



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Summary

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

LCS TITLE: RIGHT TO HEALTHY ENVIRONMENT

Fiscal Summary of Initiative 272

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 revenue. If the measure leads to lawsuits regarding the right to a healthy environment, revenue will increase in the Judicial Department from filing fees. This revenue is subject to TABOR. If expenditures increase in a state agency program that is funded by fees, that agency may increase fee amounts to cover its costs. Most fee revenue is subject to TABOR.

State expenditures. By requiring the state to prioritize and enforce the protection of a healthy environment, Initiative 272 increases state expenditures beginning in FY 2024-25. Ensuring that state rules and practices conform with this right may increase expenditures in a variety of state agencies, including the Department of Public Health and Environment, the Department of Natural Resources, the Department of Regulatory Agencies, and the Department of Law. Because of the broad nature of the initiative's language, state boards and agencies could face a number of legal challenges regarding any rules, regulations, or practices that interact with the environment, further increasing expenditures in affected state agencies and the Judicial Department. Agencies found in violation of the measure may be subject to damage payment, which would increase the state's risk management costs.

Local government impact. Similar to the state impact above, Initiative 272 requires counties, cities, and any other political subdivision of the state to prioritize and enforce the protection of a healthy environment, while allowing any person or agency to pursue a civil action for damages or other relief associated with violations of the initiative. Workload and expenditures will increase for any local government with civil action brought against them or any local government that takes legal action against an agency, institution, or political subdivision. In addition, costs may increase for a local government required to pay damages for violations of the initiative.

Economic impacts. By requiring the state and local governments to prioritize and enforce the protection of a healthy environment, new rules and regulations may be introduced that lead to a decrease in certain activities that potentially harm or pollute the environment. This would lead to a decrease in employment and investment in affected sectors of the economy. If the measure causes a net reduction in pollution, residents may experience health benefits that positively impact the economy through fewer sick days or increased productivity.