

  
*Colorado Legislative Council Staff Fiscal Note*  
**STATE**  
**FISCAL IMPACT**

**Drafting Number:** LLS 11-0149  
**Prime Sponsor(s):** Rep. Court  
 Sen. Carroll

**Date:** February 15, 2011  
**Bill Status:** House SVMA  
**Fiscal Analyst:** Alex Schatz (303-866-4375)

**TITLE:** CONCERNING REQUIREMENTS AFFECTING THE CREATION OF ISSUE COMMITTEES UNDER COLORADO LAW GOVERNING CAMPAIGN FINANCE.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
<b>State Revenue</b> Cash Funds Department of State Cash Fund	See State Revenue section. Potential reduction of less than \$1,000	
<b>State Expenditures</b>	See State Expenditures section.	
<b>FTE Position Change</b>		
<b>Effective Date:</b> July 1, 2011.		
<b>Appropriation Summary for FY 2011-2012:</b> None required.		
<b>Local Government Impact:</b> None.		

**Summary of Legislation**

The bill sets the minimum amount of contributions or expenditures to trigger formation of an issue committee under the state Fair Campaign Practices Act (FCPA) at a statutory level of \$1,000. The bill excludes the nomination and election of candidates from the definitions of “ballot issue” and “ballot question” in the FCPA and Colorado uniform election law.

**Background**

The state constitution provides that an issue committee is formed and is subject to campaign finance requirements when the committee raises or expends \$200 or more to support or oppose a ballot issue or ballot question. A 2010 decision in the federal Tenth Circuit Court of Appeals case of *Sampson v. Buescher* held that the \$200 threshold for regulation of issue committees fell well below the appropriate threshold to preserve First Amendment rights of free association under the United States Constitution. This bill sets the threshold at \$1,000.

**State Revenue**

The Department of State collects a minimal amount of fine revenue (<\$5,000) based on violations of the FCPA by issue committees. The bill reduces the number of issue committees subject to the FCPA and will potentially reduce fine revenue to the department by a minimal amount.

**State Expenditures**

The Department of State will have a small one-time increase in costs to update campaign finance forms and website information; these costs are minimal and will be absorbed within existing resources. FCPA caseload in the administrative courts will not be significantly affected by this bill.

**Departments Contacted**

Judicial            Law            State            Personnel and Administration