



Legislative Council Staff  
Nonpartisan Services for Colorado's Legislature

# Initiative 80

## Fiscal Impact Statement

**Date:** May 17, 2022

**Fiscal Analyst:** Annie Scott (303-866-5851)

### LCS TITLE: CAMPAIGN EXPENDITURE LIMITS

| Fiscal Impact Summary |            | FY 2022-23 | FY 2023-24         |
|-----------------------|------------|------------|--------------------|
| Revenue               | Cash Funds | -          | less than \$10,000 |
| Expenditures          | Cash Funds | \$117,500  | \$151,645          |

***Disclaimer.** This initial fiscal impact statement has been prepared for an initiative approved for petition circulation by the Secretary of State. If the initiative is placed on the ballot, Legislative Council Staff may revise this estimate for the ballot information booklet (Blue Book) if new information becomes available.*

### Summary of Measure

Initiative 80 prohibits the expenditures of campaign committees from exceeding 150 percent of the voter contributions made to the campaign committee for each election cycle. A campaign committee includes single candidate campaign committees and political or issue campaign committees. Campaign committees are subject to civil penalties for violations of the measure.

The Secretary of State (SOS) is required to provide electronic means to record and verify voter registration identification and precinct numbers as well as contributions and expenditures of campaign committees. The SOS must provide access to voter registration data to electronic payment processors with appropriate security determined by the Colorado Bureau of Investigation.

### State Revenue

The fiscal impact statement assumes that campaign committees will comply with the law and that revenue from civil penalties will be rare. Revenue from civil penalties is estimated at less than \$10,000 annually in fines to the Department of State Cash Fund. State revenue from civil penalties are subject to TABOR.

### State Expenditures

The measure will increase state expenditures in the Department of State by \$117,500 in FY 2022-23 and \$151,645 in FY 2023-24 and ongoing from the Department of State Cash Fund. Expenditures are shown in Table 2 and detailed below.

**Table 2**  
**Expenditures Under Initiative #80**

|   | <b>Budget Year<br/>FY 2022-23</b> | <b>Budget Year<br/>FY 2023-24<br/>ongoing costs</b> |
|---|-----------------------------------|---|
| <b>Department of State</b>                |                                   |   |
| Personal Services                         | -                                 | \$106,927   |
| Operating Expenses                        | -                                 | \$2,700   |
| Capital Outlay Costs                      | -                                 | \$12,400  |
| Technology Development                    | \$117,500                         | -   |
| Centrally Appropriated Costs <sup>1</sup> | -                                 | \$29,618  |
| <b>Total Cost</b>                         | <b>\$117,500</b>                  | <b>\$151,645</b>                                    |
| <b>Total FTE</b>                          | <b>-</b>                          | <b>2.0 FTE</b>                                      |

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**Technology costs.** In FY 2022-23, the Secretary of State will have information technology costs to modify the online campaign finance disclosure system (TRACER) to track and report new categories of contributions, report voter registration numbers, and automate identification of violations of the new expenditure limit. If the Secretary of State awards a new contract for the online campaign finance disclosure system, development features in the new system may increase these expenditures.

**Staffing.** Beginning in FY 2023-24, the Secretary of State requires additional staff to respond to, investigate, and resolve campaign finance inquiries and complaints. Standard operating and capital outlay costs are included. These costs are ongoing.

## Effective Date

If approved by voters at the 2021 general election, this measure takes effect upon proclamation of the Governor, no later than 30 days after the official canvass of the vote is completed.

## State and Local Government Contacts

Counties                      Secretary of State

## Revisions from Fiscal Summary

The fiscal impact statement has been updated from the fiscal summary to include additional detail on the revenue and expenditure impacts.