



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number: LLS 23-0207
Prime Sponsors: Rep. Valdez

Date: August 24, 2023
Bill Status: Postponed Indefinitely
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Bill Topic: **BALLOT ISSUE GREENHOUSE GAS EMISSIONS REPORT**

Summary of Fiscal Impact:

- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

The bill would have required Legislative Council Staff to prepare greenhouse gas emissions analyses for certain ballot initiatives. It would have increased state expenditures beginning in FY 2023-24.

Appropriation Summary:

For FY 2023-24, the bill would have required an appropriation of \$7,108 to the Legislative Department.

Fiscal Note Status:

The fiscal note reflects the introduced bill. This bill was postponed indefinitely by the House State, Civic, Military, and Veterans Affairs Committee on March 9, 2023; therefore, the impacts identified in this analysis do not take effect.

Table 1
State Fiscal Impacts Under HB 23-1154

	Budget Year FY 2023-24	Out Year FY 2024-25
Revenue	-	-
Expenditures		
General Fund	\$7,108	\$9,478
Centrally Appropriated	\$1,767	\$1,990
Total Expenditures	\$8,875	\$11,468
Total FTE	0.1 FTE	0.1 FTE
Transfers	-	-
Other Budget Impacts		
General Fund Reserve	\$1,185	\$1,422

Summary of Legislation

The bill requires Legislative Council Staff (LCS) to prepare greenhouse gas emissions analyses for ballot initiatives. LCS must prepare a preliminary assessment for each measure submitted to the Title Board that indicates whether the initiative is likely to cause a net increase or decrease in greenhouse gas pollution within the ten-year period following the enactment. The bill directs state agencies with appropriate subject matter expertise to support LCS by providing information for the reports.

LCS must prepare a full greenhouse gas emission report for any measure that directly causes a net increase or decrease in emissions on the following sectors:

- electric power;
- transportation;
- residential, commercial, or industrial fuel use;
- industrial processes;
- coal mining and abandoned mines;
- waste management; or
- agriculture.

LCS' annual ballot information booklet, or Blue Book, must contain preliminary reports and provide information on how to access any full greenhouse gas emissions reports as applicable.

Background and Assumptions

LCS currently prepares greenhouse gas emissions reports on legislation as requested by members of the legislature. The fiscal note bases the workload estimate on the assumption that the subject matter expertise retained for that process is leveraged to fulfil this bill's requirements. However, the statutory requirement for the legislative emissions reports is scheduled to repeal in 2025. Should those requirements, and the corresponding staff capacity at LCS repeal, workload for this bill may increase compared to the impacts described below.

The past four two-year ballot cycles have averaged 131 initiatives appearing before the Title Board, and 8 measures appearing on the ballot, with most initiatives arising during even-numbered years. The fiscal note further assumes that full greenhouse gas reports, when applicable, must be published only for initiatives that are on the ballot.

State Expenditures

The bill increases state expenditures in the Legislative Department by \$8,875 in FY 2023-24 and \$11,468 in FY 2024-25, paid from the General Fund. Expenditures are shown in Table 2 and detailed below.

Table 2
Expenditures Under HB 23-1154

	FY 2023-24	FY 2024-25
Legislative Department		
Personal Services	\$7,108	\$9,478
Centrally Appropriated Costs ¹	\$1,767	\$1,990
Total Cost	\$8,875	\$11,468
Total FTE	0.1 FTE	0.1 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

Legislative Council Staff. The bill increases workload for LCS to analyze ballot measures, prepare preliminary assessments for Title Board hearings, and to prepare full greenhouse gas emissions reports as applicable for measures that make it on the ballot. This workload is estimated at 0.1 FTE beginning in FY 2023-24. Costs are prorated in the first year for the bill's effective date and the General Fund pay date shift.

Other state agencies. The bill increases workload in state agencies that provide support to LCS by responding to requests for information. The agencies mostly likely to be impacted include the Department of Public Health and Environment, the Department of Natural Resources, the Public Utilities Commission, and the Colorado Energy Office. This workload will vary depending on the complexity and number of the measures under consideration. The fiscal note expects this workload to be accommodated within existing appropriations. Any workload beyond what is absorbable will be addressed through the annual budget process.

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 include employee insurance and supplemental employee retirement payments, are shown in Table 2.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, decreasing the amount of General Fund available for other purposes.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2023-24, the bill requires a General Fund appropriation of \$7,108 to the Legislative Department, and 0.1 FTE.

Departmental Difference

The Department of Public Health and Environment estimates its workload in providing information to LCS to require \$59,885 and 0.5 FTE in FY 2023-24, and \$70,130 and 0.6 FTE in subsequent years. The fiscal note assumes that the workload for each preliminary assessment and full report will be less than the department's estimate, and that the overall workload will be minimal.

State and Local Government Contacts

Colorado Energy Office
Public Health and Environment

LCS

Natural Resources