



The warning label on petitions is amended to state that the petition will be placed on the ballot if sufficient signatures are received. A citizen is allowed to withdraw his or her signature from a petition by filing a written request with the Secretary of State. It is unlawful to pay a citizen to withdraw his or her signature from a petition.

The bill also increases regulation of the petition circulation process. Any person or entity that pays circulators is required to be licensed as a petition entity by the Secretary of State. Petition entities must agree not to compensate circulators based on the number of signatures collected and ensure that a representative of the entity has completed training established by the Secretary of State. Petition proponents are required to maintain a list of the names and addresses of all petition circulators who gather signatures, all notaries public who notarize petition sections, and the numbers of the petition sections that each circulator submits and that each notary public notarizes. This list must be filed with the Secretary of State, and if not filed, the Secretary of State is required to prepare such a list and charge a fee to the proponent for the cost of preparation.

Petition circulators who gather more than 100 signatures are required to attend training concerning fraud, abuse, and mistakes in the petition circulation process. The training may be conducted by the Secretary of State, or by a person who has attended such training. Petition proponents who provide training to circulators are required to keep records documenting that training was provided. Any signature collected in violation of the training requirement is invalid. The bill also requires that petition circulators make themselves for deposition in the event of a protest concerning a petition section. When signing an affidavit to attach to a petition section, a petition circulator is required to affirm that he or she understands that a circulator may be prosecuted for violating the laws governing circulation, and that failure to make oneself available to be disposed in the event of a protest may invalidate the entire petition section.

## **State Revenue**

The bill is expected to increase cash funds revenue in the Department of State by less than \$5,000 per year beginning in FY 2009-10. This revenue is expected to vary from year to year depending on the number of initiative petitions filed, which affects the number of petition entities required to be licensed by the department. A minimal amount of fine revenue in the Fines Collection Cash Fund is also assumed under the bill.

**Fees.** Section 2-2-322, C.R.S., requires legislative service agency review of measures which create or increase any fee collected by a state agency. Table 1 provides an estimate of the fee impact of the bill, assuming:

- 15 initiative petitions will be filed for the 2010 general election; and
- each petition proponent employs one petition entity that is required to be licensed.

<b>Table 1. Fee Impact on Individuals, Families or Business, FY 2009-10</b>			
<b>Type of Fee</b>	<b>Proposed Fee</b>	<b>Number Affected</b>	<b>Total Fee Impact</b>
Petition Entity License Fee	\$100	15	\$1,500

**Fines.** The bill increases the fine for violating the laws governing the circulation of petitions from \$500 to \$1,500. Convictions for such offenses are not common and the increased fine could deter future violations. Therefore, the fiscal note assumes that the increased fine will result in a minimal revenue increase of less than \$5,000 to the Fines Collection Cash Fund.

**State Expenditures**

The bill increases expenditures in the Department of State by \$104,400 in FY 2009-10 and by \$5,000 in FY 2010-11. Table 2 provides a summary of these costs.

**Information Technology System Modifications.** The department will incur costs of \$92,400 in FY 2009-10 to modify the Statewide Voter Registration and Election System (SCORE), which is used to track the acceptance and rejection of petition signatures. It is estimated that 520 hours of programmer time is required to make these changes at the current contract provider rate of \$105 per hour. These changes are required to remove signatures from a petition at the request of a voter, to accept or reject entire petition sections, and to generate lists of petition circulators if not provided by the petition proponents.

**Training Development / Updates.** The department will have costs of \$10,000 in FY 2009-10 to develop a web-based training program for petition circulators. It is assumed that a small number of people will participate in training offered by the department for each petition, and that these persons will conduct training for the majority of petition circulators within their organizations. In FY 2010-11 and subsequent years, it is estimated that \$3,000 is required to update the training and maintain web-based training.

**Administrative Law Judge Services.** The department is estimated to have costs of \$2,000 per year to refer cases concerning the revocation of a petition entity's license to an administrative law judge within the Department of Personnel and Administration. It is estimated that one license will be revoked per year.

<b>Table 2. Expenditures Under HB09-1326</b>		
<b>Cost Components</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>
Information Technology Systems Modifications	\$92,400	\$0
Training Development / Updates	10,000	3,000
Administrative Law Judge Services	2,000	2,000
<b>TOTAL</b>	<b>\$104,400</b>	<b>\$5,000</b>

**State Appropriations**

The fiscal note indicates that the Department of State requires an appropriation of \$104,400 from the Department of State Cash Fund in FY 2009-10. Of this amount, \$2,000 is reappropriated to the Department of Personnel and Administration, Office of Administrative Courts.

**Departments Contacted**

Legislative Council Staff	State	Judicial
Personnel and Administration	Law	