

HB 25-1327: MODIFY STATEWIDE BALLOT MEASURE PROCESSES

Prime Sponsors:

Rep. Sirota; Froelich

Sen. Kipp

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Fiscal note status: The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill modifies the process for statewide ballot measures.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

Minimal State Workload

• Minimal State Revenue

Appropriations. No appropriation is required.

Table 1 State Fiscal Impacts

	Budget Year	Out Year
Type of Impact	FY 2025-26	FY 2026-27
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill makes several changes to the procedures for citizen-initiated and legislatively referred ballot measures.

Title Board

Under current law, proponents of a citizen initiative must submit a petition draft to the Title Board in the Department State for title setting. If proponents submit five or more drafts concerning the same subject and with one designated representative being the same for all drafts, the bill requires that they also submit a chart that describes the differences between each draft.

The bill adjusts the calendar for the Title Board by moving the final scheduled meeting each year from the third to the first Wednesday in April. In addition, if a rehearing is requested for measures considered at the final meeting, it will be held on the third Wednesday in April, rather than within 48 hours of the final meeting, as is required under current law.

Signature Gathering

The bill requires proponents of an initiated measure to notify the Secretary of State when the petition being circulated has received 25, 50, and 75 percent of the required number of signatures to qualify for the ballot. If petition circulation stops at any point before the election, proponents must notify the Secretary of State within 5 days that the petition is not being actively circulated. The Secretary of State must post this information on the department's website, and may impose a fine up to \$1,500 for proponents that fail to notify the secretary of the signature collection status.

Blue Book and Fiscal Notes

For an initiative proposing a tax increase, this bill requires that:

- the fiscal summary prepared for the Title Board by Legislative Council Staff include a preliminary estimate of the maximum dollar amount of the change in state and local government revenue and fiscal year spending for the first and, if phased in, final full fiscal year of the proposed tax increase; and,
- the statewide voter guide (the blue book) include an estimate of the maximum dollar amount of both the change in state and local government revenue and fiscal year spending for the first full fiscal year, and the amount of state and local government fiscal year spending without the proposed tax increase.

For a legislative measure that includes a proposed tax increase, the bill requires that:

- the fiscal note includes an estimate of the maximum dollar amount of the change in state and local government revenue for the first and, if phased in, final full fiscal year of the proposed tax increase; and
- the ballot question submitted to voters include the estimate developed in the fiscal note.

Background

TABOR requires voter approval required for any new tax, tax rate increase, extension of an expiring tax, or tax policy change causing an increase in net tax revenue. TABOR further requires that prior to any election seeking such voter approval, voters be provided with 1) an estimate of the amount of revenue generated by the proposed tax increase and 2) an estimate of fiscal year spending without the proposed tax increase, each for the first full fiscal year of such an increase. If either of these estimates is exceeded in the first full fiscal year of a new tax, the amount of the excess is required to be refunded to taxpayers and tax rates adjusted accordingly, unless there is subsequent voter approval to retain the revenue.

State Revenue

The bill may increase state revenue from fines levied on proponents failing to properly notify the Secretary of State of the signature collection status for an citizen-initiated measure. This fiscal note assumes that proponents and registered representatives will comply with the law and that any fine revenue will be minimal. Fine revenue is subject to TABOR.

State Expenditures

The bill affects agencies involved in the initiative and referendum processes, as outlined below. No change in appropriations is required for any agency.

Department of State and Title Board

The bill minimally increases workload for the Department of State to update processes, receive updates from initiative proponents on signature gathering, and investigate any complaints of noncompliance. At the same time, workload may decrease or be streamlined for the Title Board (which includes representatives of the Secretary of State, Attorney General, and Office of Legislative Legal Services) to hold one fewer meeting per election cycle and to have more time (two weeks, rather than 48 hours) after the final meeting to receive and review any requests for rehearings for measures heard at the final meeting.

Legislative Department

Workload will also minimally increase for Legislative Council Staff to update processes related to fiscal estimates and the Blue Book. Overall, ongoing workload is not expected to significantly change to ensure that a "maximum estimate" is provided to voters.

To the extent that providing a maximum estimate reduces the likelihood that the General Assembly refers additional measures to retain revenue in excess of prior revenue estimates provided to voters, cost savings will be incurred, including legislative staff time to draft measures during the legislative session and prepare Blue Book analyses, as well as to publish required information about referred measures in newspapers around the state.

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Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Legislative Council Staff

Secretary of State

Legislative Legal Services