

**Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 20-1130.01 Bob Lackner x4350

HOUSE BILL 20-1416

HOUSE SPONSORSHIP

Garnett and Neville,

SENATE SPONSORSHIP

Fenberg and Holbert,

House Committees

Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE MODIFICATION OF FISCAL INFORMATION PREPARED**
102 **BY LEGISLATIVE COUNCIL STAFF RELATED TO AN INITIATED**
103 **MEASURE.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Currently, the director of research of the legislative council (director) is required to prepare a fiscal impact statement for every initiative that is submitted to the title board. An abstract of this information is required to be included on a petition section that is circulated for signatures. **Section 2** of the bill modifies this process by:

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

- ! Requiring the director to prepare a fiscal summary that will appear on a petition section instead of an abstract;
- ! Specifying that the fiscal summary must include a qualitative description about the measure's impact on state and local government revenues, expenditures, taxes, or fiscal liabilities and of the economic impacts of the measure;
- ! Requiring the director to provide the fiscal summary when a measure is submitted to the title board;
- ! Requiring the director to only prepare the fiscal impact statement, which will not include an abstract, for those initiated measures for which the secretary of state has approved a petition section; and
- ! Requiring the fiscal impact statement to be finished 14 days after the petition section was approved.

Section 3 allows a proponent or registered elector to challenge a fiscal summary at a rehearing by the title board and the Colorado supreme court in the same manner as abstracts are challenged. **Section 5** requires the secretary of state to notify the director that a petition section for an initiative has been approved.

Sections 1, 4, and 6 include conforming amendments related to the fiscal summary replacing the abstract.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 1-40-102, **amend** the
3 introductory portion and (6) as follows:

4 **1-40-102. Definitions.** As used in this ~~article~~ ARTICLE 40, unless
5 the context otherwise requires:

6 (6) "Section" means a bound compilation of initiative forms
7 approved by the secretary of state, which shall include pages that contain
8 the warning required by section 1-40-110 (1), the ballot title, the ~~abstract~~
9 FISCAL SUMMARY required by section 1-40-110 (3), and a copy of the
10 proposed measure; succeeding pages that contain the warning, the ballot
11 title, and ruled lines numbered consecutively for registered electors'
12 signatures; and a final page that contains the affidavit required by section
13 1-40-111 (2). Each section shall be consecutively prenumbered by the

1 petitioner prior to circulation.

2 **SECTION 2.** In Colorado Revised Statutes, 1-40-105.5, **amend**
3 (2)(a), (2)(b), (2)(c)(II), (2)(c)(III), and (4); **repeal** (3); and **add** (1.5) as
4 follows:

5 **1-40-105.5. Initial fiscal impact statement - definition.**

6 (1.5) (a) FOR EVERY INITIATED MEASURE PROPERLY SUBMITTED TO THE
7 TITLE BOARD, THE DIRECTOR SHALL PREPARE A FISCAL SUMMARY THAT
8 CONSISTS OF THE FOLLOWING INFORMATION:

9 (I) A QUALITATIVE DESCRIPTION ABOUT THE MEASURE'S IMPACT
10 ON STATE AND LOCAL GOVERNMENT REVENUES, EXPENDITURES, TAXES, OR
11 FISCAL LIABILITIES IF IMPLEMENTED;

12 (II) A QUALITATIVE DESCRIPTION OF THE ECONOMIC IMPACTS OF
13 THE MEASURE IF IMPLEMENTED;

14 (III) ANY INFORMATION FROM THE INITIATED MEASURE OR A
15 DESCRIPTION OF STATE AND LOCAL GOVERNMENT IMPLEMENTATION IN
16 ORDER TO PROVIDE THE INFORMATION REQUIRED IN SUBSECTION
17 (1.5)(a)(I) OR (1.5)(a)(II) OF THIS SECTION; AND

18 (IV) THE FOLLOWING STATEMENT: "THE FISCAL SUMMARY IS
19 PREPARED BY THE NONPARTISAN DIRECTOR OF RESEARCH OF THE
20 LEGISLATIVE COUNCIL. A FISCAL IMPACT STATEMENT FOR THIS
21 INITIATIVE, WHICH MAY INCLUDE QUANTIFIABLE DATA, IS OR WILL BE
22 AVAILABLE AT WWW.COLORADOBLUEBOOK.COM.".

23 (b) IF AN INITIATED MEASURE HAS NO FISCAL IMPACT AS SPECIFIED
24 IN SUBSECTION (1.5)(a)(I) OR (1.5)(a)(II), THEN THE DIRECTOR MAY
25 INCLUDE A STATEMENT THAT THERE IS NO FISCAL IMPACT UNDER THAT
26 PROVISION.

27 (c) THE DIRECTOR SHALL NOTIFY THE SECRETARY OF STATE IF THE

1 WEBSITE FOR FISCAL SUMMARIES CHANGES, AND IN SUCH CASE, THE
2 STATEMENT REQUIRED IN SUBSECTION (1.5)(a)(IV) MUST INCLUDE THE
3 NEW WEBSITE.

4 (d) THE DIRECTOR SHALL PROVIDE THE DESIGNATED
5 REPRESENTATIVES OF THE PROPONENTS AND THE SECRETARY OF STATE
6 WITH THE FISCAL SUMMARY NO LATER THAN THE TIME OF THE TITLE
7 BOARD MEETING AT WHICH THE PROPOSED INITIATED MEASURE IS TO BE
8 CONSIDERED. THE TITLE BOARD SHALL NOT CONDUCT A HEARING ON THE
9 FISCAL SUMMARY AT THIS TITLE BOARD MEETING, AND THE DIRECTOR'S
10 FISCAL SUMMARY IS FINAL, UNLESS MODIFIED IN ACCORDANCE WITH
11 SECTION 1-40-107.

12 (2) (a) For every initiated measure ~~properly submitted to the title~~
13 ~~board under section 1-40-106~~, FOR WHICH THE SECRETARY OF STATE HAS
14 APPROVED A PETITION SECTION IN ACCORDANCE WITH SECTION 1-40-113
15 (1)(a), the director shall prepare an initial fiscal impact statement, taking
16 into consideration any fiscal impact estimate submitted by the designated
17 representatives of the proponents or other interested person that is
18 submitted in accordance with ~~paragraph (b) of this subsection (2)~~
19 SUBSECTION (2)(b) OF THIS SECTION, the office of state planning and
20 budgeting, and the department of local affairs. The director shall provide
21 the designated representatives of the proponents and the secretary of state
22 with ~~the~~ A COPY OF THE FISCAL impact statement no later than ~~the time of~~
23 ~~the title board meeting at which the proposed initiated measure is to be~~
24 ~~considered. The title board shall not conduct a hearing on the impact~~
25 ~~statement at this title board meeting, and the director's abstract that is~~
26 ~~included in the impact statement is final, unless modified in accordance~~
27 ~~with section 1-40-107~~. FOURTEEN DAYS AFTER THE PETITION SECTION WAS

1 APPROVED. The director shall also post the FISCAL IMPACT statement on
2 the legislative council staff website on the same day that it is provided to
3 the designated representatives of the proponents. THE FISCAL IMPACT
4 STATEMENT IS NOT SUBJECT TO REVIEW BY THE TITLE BOARD OR THE
5 COLORADO SUPREME COURT UNDER THIS ARTICLE 40.

6 (b) The designated representatives of the proponents or any other
7 interested person may submit a fiscal impact estimate that includes an
8 estimate of the effect the measure will have on state and local government
9 revenues, expenditures, taxes, and fiscal liabilities if it is enacted, OR A
10 DRAFT FISCAL SUMMARY WITH THE INFORMATION SPECIFIED IN
11 SUBSECTION (1.5) OF THIS SECTION. The director shall consider these
12 estimates and the bases thereon when preparing the initial fiscal impact
13 statement AND SHALL CONSIDER THE DRAFT FISCAL SUMMARY WHEN
14 PREPARING THE FISCAL SUMMARY.

15 (c) The initial fiscal impact statement must:

16 (II) Indicate whether there is a fiscal impact for the initiated
17 measure. and

18 (III) Include an abstract described in subsection (3) of this section.

19 (3) The abstract must include:

20 (a) An estimate of the effect the measure will have on state and
21 local government revenues, expenditures, taxes, and fiscal liabilities if the
22 measure is enacted;

23 (b) A statement of the measure's economic benefits for all
24 Coloradans;

25 (c) An estimate of the amount of any state and local government
26 recurring expenditures or fiscal liabilities if the measure is enacted;

27 (d) For any initiated measure that modifies the state tax laws, an

1 estimate, if feasible, of the impact to the average taxpayer if the measure
2 is enacted; and

3 (e) The following statement: "The abstract includes estimates of
4 the fiscal impact of the proposed initiative. If this initiative is to be placed
5 on the ballot, legislative council staff will prepare new estimates as part
6 of a fiscal impact statement, which includes an abstract of that
7 information. All fiscal impact statements are available at
8 www.ColoradoBlueBook.com and the abstract will be included in the
9 ballot information booklet that is prepared for the initiative.".

10 (4) The ~~abstract~~ FISCAL SUMMARY for a measure, as amended in
11 accordance with section 1-40-107, must be included in a petition section
12 as provided in section 1-40-110 (3).

13 **SECTION 3.** In Colorado Revised Statutes, 1-40-107, **amend**
14 (1)(a)(II), (1)(b), (2), (4), and (5.5) as follows:

15 **1-40-107. Rehearing - appeal - fees - signing.** (1) (a) (II) The
16 designated representatives of the proponents or any registered elector who
17 is not satisfied with the ~~abstract~~ FISCAL SUMMARY prepared by the director
18 of research of the legislative council of the general assembly in
19 accordance with section 1-40-105.5 may file a motion for a rehearing
20 with the secretary of state within seven days after the titles and
21 submission clause for the initiative petition are set on the grounds that:

22 (A) ~~An estimate included in the abstract is incorrect;~~
23 (B) The ~~abstract~~ FISCAL SUMMARY is misleading or prejudicial; or
24 (C) The ~~abstract~~ FISCAL SUMMARY does not comply with the
25 requirements set forth in ~~section 1-40-105.5(3)~~ SECTION 1-40-105.5(1.5).

26 (b) A motion for rehearing must be typewritten and set forth with
27 particularity the grounds for rehearing. If the motion claims that the

1 petition contains more than a single subject, then the motion must, at a
2 minimum, include a short and plain statement of the reasons for the claim.
3 If the motion claims that the title and submission clause set by the title
4 board are unfair or that they do not fairly express the true meaning and
5 intent of the proposed state law or constitutional amendment, then the
6 motion must identify the specific wording that is challenged. ~~If the~~
7 ~~motion claims that an estimate in the abstract is incorrect, the motion~~
8 ~~must include documentation that supports a different estimate.~~ If the
9 motion claims that the ~~abstract~~ FISCAL SUMMARY is misleading or
10 prejudicial or does not comply with the statutory requirements, the motion
11 must specifically identify the specific wording that is challenged or the
12 requirement at issue. The title board may modify the ~~abstract~~ FISCAL
13 SUMMARY based on information presented at the rehearing. If the motion
14 claims that the determination of whether the petition that proposes a
15 constitutional amendment only repeals in whole or in part a constitutional
16 provision is incorrect, the motion must include a short and plain statement
17 of the reasons for the claim.

18 (2) If any person presenting or the designated representatives of
19 the proponents of an initiative petition for which a motion for a rehearing
20 is filed, any registered elector who filed a motion for a rehearing pursuant
21 to subsection (1) of this section, or any other registered elector who
22 appeared before the title board in support of or in opposition to a motion
23 for rehearing is not satisfied with the ruling of the title board upon the
24 motion, then the secretary of state shall furnish such person, upon request,
25 a certified copy of the petition with the titles and submission clause of the
26 proposed law or constitutional amendment, the ~~abstract~~ FISCAL SUMMARY,
27 or the determination whether the petition repeals in whole or in part a

1 constitutional provision, together with a certified copy of the motion for
2 rehearing and of the ruling thereon. If filed with the clerk of the supreme
3 court within seven days thereafter, the matter shall be disposed of
4 promptly, consistent with the rights of the parties, either affirming the
5 action of the title board or reversing it, in which latter case the court shall
6 remand it with instructions, pointing out where the title board is in error.

7 (4) No petition for any initiative measure shall be circulated nor
8 any signature thereto have any force or effect which has been signed
9 before the titles and submission clause have been fixed and determined
10 as provided in section 1-40-106 and this section, or before the ~~abstract~~
11 FISCAL SUMMARY has been fixed and determined as provided in section
12 1-40-105.5 and this section.

13 (5.5) If the title board modifies the ~~abstract~~ FISCAL SUMMARY
14 pursuant to this section, the secretary of state shall provide the director of
15 research of the legislative council of the general assembly with a copy of
16 the amended ~~abstract~~ FISCAL SUMMARY, and the director shall post the
17 new version of the ~~abstract~~ FISCAL SUMMARY on the legislative council
18 website.

19 **SECTION 4.** In Colorado Revised Statutes, 1-40-110, amend (1)
20 and (3) as follows:

21 **1-40-110. Warning - ballot title.** (1) At the top of each page of
22 every initiative or referendum petition section shall be printed, in a form
23 as prescribed by the secretary of state, the following:

WARNING:

IT IS AGAINST THE LAW:

26 **For anyone to sign any initiative or referendum petition**
27 **with any name other than his or her own or to**

1 **knowingly sign his or her name more than once for the**
2 **same measure or to knowingly sign a petition when not**
3 **a registered elector who is eligible to vote on the**
4 **measure.**

5 **DO NOT SIGN THIS PETITION UNLESS YOU ARE**
6 **A REGISTERED ELECTOR AND ELIGIBLE TO**
7 **VOTE ON THIS MEASURE. TO BE A REGISTERED**
8 **ELECTOR, YOU MUST BE A CITIZEN OF**
9 **COLORADO AND REGISTERED TO VOTE.**

10 Before signing this petition, you are encouraged to read
11 the text or the title of the proposed initiative or referred
12 measure. ~~YOU ARE ALSO ENCOURAGED TO READ~~
13 ~~THE ABSTRACT OF THE INITIAL FISCAL~~
14 ~~IMPACT STATEMENT THAT IS INCLUDED AT~~
15 ~~THE BEGINNING OF THIS PETITION.~~

16 YOU ARE ALSO ENCOURAGED TO READ THE FISCAL
17 SUMMARY THAT IS INCLUDED AT THE BEGINNING OF THIS
18 PETITION.

19 By signing this petition, you are indicating that you
20 want this measure to be included on the ballot as a
21 proposed change to the (Colorado
22 constitution/Colorado Revised Statutes). If a sufficient
23 number of registered electors sign this petition, this
24 measure will appear on the ballot at the November
25 (year) election.

26 (3) For a petition section for a measure to be valid, the abstract
27 FISCAL SUMMARY prepared in accordance with section 1-40-105.5 (3)

1 must be printed on the first page of an initiative petition section.

2 **SECTION 5.** In Colorado Revised Statutes, 1-40-113, **add** (1)(d)
3 as follows:

4 **1-40-113. Form - representatives of signers.** (1) (d) THE
5 SECRETARY OF STATE SHALL NOTIFY THE DIRECTOR OF RESEARCH OF THE
6 LEGISLATIVE COUNCIL AT THE TIME A PETITION IS APPROVED PURSUANT TO
7 (1)(a) OF THIS SECTION.

8 **SECTION 6.** In Colorado Revised Statutes, 24-6-301, **amend**
9 (3.5)(a)(II.5) as follows:

10 **24-6-301. Definitions - legislative declaration.** As used in this
11 part 3, unless the context otherwise requires:

12 (3.5) (a) "Lobbying" means communicating directly, or soliciting
13 others to communicate, with a covered official for the purpose of aiding
14 in or influencing:

15 (II.5) The preparation of A FISCAL SUMMARY OR an initial fiscal
16 impact statement required by section 1-40-105.5. ~~C.R.S.~~:

17 **SECTION 7. Act subject to petition - effective date -
18 applicability.** (1) This act takes effect November 1, 2020; except that,
19 if a referendum petition is filed pursuant to section 1 (3) of article V of
20 the state constitution against this act or an item, section, or part of this act
21 within the ninety-day period after final adjournment of the general
22 assembly, then the act, item, section, or part will not take effect unless
23 approved by the people at the general election to be held in November
24 2022 and, in such case, will take effect on the date of the official
25 declaration of the vote thereon by the governor.

26 (2) This act applies to initiatives that are submitted for a title with
27 the state title board on or after the applicable effective date of this act.