



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado’s Legislature

SB 26-106: OPT-OUT OF MAIL BALLOT PACKETS FOR ELECTIONS

Prime Sponsors:
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Fiscal note status: This fiscal note reflects the introduced bill.

Summary Information

Overview. The bill creates a process for a voter to choose not to receive a mail ballot.

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

- State Expenditures
- State Revenue
- Local Government

Appropriations. For FY 2026-27, the bill requires an appropriation of \$530,880 to the Department of State.

**Table 1
State Fiscal Impacts**

| Type of Impact | Budget Year FY 2026-27 | Out Year 1 FY 2027-28 | Out Year 2 FY 2027-28 |
|-------------------------|---------------------------|--------------------------|--------------------------|
| State Revenue | \$530,880 | \$199,584 | \$227,881 |
| State Expenditures | \$530,880 | \$199,584 | \$227,881 |
| Transferred Funds | \$0 | \$0 | \$0 |
| Change in TABOR Refunds | \$530,880 | \$199,584 | \$227,881 |
| Change in State FTE | 0.0 FTE | 1.0 FTE | 1.5 FTE |

Fund sources for these impacts are shown in the tables below.

**Table 1A
State Revenue**

| Fund Source | Budget Year FY 2026-27 | Out Year FY 2027-28 | Out Year FY 2028-29 |
|----------------------|-----------------------------------|--------------------------------|--------------------------------|
| General Fund | \$0 | \$0 | \$0 |
| Cash Funds | \$530,880 | \$199,584 | \$227,881 |
| Total Revenue | \$530,880 | \$199,584 | \$227,881 |

**Table 1B
State Expenditures**

| Fund Source | Budget Year FY 2026-27 | Out Year FY 2027-28 | Out Year FY 2028-29 |
|---------------------------|-----------------------------------|--------------------------------|--------------------------------|
| General Fund | \$0 | \$0 | \$0 |
| Cash Funds | \$530,880 | \$179,144 | \$197,263 |
| Federal Funds | \$0 | \$0 | \$0 |
| Centrally Appropriated | \$0 | \$20,440 | \$30,618 |
| Total Expenditures | \$530,880 | \$199,584 | \$227,881 |
| Total FTE | 0.0 FTE | 1.0 FTE | 1.5 FTE |

Summary of Legislation

Under current law, every active voter automatically receives a mail ballot for statewide elections and primaries. The bill requires the Secretary of State to create a process for voters to not receive a mail ballot. Any voter who opts out of receiving mail ballots may vote in person, and may also choose to opt back into receiving mail ballots. County clerks must compile the number of voters who opt out of mail ballots, and send that information to the Department of State to display on the department’s website.

State Revenue

The bill increases state revenue from fees by about \$531,000 in FY 2026-27, \$200,000 in FY 2027-28, and \$228,000 in FY 2028-29. As described below, this revenue will be incurred from fees set to cover the estimated expenditures under the bill.

Fee Impact on Businesses and Professions

Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. Under current law, the Department of State (DOS) is authorized to adjust fees so that the revenue generated approximates its direct and indirect costs. The DOS

is primarily funded through business filing fees. To cover the costs described in the State Expenditures section below, fees will likely need to be raised to cover all or some of the costs of this bill. The fees affected, the timing of any increase, and the actual amount of fee charges will be set administratively by the DOS based on cash fund balance and total program costs.

State Expenditures

The bill increases state expenditures in the Department of State by about \$531,000 in FY 2026-27, about \$200,000 in FY 2027-28, and about \$228,000 in FY 2028-29. These costs, paid from the Department of State Cash Fund, are summarized in Table 2 and discussed below.

Table 2
State Expenditures
Department of State

| Cost Component | Budget Year FY 2026-27 | Out Year 1 FY 2027-28 | Out Year 2 FY 2028-29 |
|------------------------------|-----------------------------------|----------------------------------|----------------------------------|
| Personal Services | \$0 | \$63,864 | \$95,343 |
| Operating Expenses | \$0 | \$1,280 | \$1,920 |
| Capital Outlay Costs | \$0 | \$14,000 | \$0 |
| Computer Programming | \$230,880 | \$0 | \$0 |
| Voter Outreach | \$300,000 | \$100,000 | \$100,000 |
| Centrally Appropriated Costs | \$0 | \$20,440 | \$30,618 |
| Total Costs | \$530,880 | \$199,584 | \$227,881 |
| Total FTE | 0.0 FTE | 1.0 FTE | 1.5 FTE |

Computer Programming

The DOS will need to make changes to its voter registration software. Specifically, they will need to update voter preference options, prevent mail ballots from automatically being sent, and create election specific processes for mail ballots. This is estimated to require about 1,200 hours of computer programming at \$130 an hour.

Voter Outreach

The DOS will need to conduct an outreach campaign to educate voters on the options of opting out of, and back into, mail ballots, and create materials to use and distribute. This is estimated as \$300,000 for the first year for initial communication and to develop the materials, and an ongoing cost of \$100,000 to send out the information to eligible voters.

Staffing

Starting in November 2027 in FY 2027-28, DOS will require 1.5 FTE in the Elections Division to monitor implementation of the bill, receive and review information reported by counties, and document any savings to counties from the mail ballot opt out to ensure that state reimbursement to counties accounts for any decrease in eligible costs. Costs in FY 2027-28 are prorated to 1.0 FTE based on the staff's start date.

Centrally Appropriated Costs

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which may include employee insurance, supplemental employee retirement payments, indirect cost assessments, and other costs, are shown in Table 2 above.

County Reimbursement

Under current law, the DOS reimburses counties for a portion of their costs to conduct covered elections. While the bill could increase costs for counties in some areas, it is assumed that on net that there will be a decrease in costs to counties. Based on the impacts described in Local Government section, it is estimated that state reimbursements to counties will likely decrease. The amount of this net change cannot be estimated at this time, and will be adjusted through the annual budget process.

Local Government

Counties will have additional costs and savings under the bill. The net impact of these costs and savings is indeterminate. Over the long term, it is likely that net savings will occur.

Potential Savings

County clerks will have savings from no longer being required to print and mail ballots to all voters, including both primary and general election ballots. The exact savings will depend on how many voters opt out of mail ballots. Table 3 shows the number of in-person voters over the most recent elections. Assuming a printing and mailing cost of \$1.50 per ballot, savings for 250,000 voters opting out of a mail ballot would total \$375,000 statewide per ballot mailing.

**Table 3
In Person Election Voting**

| Election | In-Person Voter Count | In-Person Voter Percentage |
|----------------------------------|------------------------------|-----------------------------------|
| 2025 Coordinated | 30,348 | 1.8% |
| 2024 General | 251,685 | 7.8% |
| 2024 State Primary | 7,493 | 0.8% |
| 2024 Presidential Primary | 20,544 | 1.4% |

Potential Costs

Savings to county clerks will be offset by additional costs and workload under the bill. Clerks will have additional workload to report voters who opt out of mail ballots, and to process any additional voters who vote in person. Clerks will also have a cost to send ballots to any voters who opt back into mail ballots after the initial mailings are sent out.

Effective Date

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

State Appropriations

For FY 2026-27, the bill requires an appropriation of \$530,880 from the Department of State Cash Fund to the Department of State.

State and Local Government Contacts

County Clerks

Secretary of State

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).