



Initiative 270

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Summary

Date: April 15, 2024 **Fiscal Analyst:** Colin Gaiser (303-866-2677)

LCS TITLE: OIL AND GAS OPERATIONS STRICT LIABILITY FOR DAMAGES

Fiscal Summary of Initiative 270

This fiscal summary, prepared by the nonpartisan Director of Research of the Legislative Council, contains a preliminary assessment of the measure's fiscal impact. A full fiscal impact statement for this initiative is or will be available at leg.colorado.gov/bluebook. This fiscal summary identifies the following impact.

State expenditures and revenue. By making oil and gas operators, owners, and producers strictly liable for damages from oil and gas operations, the Judicial Department will see an increase in expenditures and revenue from additional civil case filings. The measure will increase the number of plaintiffs seeking damages from oil and gas companies, and increase the scope of any corresponding lawsuits. This results in additional workload for the Judicial Department.

Economic impacts. To the extent Initiative 270 increases legal action against oil and gas operators, owners, and producers, the initiative may lead to higher costs or reduced activity in the oil and gas sector. This could decrease employment and investment in the industry.