



# Initiative 77

## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Fiscal Impact Statement

**Date:** November 6, 2023

**Fiscal Analyst:** Josh Abram (303-866-3561)

**LCS TITLE: ECONOMIC IMPACT STATEMENT**

		<b>Budget Year FY 2024-25</b>	<b>Out Year FY 2025-26</b>
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund	\$9,601	\$9,601

*Disclaimer. This initial fiscal impact statement has been prepared for an initiative approved for petition circulation by the Secretary of State. If the initiative is placed on the ballot, Legislative Council Staff may revise this estimate for the ballot information booklet (Blue Book) if new information becomes available.*

### Summary of Measure

The measure requires that ballot titles for citizen initiated measures be preceded by an economic impact summary. The chief economist of Legislative Council Staff must prepare the economic impact summary from qualifying economic impact statements received from any interested party. A qualifying economic impact statement must use dynamic modeling and include the effect the measure will have on employment, GDP, and the expenses and revenue of state and local governments. Any analysis submitted by interested parties must be conducted by an economist and any assumptions used must be reviewed and validated by an expert in the field.

The chief economist must review any statements received for compliance, and issue a final determination of qualification and an economic impact summary within certain deadlines. An interested party that is dissatisfied with the determination or the summary may file a challenge in district court where the petition has been filed. The district court must conduct a summary proceeding and conclude within ten days. If appealed, the decision of the district court must be reviewed by the Colorado Supreme Court.

Following the conclusion of any legal challenges, the Director of Legislative Council Staff must certify the ballot content of the economic impact summary to the Secretary of State.

## State Expenditures

**State Legislature.** On average, Legislative Council Staff analyzes about seven initiated measures each year. Assuming interested parties submit three qualifying economic impact statements for each measure, workload will increase by about 250 hours for the chief economist to review statements, determine whether they meet the qualifications, and prepare an economic impact summary of the statements. This workload equates to approximately 0.1 FTE, and about \$9,600 annually, paid from the General Fund. In the event that no qualifying statements are received, it is assumed the chief economist will issue an economic impact summary stating that no qualifying statements were received.

**Judicial Department.** Both the district courts and the Supreme Court will have increased workload to consider any challenges brought against the determination of qualification, or challenges to the issuance of the economic impact summary prepared by Legislative Council.

## Effective Date

If approved by voters at the 2024 general election, this measure takes effect upon proclamation of the Governor, no later than 30 days after the official canvass of the vote is completed.

## State and Local Government Contacts

Legislature

Judicial