

**NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.**

# An Act

HOUSE BILL 21-1321

BY REPRESENTATIVE(S) Kennedy and Weissman, Bernett, Bird, Boesenecker, Caraveo, Cutter, Esgar, Exum, Gonzales-Gutierrez, Herod, Hooton, Jodeh, Kipp, Lontine, Michaelson Jenet, Mullica, Ortiz, Roberts, Sirota, Snyder, Valdez A., Garnett, Amabile, Bacon, Daugherty, Duran, Froelich, Gray, Jackson, McCluskie, Ricks, Sullivan, Titone, Woodrow; also SENATOR(S) Moreno and Pettersen, Bridges, Buckner, Danielson, Donovan, Fenberg, Ginal, Gonzales, Kolker, Lee, Story, Winter.

CONCERNING VOTER TRANSPARENCY REQUIREMENTS TO INCREASE INFORMATION ABOUT THE FISCAL IMPACT OF STATEWIDE BALLOT MEASURES THAT WOULD RESULT IN A CHANGE IN DISTRICT REVENUE, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

**SECTION 1. Short title.** The short title of this act is the "Ballot Measure Fiscal Transparency Act of 2021".

**SECTION 2.** In Colorado Revised Statutes, 1-5-407, **amend** (7) as follows:

**1-5-407. Form of ballots.** (7) No printing or distinguishing marks

*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

shall be on the ballot except as specifically provided in this code OR IN SECTION 1-40-106 (3)(e) TO (3)(g).

**SECTION 3.** In Colorado Revised Statutes, 1-40-106, **add** (3)(e), (3)(f), (3)(g), (3)(h), and (3)(i) as follows:

**1-40-106. Title board - meetings - ballot title - initiative and referendum - definitions.** (3) (e) FOR MEASURES THAT REDUCE STATE TAX REVENUE THROUGH A TAX CHANGE, THE BALLOT TITLE MUST BEGIN "SHALL THERE BE A REDUCTION TO THE (DESCRIPTION OF TAX) BY (THE PERCENTAGE BY WHICH THE TAX IS REDUCED IN THE FIRST FULL FISCAL YEAR THAT THE MEASURE REDUCES REVENUE) THEREBY REDUCING STATE REVENUE, WHICH WILL REDUCE FUNDING FOR STATE EXPENDITURES THAT INCLUDE BUT ARE NOT LIMITED TO (THE THREE LARGEST AREAS OF PROGRAM EXPENDITURE) BY AN ESTIMATED (PROJECTED DOLLAR FIGURE OF REVENUE REDUCTION TO THE STATE IN THE FIRST FULL FISCAL YEAR THAT THE MEASURE REDUCES REVENUE) IN TAX REVENUE...?". IF THE BALLOT MEASURE SPECIFIES THE PUBLIC SERVICES OR PROGRAMS THAT ARE TO BE REDUCED BY THE TAX CHANGE, THOSE PUBLIC SERVICES OR PROGRAMS MUST BE STATED IN THE BALLOT TITLE. IF THE PUBLIC SERVICES OR PROGRAMS IDENTIFIED IN THE MEASURE ARE INSUFFICIENT TO ACCOUNT FOR THE FULL DOLLAR VALUE OF THE TAX CHANGE IN THE FIRST FULL FISCAL YEAR THAT THE MEASURE REDUCES REVENUE, THEN THE THREE LARGEST AREAS OF PROGRAM EXPENDITURE MUST BE STATED IN THE BILL TITLE ALONG WITH THE PUBLIC SERVICES OR PROGRAMS IDENTIFIED IN THE MEASURE. THE ESTIMATES REFLECTED IN THE BALLOT TITLE SHALL NOT BE INTERPRETED AS RESTRICTIONS OF THE STATE'S BUDGETING PROCESS.

(f) FOR MEASURES THAT REDUCE LOCAL DISTRICT PROPERTY TAX REVENUE THROUGH A TAX CHANGE, THE BALLOT TITLE MUST BEGIN "SHALL FUNDING AVAILABLE FOR COUNTIES, SCHOOL DISTRICTS, WATER DISTRICTS, FIRE DISTRICTS, AND OTHER DISTRICTS FUNDED, AT LEAST IN PART, BY PROPERTY TAXES BE IMPACTED BY A REDUCTION OF (PROJECTED DOLLAR FIGURE OF PROPERTY TAX REVENUE REDUCTION TO ALL DISTRICTS IN THE FIRST FULL FISCAL YEAR THAT THE MEASURE REDUCES REVENUE) IN PROPERTY TAX REVENUE...?". THE TITLE BOARD SHALL EXCLUDE ANY DISTRICTS WHOSE PROPERTY TAX REVENUE WOULD NOT BE REDUCED BY THE MEASURE FROM THE MEASURE'S BALLOT TITLE. THE ESTIMATES REFLECTED IN THE BALLOT TITLE SHALL NOT BE INTERPRETED AS RESTRICTIONS OF A LOCAL DISTRICT'S BUDGETING PROCESS.

(g) FOR MEASURES THAT INCREASE TAX REVENUE FOR ANY DISTRICT THROUGH A TAX CHANGE AND SPECIFY THE PUBLIC SERVICES TO BE FUNDED BY THE INCREASED REVENUE, AFTER THE LANGUAGE REQUIRED BY SECTION 20 (3)(c) OF ARTICLE X OF THE STATE CONSTITUTION, THE BALLOT TITLE SHALL STATE "IN ORDER TO INCREASE OR IMPROVE LEVELS OF PUBLIC SERVICES, INCLUDING, BUT NOT LIMITED TO (THE PUBLIC SERVICE SPECIFIED IN THE MEASURE)...". FOR MEASURES THAT INCREASE TAX REVENUE FOR ANY DISTRICT THROUGH A TAX CHANGE AND DO NOT SPECIFY THE PUBLIC SERVICES TO BE FUNDED BY THE INCREASED REVENUE, AFTER THE LANGUAGE REQUIRED BY SECTION 20 (3)(c) OF ARTICLE X OF THE STATE CONSTITUTION, THE BALLOT TITLE SHALL STATE "IN ORDER TO INCREASE OR IMPROVE LEVELS OF PUBLIC SERVICES...". THE ESTIMATES REFLECTED IN THE BALLOT TITLE SHALL NOT BE INTERPRETED AS RESTRICTIONS OF A DISTRICT'S BUDGETING PROCESS.

(h) IN DETERMINING WHETHER A BALLOT TITLE QUALIFIES AS BRIEF FOR PURPOSES OF SECTIONS 1-40-102 (10) AND 1-40-106 (3)(b), THE LANGUAGE REQUIRED BY SUBSECTION (3)(e), (3)(f), OR (3)(g) OF THIS SECTION MAY NOT BE CONSIDERED.

(i) AS USED IN THIS SUBSECTION (3), UNLESS THE CONTEXT OTHERWISE REQUIRES:

(I) "AREAS OF PROGRAM EXPENDITURE" MEANS CATEGORIES OF SPENDING BY ISSUE AREA. FOR STATE EXPENDITURES, "THE THREE LARGEST AREAS OF PROGRAM EXPENDITURE" REFERS TO THE THREE PROGRAM TYPES LISTED AS RECEIVING THE LARGEST GENERAL FUND OPERATING APPROPRIATIONS IN THE JOINT BUDGET COMMITTEE'S ANNUAL APPROPRIATIONS REPORT FOR THE MOST RECENT FISCAL YEAR.

(II) "TAX CHANGE" MEANS ANY INITIATED BALLOT ISSUE OR INITIATED BALLOT QUESTION THAT HAS A PRIMARY PURPOSE OF LOWERING OR INCREASING TAX REVENUES COLLECTED BY A DISTRICT, INCLUDING A REDUCTION OR INCREASE OF TAX RATES, MILL LEVIES, ASSESSMENT RATIOS, OR OTHER MEASURES, INCLUDING MATTERS PERTAINING TO TAX CLASSIFICATION, DEFINITIONS, CREDITS, EXEMPTIONS, MONETARY THRESHOLDS, QUALIFICATIONS FOR TAXATION, OR ANY COMBINATION THEREOF, THAT REDUCE OR INCREASE A DISTRICT'S TAX COLLECTIONS. "TAX CHANGE" DOES NOT MEAN AN INITIATED BALLOT ISSUE OR INITIATED BALLOT QUESTION THAT RESULTS IN A DECREASE OR INCREASE IN REVENUE TO A

DISTRICT IN WHICH SUCH DECREASE OR INCREASE IS INCIDENTAL TO THE PRIMARY PURPOSE OF THE INITIATED BALLOT ISSUE OR INITIATED BALLOT QUESTION.

**SECTION 4.** In Colorado Revised Statutes, 1-40-124.5, **amend** (1)(b) introductory portion, (1)(b)(II), and (1)(b)(III); and **add** (1)(b)(IV) as follows:

**1-40-124.5. Ballot information booklet.** (1) (b) The director of research of the legislative council of the general assembly shall prepare a fiscal impact statement for every initiated or referred measure, taking into consideration fiscal impact information submitted by the office of state planning and budgeting, the department of local affairs or any other state agency, and any proponent or other interested person. The fiscal impact statement prepared for every measure shall be substantially similar in form and content to the fiscal notes provided by the legislative council of the general assembly for legislative measures pursuant to section 2-2-322. C.R.S. A complete copy of the fiscal impact statement for such measure shall be available through the legislative council of the general assembly. The ballot information booklet shall indicate whether there is a fiscal impact for each initiated or referred measure and shall abstract the fiscal impact statement for such measure. The abstract for every measure shall appear after the arguments for and against such measure in the analysis section of the ballot information booklet, and shall include, but shall not be limited to:

(II) An estimate of the amount of any state and local government recurring expenditures or fiscal liabilities if such measure is enacted; ~~and~~

(III) For any initiated or referred measure that modifies the state tax laws, ~~an estimate of the impact to the average taxpayer, if feasible, if such measure is enacted~~ IF THE MEASURE WOULD EITHER INCREASE OR DECREASE INDIVIDUAL INCOME TAX REVENUE OR STATE SALES TAX REVENUE, A TABLE THAT SHOWS THE NUMBER OF TAX FILERS IN EACH INCOME CATEGORY, THE TOTAL TAX BURDEN CHANGE FOR EACH INCOME CATEGORY, AND THE AVERAGE TAX BURDEN CHANGE FOR EACH FILER WITHIN EACH INCOME CATEGORY. IF THE CHANGE IN A TAX BURDEN SHOWN IN THE TABLE IS AN INCREASE, THE CHANGE MUST BE EXPRESSED AS A DOLLAR AMOUNT PRECEDED BY A PLUS SIGN. IF THE CHANGE IN A TAX BURDEN SHOWN IN THE TABLE IS A DECREASE, THE CHANGE MUST BE EXPRESSED AS A DOLLAR AMOUNT PRECEDED BY A NEGATIVE SIGN. THE TABLE MUST USE THE

FOLLOWING INCOME CATEGORIES:

(A) FEDERAL ADJUSTED GROSS INCOME OF FOURTEEN THOUSAND NINE HUNDRED NINETY-NINE DOLLARS OR LESS;

(B) FEDERAL ADJUSTED GROSS INCOME GREATER THAN OR EQUAL TO FIFTEEN THOUSAND DOLLARS AND LESS THAN THIRTY THOUSAND DOLLARS;

(C) FEDERAL ADJUSTED GROSS INCOME GREATER THAN OR EQUAL TO THIRTY THOUSAND DOLLARS AND LESS THAN FORTY THOUSAND DOLLARS;

(D) FEDERAL ADJUSTED GROSS INCOME GREATER THAN OR EQUAL TO FORTY THOUSAND DOLLARS AND LESS THAN FIFTY THOUSAND DOLLARS;

(E) FEDERAL ADJUSTED GROSS INCOME GREATER THAN OR EQUAL TO FIFTY THOUSAND DOLLARS AND LESS THAN SEVENTY THOUSAND DOLLARS;

(F) FEDERAL ADJUSTED GROSS INCOME GREATER THAN OR EQUAL TO SEVENTY THOUSAND DOLLARS AND LESS THAN ONE HUNDRED THOUSAND DOLLARS;

(G) FEDERAL ADJUSTED GROSS INCOME GREATER THAN OR EQUAL TO ONE HUNDRED THOUSAND DOLLARS AND LESS THAN ONE HUNDRED FIFTY THOUSAND DOLLARS;

(H) FEDERAL ADJUSTED GROSS INCOME GREATER THAN OR EQUAL TO ONE HUNDRED FIFTY THOUSAND DOLLARS AND LESS THAN TWO HUNDRED THOUSAND DOLLARS;

(I) FEDERAL ADJUSTED GROSS INCOME GREATER THAN OR EQUAL TO TWO HUNDRED THOUSAND DOLLARS AND LESS THAN TWO HUNDRED FIFTY THOUSAND DOLLARS;

(J) FEDERAL ADJUSTED GROSS INCOME GREATER THAN OR EQUAL TO TWO HUNDRED FIFTY THOUSAND DOLLARS AND LESS THAN FIVE HUNDRED THOUSAND DOLLARS;

(K) FEDERAL ADJUSTED GROSS INCOME GREATER THAN OR EQUAL TO FIVE HUNDRED THOUSAND DOLLARS AND LESS THAN ONE MILLION DOLLARS;  
AND

(L) FEDERAL ADJUSTED GROSS INCOME GREATER THAN OR EQUAL TO ONE MILLION DOLLARS; AND

(IV) IF THE MEASURE CONTAINS A PROPOSED TAX CHANGE, AS DEFINED IN SECTION 1-40-106 (3)(i)(II), THAT REDUCES STATE TAX REVENUE, A DESCRIPTION OF THE THREE LARGEST AREAS OF PROGRAM EXPENDITURE, AS DEFINED IN SECTION 1-40-106 (3)(i)(I).

**SECTION 5. Appropriation.** (1) For the 2021-22 state fiscal year, \$7,865 is appropriated to the legislative department for use by the legislative council. This appropriation is from the general fund and is based on an assumption that the legislative council will require an additional 0.1 FTE. The legislative council may use this appropriation to implement this act.

(2) For the 2021-22 state fiscal year, \$36,000 is appropriated to the department of state for use by the information technology division. This appropriation is from the department of state cash fund created in section 24-21-104 (3)(b), C.R.S. To implement this act, the division may use this appropriation for personal services.

**SECTION 6. Safety clause.** The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

---

Alec Garnett  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

---

Leroy M. Garcia  
PRESIDENT OF  
THE SENATE

---

Robin Jones  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

---

Cindi L. Markwell  
SECRETARY OF  
THE SENATE

APPROVED \_\_\_\_\_  
(Date and Time)

---

Jared S. Polis  
GOVERNOR OF THE STATE OF COLORADO