



**Legislative Council Staff**

*Nonpartisan Services for Colorado's Legislature*

**Fiscal Note**

|                         |                               |                        |   |
|-------------------------|-------------------------------|------------------------|---|
| <b>Drafting Number:</b> | LLS 24-0449                   | <b>Date:</b>           | February 7, 2024  |
| <b>Prime Sponsors:</b>  | Sen. Baisley<br>Rep. Weinberg | <b>Bill Status:</b>    | Senate State Affairs  |
|                         |                               | <b>Fiscal Analyst:</b> | Jessika Shipley   303-866-3528<br>jessika.shipley@coleg.gov |

**Bill Topic:**           **SAFETY CLAUSE USE REVIEW**

|                                  |   |   |  |
|----------------------------------|---|---|--|
| <b>Summary of Fiscal Impact:</b> | <input type="checkbox"/> State Revenue                | <input type="checkbox"/> State Transfer | <input type="checkbox"/> Local Government        |
|                                  | <input checked="" type="checkbox"/> State Expenditure | <input type="checkbox"/> TABOR Refund   | <input type="checkbox"/> Statutory Public Entity |

The bill creates two new committees of the General Assembly to review the use of safety clauses on bills. The bill increases state expenditures on an ongoing basis.

**Appropriation Summary:** For FY 2024-25, the bill requires an appropriation of \$59,011 to the Legislative Department.

**Fiscal Note Status:** The fiscal note reflects the introduced bill.

**Table 1  
State Fiscal Impacts Under SB 24-098**

|                             |                           | <b>Budget Year<br/>FY 2024-25</b> | <b>Out Year<br/>FY 2025-26</b> |
|-----------------------------|---------------------------|-----------------------------------|--------------------------------|
| <b>Expenditures</b>         | General Fund              | \$59,011                          | \$74,774                       |
|                             | Centrally Appropriated    | \$11,124                          | \$15,891                       |
|                             | <b>Total Expenditures</b> | <b>\$70,135</b>                   | <b>\$90,665</b>                |
|                             | <b>Total FTE</b>          | <b>0.7 FTE</b>                    | <b>1.0 FTE</b>                 |
| <b>Other Budget Impacts</b> | General Fund Reserve      | \$8,852                           | \$11,216                       |

## Summary of Legislation

The bill creates two standing committees of the General Assembly, one in the House of Representatives and one in the Senate, each called the Referendum Power Committee. Each committee will consist of members chosen by legislative leadership and the committees will be given the responsibility of reviewing every bill introduced in their respective chambers that includes a safety clause. If the committees determine that the use of a safety clause is not warranted according to criteria specified in the bill, the committees are required to either replace the safety clause with a petition clause or amend the bill to be a referred measure.

## Background

The Colorado Constitution gives the people the power to refer all or a portion of a bill to the ballot for voter approval. There is an exception to this power: if an act is necessary "for the immediate preservation of the public peace, health, or safety"; or for appropriations to support and maintain a state department or institution. Safety clauses are used in bills to invoke this exception. If a bill does not include a safety clause, it is subject to the power of referendum, and an individual has 90 days after the General Assembly adjourns to exercise that power by submitting a petition to the Secretary of State's office. Of the bills introduced during the 2023 legislative session, 289 bills contained a safety clause and 328 contained a petition clause.

## Assumptions

The fiscal note assumes that the Referendum Power Committees of the House and Senate will only meet during the legislative session and will not incur additional per diem or travel expenses during the interim.

## State Expenditures

The bill will increase state expenditures by approximately \$70,000 in FY 2024-25 and approximately \$90,000 each year thereafter.

**Table 2**  
**Expenditures Under SB 24-098**

|   | <b>FY 2024-25</b> | <b>FY 2025-26</b> |
|---|-------------------|-------------------|
| <b>Legislative Department</b>             |                   |                   |
| Personal Services                         | \$51,445          | \$73,494          |
| Operating Expenses                        | \$896             | \$1,280           |
| Capital Outlay Costs                      | \$6,670           | -                 |
| Centrally Appropriated Costs <sup>1</sup> | \$11,124          | \$15,891          |
| FTE – Personal Services                   | 0.7 FTE           | 1.0 FTE           |
| <b>Total Cost</b>                         | <b>\$70,135</b>   | <b>\$90,665</b>   |
| <b>Total FTE</b>                          | <b>0.7 FTE</b>    | <b>1.0 FTE</b>    |

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

**Legislative Department.** Standing committees of the General Assembly are staffed by Legislative Council Staff (LCS), which requires 1.0 FTE at the Research Analyst level to cover both committees. The fiscal note assumes the analyst will be hired as of November 1, 2024, in order to provide time for training before the 2025 legislative session begins.

**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 2024-25, the bill requires a General Fund appropriation of \$59,011 to the Legislative Department, and 0.7 FTE.

### **State and Local Government Contacts**

Legislative Council Staff

Legislative Legal Services

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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](#).