

Referendum O

Colorado Legislative Council Staff
FISCAL IMPACT STATEMENT

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BALLOT TITLE: CITIZEN-INITIATED STATE LAWS

Fiscal Impact Summary	FY2008-2009	FY 2009-2010	FY 2010-2011
State Revenue	\$0	\$0	\$0
State Expenditures			
Cash Funds			
Department of State Cash Fund	\$0	\$40,200	\$106,000
FTE Position Change	0.0 FTE	0.0 FTE	0.0 FTE
Local Government Impact: None			

Summary of Measure

This proposed constitutional amendment modifies the requirements for citizen-initiated ballot measures submitted to voters at subsequent elections. Among other things, the measure establishes different requirements for constitutional and statutory initiatives.

For *constitutional* initiatives, the measure:

- increases the minimum number of petition signatures required to 6 percent of the votes cast in the previous election for governor;
- requires that 8 percent of the minimum number of signatures be gathered from residents in each of the state's 7 congressional districts; and
- requires that any proposed changes be submitted for review and comment by the 60th legislative day.

For *statutory* initiatives, the measure:

- reduces the minimum number of petition signatures required to 4 percent of the votes cast in the previous election for governor;
- increases the time for collecting petition signatures from 6 months to 9 months before an election; and
- prohibits repealing or amending any change for 5 years after the law becomes effective without a two-thirds vote of each house of the General Assembly.

The measure also modifies the deadlines for holding a review and comment hearing on proposed initiatives, allows the public to comment at the hearing, and allows the legislature to hold hearings on proposed constitutional initiatives. It takes effect only if approved by voters at the November 2008 general election.

Background

Under current law, citizens may initiate changes to state law by collecting petition signatures in an amount equal to 5 percent of the number of votes cast for the office of secretary of state in the last general election. Based on the number of votes cast in the 2006 general election, the current requirement is 76,047 signatures. Under Referendum O, the requirement for proposed *constitutional* amendments would be 93,497 signatures, with at least 9,350 collected from each congressional district, and the requirement for proposed *statutory* amendments would be 62,331 signatures.

The secretary of state verifies petitions by first checking a random sample of signatures submitted. If the random sampling does not lead to a determination that the number of valid signatures is either sufficient or not, the secretary must verify each signature until a sufficient number of valid signatures is found, or the petition is deemed insufficient. Random sampling leads to a determination of sufficiency for about 90 percent of all initiatives submitted.

Currently, an average of 6 initiative petitions are filed for each even-year election and 2 for each odd-year election. On average, about 80 percent of initiatives propose constitutional changes and 20 percent propose statutory changes. Referendum O will not likely change the total number of initiatives filed each year, but it is expected to cause some petitioners to seek statutory changes instead of constitutional changes.

State Expenditures

Requiring that signatures be collected from each congressional district will increase the number of petitions requiring signature verification — rather than random sampling — and increase costs of the Department of State. Costs are estimated to increase by at least **\$40,200 in budget year 2009** and **\$106,000 in budget year 2011**, but actual costs will differ depending on the number of petitions for constitutional amendments submitted and the number requiring signature verification versus random sampling. Costs for 2010 are based on constitutional amendments proposed for the November 2009 and costs for 2011 are for constitutional amendments submitted for the November 2010 election.