

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

HOUSE BILL 26-1084

BY REPRESENTATIVE(S) Espenoza and Camacho, Boesenecker, Brown, Clifford, Duran, Garcia, Goldstein, Hamrick, Jackson, Lindsay, Lukens, Mabrey, Mauro, McCormick, Nguyen, Rutinel, Sirota, Smith, Stewart R., Story, Titone, McCluskie, Carter, English, Zokaie;
also SENATOR(S) Weissman and Lindstedt, Amabile, Benavidez, Bridges, Exum, Gonzales J., Hinrichsen, Kipp, Roberts, Snyder, Sullivan, Wallace, Coleman.

CONCERNING VOTER TRANSPARENCY REQUIREMENTS TO EXPAND INFORMATION ABOUT THE FUNDING OF INITIATED STATEWIDE BALLOT MEASURES, AND, IN CONNECTION THEREWITH, REQUIRING THE FISCAL IMPACT STATEMENT FOR CERTAIN INITIATED STATEWIDE BALLOT MEASURES TO DESCRIBE THE MEASURE'S LIKELY EFFECT ON THE MAIN AREAS OF STATE EXPENDITURE.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 1-40-106, **amend** (3)(e) as follows:

1-40-106. Title board - meetings - ballot title - initiative and referendum - definitions - rules.

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(3) (e) For measures that reduce state tax revenue through a tax change, the ballot title must begin "Shall there be a reduction to the (description of tax) by (the percentage by which the tax is reduced in the first full fiscal year that the measure reduces revenue) thereby reducing state revenue, which will LIKELY reduce funding for state expenditures that include but are not limited to (the three largest areas of program expenditure) by an estimated (projected dollar figure of revenue reduction to the state in the first full fiscal year that the measure reduces revenue) in tax revenue...?". If the ballot measure specifies the public services or programs that are to be reduced by the tax change, those public services or programs must be stated in the ballot title. If the public services or programs identified in the measure are insufficient to account for the full dollar value of the tax change in the first full fiscal year that the measure reduces revenue, then the three largest areas of program expenditure must be stated in the bill title along with the public services or programs identified in the measure. The estimates reflected in the ballot title shall not be interpreted as restrictions of the state's budgeting process.

SECTION 2. In Colorado Revised Statutes, 1-40-124.5, **amend** (1)(b) introductory portion, (1)(b)(III)(L), and (1)(b)(IV); and **add** (1)(b)(V), (1)(b)(VI), and (1)(f) as follows:

1-40-124.5. Ballot information booklet.

(1) (b) The director of research of the legislative council of the general assembly shall prepare a fiscal impact statement for every initiated or referred measure, taking into consideration fiscal impact information submitted by the office of state planning and budgeting, the department of local affairs or any other state agency, and any proponent or other interested person. The fiscal impact statement prepared for every measure ~~shall~~ **MUST** be substantially similar in form and content to the fiscal notes provided by the legislative council of the general assembly for legislative measures pursuant to section 2-2-322. A complete copy of the fiscal impact statement for ~~such~~ **THE** measure ~~shall~~ **MUST** be available through the legislative council of the general assembly. The ballot information booklet ~~shall~~ **MUST** indicate whether there is a fiscal impact for each initiated or referred measure and ~~shall~~ **MUST** abstract the fiscal impact statement for ~~such~~ **THE** measure. The abstract for every measure ~~shall~~ **MUST** appear after the arguments for and against ~~such~~ **THE** measure in the analysis section of the

ballot information booklet and shall MUST include, but shall IS not be limited to:

(III) For any initiated or referred measure that modifies the state tax laws, if the measure would either increase or decrease individual income tax revenue or state sales tax revenue, a table that shows the number of tax filers in each income category, the total change in the amount of tax owed for each income category, and the average change in the amount of tax owed for each filer within each income category. If the change in the amount of tax owed shown in the table is an increase, the change must be expressed as a dollar amount preceded by a plus sign. If the change in the amount of tax owed shown in the table is a decrease, the change must be expressed as a dollar amount preceded by a negative sign. The table must use the following income categories:

(L) Federal adjusted gross income greater than or equal to one million dollars; and

(IV) If the measure contains a proposed tax change, as defined in section 1-40-106 (3)(i)(II), that reduces state tax revenue, a description of the MEASURE'S LIKELY EFFECT ON THE three largest areas of program expenditure, as defined in section 1-40-106 (3)(i)(I);

(V) FOR AN INITIATED MEASURE THAT WILL RESULT IN INCREASED STATE EXPENDITURES, EXCEPT FOR DE MINIMIS AND ADMINISTRATIVE EXPENDITURES, AND THAT DOES NOT IDENTIFY AND PROVIDE FOR A SUFFICIENT SOURCE OF REVENUE OR SUFFICIENT REDUCTIONS IN STATE SPENDING TO ACCOUNT FOR THE INCREASED EXPENDITURES, A DESCRIPTION OF THE MEASURE'S LIKELY EFFECT ON THE THREE LARGEST AREAS OF PROGRAM EXPENDITURE, AS DEFINED IN SECTION 1-40-106 (3)(i)(I); AND

(VI) FOR AN INITIATED MEASURE THAT REQUIRES EXISTING REVENUE SOURCES TO BE REALLOCATED AND SPENT IN A PARTICULAR WAY, A DESCRIPTION OF THE MEASURE'S LIKELY EFFECT ON THE THREE LARGEST AREAS OF PROGRAM EXPENDITURE, AS DEFINED IN SECTION 1-40-106 (3)(i)(I).

(f) WHEN PREPARING THE FISCAL IMPACT STATEMENT REQUIRED BY THIS SUBSECTION (1), THE DIRECTOR OF RESEARCH OF THE LEGISLATIVE COUNCIL OF THE GENERAL ASSEMBLY SHALL INCLUDE THE INFORMATION

REQUIRED IN THE ABSTRACT AS SET FORTH IN SUBSECTIONS (1)(b)(V) AND (1)(b)(VI) OF THIS SECTION.

SECTION 3. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

James Rashad Coleman, Sr.
PRESIDENT OF
THE SENATE

Vanessa Reilly
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Esther van Mourik
SECRETARY OF
THE SENATE

APPROVED _____

(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO