



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Initiative 126

Fiscal Summary

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LCS TITLE: CONCERNING THE CONDUCT OF ELECTIONS

Fiscal Summary of Initiative 126

This fiscal summary, prepared by the nonpartisan Director of Research of the Legislative Council, contains a preliminary assessment of the measure's fiscal impact. A full fiscal impact statement for this initiative is or will be available at leg.colorado.gov/bluebook. This fiscal summary identifies the following impact.

State expenditures. Preliminarily, the measure is estimated to increase state expenditures in the Department of State (DOS) by approximately \$2.8 million in FY 2025-26 to implement several changes to elections systems and processes and to begin operating under the new procedures for the 2026 election cycle. Specifically, the DOS must update election rules, modify election software and information technology systems, and conduct public awareness campaigns to inform voters about the changes to voting in Colorado. Costs will also increase in FY 2026-27 and future years, primarily related to increased cost reimbursement to counties provided by the state, which are equal to 45 percent of county costs under current law (see local government impacts below). This potential increase will depend on eligible local costs and has not been estimated. Costs are assumed to be paid from the General Fund, but could also be paid in full or in part from the Department of State Cash Fund.

State revenue. If costs under the measure are paid from the Department of State Cash Fund, state revenue from business filing fees paid to the DOS must be increased. The actual amount of new revenue and fee charges will be set administratively by DOS in order to cover any costs to implement the initiative paid from the DOS Cash Fund.

Local government impact. The measure increases costs for county clerks and other local election officials in several ways. Conducting an all-candidate primary election increases the size and complexity of printed ballots, which will require that clerks educate voters, and revise processes for the operation of polling places and ballot counting. For some counties, this will require new election system software and equipment. Other counties will have costs to modify existing voting systems. A portion of local costs under the bill will be reimbursed by the state under current law.

Economic impacts. The measure has no direct impact on the state economy. Changes to elections may result in different leadership and different policies, which could have an economic effect. However, these effects depend on voter choices and future decision making.