subjects and bills involved, and any state officials used for lobbying.

State Expenditures

The bill will result in a minimal decrease in expenditures for departments that use public funds for lobbying. Disclosure reports submitted to the Secretary of State found one department that had spent public funds for lobbying in addition to the salary paid to the liaison. In the prior two calendar years, the amount expended by this department averaged \$816 per year. The bill is expected to primarily change the type of work performed by legislative liaisons, which will now involve providing more informational services and non-lobbying testimony for the General Assembly and its service agencies.

Two state agencies currently employ independent contractors to serve as legislative liaisons and who lobby on their behalf. The fiscal note assumes that those individuals will continue to serve as liaisons, with a minimal reduction in expenditures to contract for those services.

Effective Date

The bill was postponed indefinitely by the House State, Veterans, and Military Affairs Committee on January 31, 2019.

Departmental Difference

The Department of Agriculture does not have designated legislative liaison on staff, but has historically contracted with a lobbying firm for those services at a cost of \$40,000 per year. They assert that they will need to hire a full-time legislative liaison at an estimated cost of \$113,387 in FY 2019-20 under the bill. The fiscal note assumes that the department can restructure the contract with a lobbying firm at the same cost of \$40,000 or lower to specify that the firm only provides informational services to the General Assembly about departmental programs and operations and will not lobby on behalf of the department.

State and Local Government Contacts

All State Agencies