

**FINAL  
FISCAL NOTE**

**Drafting Number:** LLS 08-1041

**Date:** August 11, 2008

**Prime Sponsor(s):** Sen. Tapia  
Rep. White

**Bill Status:** Adopted

**Fiscal Analyst:** Chris Ward (303-866-5834)

**TITLE:** SUBMITTING TO THE REGISTERED ELECTORS OF THE STATE OF COLORADO AN AMENDMENT TO SECTION 1 OF ARTICLE V OF THE CONSTITUTION OF THE STATE OF COLORADO, CONCERNING INITIATIVES, AND, IN CONNECTION THEREWITH, REQUIRING THE NUMBER OF SIGNATURES GATHERED ON A PROPOSED INITIATIVE PETITION FOR STATE LEGISLATION TO BE EQUAL TO AT LEAST FOUR PERCENT OF THE VOTES CAST IN THE PREVIOUS ELECTION FOR GOVERNOR; REQUIRING THE NUMBER OF SIGNATURES GATHERED ON A PROPOSED INITIATIVE PETITION FOR AN AMENDMENT TO THE CONSTITUTION TO BE EQUAL TO AT LEAST SIX PERCENT OF THE VOTES CAST IN THE PREVIOUS ELECTION FOR GOVERNOR; REQUIRING A MINIMUM NUMBER OF SIGNATURES FOR AN INITIATIVE PETITION TO AMEND THE STATE CONSTITUTION TO BE GATHERED FROM RESIDENTS OF EACH CONGRESSIONAL DISTRICT IN THE STATE; REQUIRING AN INITIATIVE PETITION FOR AN AMENDMENT TO THE CONSTITUTION TO BE FILED WITH THE SECRETARY OF STATE FIVE MONTHS BEFORE AN ELECTION; AND REQUIRING A TWO-THIRDS VOTE OF ALL MEMBERS ELECTED TO EACH HOUSE OF THE GENERAL ASSEMBLY TO REPEAL OR AMEND ANY LAW ENACTED BY AN INITIATIVE FOR A PERIOD OF SIX YEARS AFTER THE LAW BECOMES EFFECTIVE.

<b>Fiscal Impact Summary</b>	<b>FY 2008-2009</b>	<b>FY 2009-2010</b>	<b>FY 2010-2011</b>
<b>State Revenue</b>	\$ 0	\$ 0	\$ 0
<b>State Expenditures</b>			
Department of State Cash Fund	\$ 0	\$40,200	\$106,000
<b>FTE Position Change</b>	0.0 FTE	0.0 FTE	0.0 FTE
<b>Effective Date:</b> Upon voter approval at the 2008 general election.			
<b>Appropriation Summary for FY 2008-2009:</b> See State Appropriations section.			
<b>Local Government Impact:</b> None.			

**Summary of Legislation**

As amended, this concurrent resolution refers a constitutional amendment to voters at the 2008 general election to modify the requirements for citizen-initiated ballot measures submitted to voters at subsequent elections. Above all, the measure establishes different requirements for constitutional and statutory initiatives.

For *constitutional* initiatives, the measure:

- increases the minimum number of petition signatures required to 6 percent of the votes cast in the previous election for governor;
- requires that 8 percent of the minimum number of signatures be gathered from residents in each of the state's 7 congressional districts; and
- requires that any proposed changes be submitted for review and comment by the 60th legislative day.

For *statutory* initiatives, the measure:

- reduces the minimum number of petition signatures required to 4 percent of the votes cast in the previous election for governor;
- increases the time for collecting petition signatures from 6 months to 9 months before an election; and
- prohibits repealing or amending any change for 5 years after the law becomes effective without a two-thirds vote of each house of the General Assembly.

The resolution also modifies the deadlines for holding a review and comment hearing on proposed initiatives, allows the public to comment at the hearing, and allows the General Assembly to hold hearings on proposed constitutional initiatives.

The fiscal impact of SCR 08-003 is considered conditional because the measure is subject to approval by voters at the November 2008 general election.

## **Background**

Under current law, citizens may initiate changes to state law by collecting petition signatures in an amount equal to 5 percent of the number of votes cast for the office of Secretary of State in the last general election. Based on the number of votes cast in the 2006 general election the current requirement is 76,047 signatures. Under Referendum O, the requirement for proposed *constitutional* amendments would be 93,497 signatures, with at least 9,350 collected from each congressional district, and the requirement for proposed *statutory* amendments would be 62,331 signatures.

The Secretary of State verifies petitions by first checking a random sample of signatures submitted. If the random sampling does not lead to a determination that the number of valid signatures is either sufficient or not, the secretary must verify each signature until a sufficient number of valid signatures is found, or the petition is deemed insufficient. Random sampling leads to a determination of sufficiency for about 90 percent of all initiatives submitted.

Currently, an average of 6 initiative petitions are filed for each even-year election and 2 for each odd-year election. On average, about 80 percent of initiatives propose constitutional changes and 20 percent propose statutory changes. Referendum O will not likely change the total number of initiatives filed each year, but it is expected to cause some petitioners to seek statutory changes instead of constitutional changes.

**State Expenditures**

Requiring that signatures be collected from each congressional district will increase the number of petitions requiring signature verification — rather than random sampling — and increase costs of the Department of State. Costs are estimated to increase at least **\$40,200 in FY 2009-10** and **\$106,000 in FY 2010-11**, but actual costs will differ depending on the number of petitions for constitutional amendments submitted and the number requiring signature verification versus random sampling. FY 2009-10 costs are based on constitutional amendments proposed for the November 2009 and FY 2010-11 costs are for constitutional amendments submitted for the November 2010 election.

**Election Expenditure Impacts (For Informational Purposes Only)**

The bill refers a measure to the voters at the November 2008 general election. This measure will be published in newspapers and an analysis of the measure will be included in the Blue Book mailed to all registered voter households prior to the election. Under current law, costs for these functions will be paid through a General Fund line item in the Long Appropriations Bill. Table 1 below identifies the anticipated costs for the 2008 Blue Book.

<b>Table 1. Cost to Produce and Distribute the 2008 Blue Book to All Registered Voter Households</b>	
Printing	\$350,000
Postage	\$370,000
Translation	\$20,000
Newspaper Publication (English & Spanish)	\$600,000
<b>Total Cost (12 issues)</b>	<b>\$1,340,000</b>
<b>Average Cost per Issue</b>	<b>\$111,667</b>

**Departments Contacted**

Legislature

Judicial

State