Colorado
Legislative
Council
Staff

Amendment V

FISCAL IMPACT STATEMENT

Date: August 20, 2018 **Fiscal Analyst:** Aaron Carpenter (303-866-4918)

BALLOT TITLE: LOWER AGE REQUIREMENT FOR MEMBERS OF STATE LEGISLATURE

Summary of Measure

Amendment V lowers the minimum age requirement to serve in the Colorado General Assembly from 25 years old to 21 years old. This change applies to both state representative and state senators.

Background

The Colorado Constitution currently sets several requirements to serve in the state legislature including a minimum age requirement. Specifically, state representatives and state senators must be at least 25 years old, be a United States citizen, and reside in their district for at least one year.

Assessment of No Fiscal Impact

This fiscal impact statement assumes that this amendment will not significantly increase the number of people running for the state legislature. Therefore, it is assessed as having no impact on the revenue or expenditures of any state or local agency.

Effective Date

If approved by voters, Amendment V takes effect upon proclamation of the Governor within 30 days of the official canvass of votes at the 2018 general election.

State and Local Government Contacts

Information Technology	Law
Legislative Council Staff	Office of Legislative Legal Services
Secretary of State	

Colorado Legislative Council Staff

Amendment W

FISCAL IMPACT STATEMENT

Date: August 20, 2018 **Fiscal Analyst:** Chris Creighton (303-866-5834)

BALLOT TITLE: ELECTION BALLOT FORMAT FOR JUDICIAL RETENTION ELECTIONS

Summary of Measure

Under current law, a separate judicial retention question must be listed for each justice or judge on the ballot. Amendment W amends the Colorado Constitution to allow for judicial retention questions to be grouped together on the ballot according to court type.

Background

In 1966, Colorado voters approved a constitutional amendment that repealed the partisan election of justices and judges and enacted the current appointment and retention process. This process requires justices and judges to be nominated by a judicial nominating commission and then appointed by the Governor. Thereafter, justices and judges must go before voters in a retention election, held in even-numbered years, to maintain their seat on the bench. In these elections, voters are asked on the ballot if each justice or judge seeking retention should be retained. A justice or judge seeking retention is not challenged; therefore, a "yes" vote allows him or her to retain the position, and a "no" vote ends his or her term as a justice or judge and vacates the position. In Colorado, justices serve on the Supreme Court and judges serve in all other courts.

Local Government Impact

Amendment W decreases county clerk workload by a minimal amount and may reduce ballot printing and mailing costs. These impacts will vary by county and by election because ballot length depends on multiple factors, including the number of justices and judges seeking retention, the number of other offices up for election, the number of initiatives or referenda appearing on the ballot, and municipal or special district election content in coordinated elections.

By allowing justices and judges to be grouped on the ballot according to court type and eliminating the judicial retention question for each justice and judge seeking retention, Amendment W creates minimal workload efficiencies by decreasing the amount of time that county clerks will spend preparing and proofing their ballot designs. Additionally, to the extent that Amendment W reduces the length of future ballots, the amount of time spent processing voted ballots and preparing them to be counted will also decrease.

Amendment W potentially decreases county clerk costs by reducing the length of some ballots. Ballot printing and mailing costs will decrease to the extent that Amendment W allows county clerks to keep future ballots from being more than one page. Potential savings are expected to be up to $100,000 for large counties and counties that are required to print ballots in both English and Spanish (Conejos, Costilla, Denver, and Saguache). For small counties, potential savings are minimal and estimated to be less than $10,000.

Effective Date

If approved by voters, Amendment W 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

Counties	County Clerks	Judicial
Legislative Council	Secretary of State	

Colorado Legislative Council Staff

Amendment X

FISCAL IMPACT STATEMENT

Date: August 20, 2018 **Fiscal Analyst:** Erin Reynolds (303-866-4146)

BALLOT TITLE: INDUSTRIAL HEMP DEFINITION

Fiscal Impact Summary	FY 2018-19	FY 2019-20
State Revenue		
State Expenditures		

Summary of Legislation

This concurrent resolution refers a measure to voters at the November 2018 general election to remove the definition of "industrial hemp" from the Colorado Constitution and, instead, use the definition in federal law or state statute.

Background

The Colorado Constitution defines the term "industrial hemp" to mean "the plant of the genus cannabis and any part of such plant, whether growing or not, with a delta-9 tetrahydrocannabinol (THC) concentration that does not exceed three-tenths percent on a dry weight basis." The Colorado Department of Agriculture determines the level of THC in industrial hemp by measuring the combined concentration of THC and its precursor, delta-9 tetrahydrocannabinolic acid (THC-A).

Federal code defines the term "industrial hemp" to mean "the plant Cannabis sativa L. and any part of such plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis."

No Fiscal Impact

Removing the definition of industrial hemp from the state constitution is not expected to have an impact on the revenue or expenditures of any state or local government agency. This measure is therefore assessed as having no fiscal impact.

Effective Date

If approved by the voters, the measure takes effect after the date of the official declaration of the vote by proclamation of the Governor, not later than 30 days after the votes have been canvassed.

State and Local Government Contacts

Agriculture	Counties	Governor
Municipalities	Revenue	State

Colorado Legislative Council Staff

Amendment Y

FISCAL IMPACT STATEMENT

Date: August 20, 2018 **Fiscal Analyst:** Ryan Long (303-866-2066)

BALLOT TITLE: CONGRESSIONAL REDISTRICTING

Fiscal Impact Summary	FY 2018-19	FY 2020-21	FY 2021-2022
State Revenue		Minimal increase.	
State Expenditures		**$31,479**	**$642,745**
General Fund		(60,550)	642,745
Cash Funds		92,029	0

Summary of Measure

Amendment Y creates the 12-member Independent Congressional Redistricting Commission, with the membership of the commission equally divided between representatives of unaffiliated voters and members from each of the state's two largest parties. The commission will amend and approve congressional district maps drawn by nonpartisan legislative staff. Amendment Y establishes a process for selecting commissioners, new requirements for transparency and ethics, and a procedure for judicial review of commission maps. It also establishes and prioritizes the criteria the commission must use for adopting the state's U.S. congressional district map.

Amendment Z, which is also on the 2018 ballot, proposes a similar but separate process for state legislative redistricting.

State Revenue

Beginning in FY 2020-21, Amendment Y will minimally increase Department of State cash fund revenue for fines collected from lobbyists who fail to disclose required information. It is assumed that there will be high compliance with these requirements, and the actual issuance and collection of fines will be low.

State Expenditures

Based on the estimated cost of congressional redistricting under current law, Amendment Y is expected to decrease Legislative Department General Fund expenditures by $60,550 in FY 2020-21 and increase expenditures by $642,745 in FY 2021-22. Department of State cash fund expenditures are expected to increase $92,029 in FY 2021-22 only. These impacts are shown in Table 1 and described below.

Table 1. Expenditures Under Amendment Y			
Cost Components	**FY 2018-19**	**FY 2020-21**	**FY 2021-22**
Legislative Department Subtotal		**($60,550)**	**$642,745**
Personal Services		($14,046)	$226,595
FTE		0.2 FTE	2.3 FTE
Operating Expenses and Capital Outlay Costs		17,019	5,058
Computer Equipment, Software, and Website		22,000	39,000
Professional Services/Legal Services		(77,634)	155,268
Travel and Per Diem		(29,004)	147,598
Employee Benefits and Leased Space		21,115	69,226
Department of State Subtotal		**$92,029**	
Personal Services		$17,142	
FTE		0.2 FTE	
Computer Programming		71,680	
Employee Benefits and Leased Space		3,207	
TOTAL COSTS		**$31,479**	**$642,745**
TOTAL FTE		**0.4 FTE**	**2.3 FTE**

Personal services. Under current law, congressional redistricting plans are prepared by the General Assembly with nonpartisan Legislative Department staff support during the legislative session (January to May). Under Amendment Y, congressional redistricting is expected to require an additional 0.2 FTE in FY 2020-21 and 2.3 FTE in FY 2021-22. Overall, an increase in staffing will be required over current law to process commissioner applications and maintain a website that can accept public comments for the commission.

The Department of State requires 0.2 FTE in FY 2020-21 only for approximately 310 hours of staff time to promulgate rules regarding congressional redistricting lobbying, create training materials, and conduct training on lobbyist registration and reporting requirements. Staff will assist with updating the online lobbyist registration and filing system and process any complaints received against lobbyists. Workload will also increase in FY 2021-22 to process complaints; however, this workload can be accomplished within existing appropriations.

Computer equipment and software. For the Legislative Department, congressional redistricting requires computers that use GIS and mapping software, as well as data and printing services. Amendment Y also specifies certain requirements for the commission's website that exceed the requirements under current law, such as allowing for the submission of public maps and comments, and broadcasting meetings online. These new requirements are expected to increase costs by $22,000 in FY 2020-21 and $39,000 in FY 2021-22 compared to current law.

For the Department of State, $71,680 is needed in FY 2020-21 for 640 hours of computer programming at $112 per hour to make modifications to the online lobbyist registration and filing system to allow for congressional redistricting lobbying registration and disclosures.

Professional and legal services. Professional and legal consultation may be sought during the drawing of congressional redistricting plans under this resolution. This includes legal support concerning rulemaking, open records requests, and for redistricting plans.

Travel and per diem. Under current law, it is assumed that an interim committee will hold statewide public meetings regarding the redistricting plan. By creating a congressional redistricting commission that must hold meetings in each district, funds are needed to pay for travel expense reimbursement and per diem for staff and commission members. Under Amendment Y, costs increase for additional meetings compared to current law and for additional staff to attend the meetings.

Administrative Law Judges/Court of Appeals. To the extent that there are complaints against lobbyists for the failure to fully or accurately report lobbying activity, workload for the Office of Administrative Courts will increase. Workload for the Court of Appeals will also increase to the extent that an Administrative Law Judge decision is appealed. It is assumed this workload can be accomplished within each agency's existing appropriations.

Employee benefits and leased space. Costs for employee insurance, supplemental employee retirement payments, and leased space for the commission are estimated to be $21,115 in FY 2020-21 and $69,226 in FY 2021-22, as compared to current law.

Effective Date

If approved by voters, Amendment Y will take effect upon proclamation of the Governor, no later than 30 days after the canvass of the vote is completed.

State and Local Government Contacts

Judicial	Law	Legislative Council
Local Affairs	Legal Services	Secretary of State

Colorado
Legislative
Council
Staff

Amendment Z

FISCAL IMPACT STATEMENT

Date: August 20, 2018 **Fiscal Analyst:** Ryan Long (303-866-2066)

BALLOT TITLE: LEGISLATIVE REDISTRICTING

Fiscal Impact Summary	FY 2018-19	FY 2020-21	FY 2021-2022
State Revenue		Minimal increase.	
State Expenditures		**$252,065**	**($65,977)**
General Fund		160,036	(65,977)
Cash Funds		92,029	0

Summary of Measure

Amendment Z replaces the 11-member Colorado Reapportionment Commission with the 12-member Independent Legislative Redistricting Commission, with the membership of the commission equally divided between representatives of unaffiliated voters and members from each of the state's two largest parties. The commission will amend and approve state legislative maps drawn by nonpartisan legislative staff. It establishes a process for selecting commissioners, new requirements for transparency and ethics, and a procedure for judicial review of commission map. It also expands and prioritizes the criteria the commission must use for drawing state legislative district maps.

Amendment Y, which is also on the 2018 ballot, proposes a similar but separate process for congressional redistricting.

State Revenue

Beginning in FY 2018-19, Amendment Z will minimally increase Department of State cash fund revenue for fines collected from lobbyists who fail to disclose required information. It is assumed that there will be high compliance with these requirements, and the actual issuance and collection of fines will be low.

State Expenditures

Based on costs for state legislative redistricting under current law, this bill is projected to increase Legislative Department General Fund expenditures by $160,036 in FY 2020-21 and decrease expenditures by $65,977 in FY 2021-22. Department of State cash fund expenditures are expected to increase $92,029 in FY 2021-22 only. These costs are summarized in Table 1 and discussed below.

Table 1. Expenditures Under Amendment Z			
Cost Components	**FY 2018-19**	**FY 2020-21**	**FY 2021-22**
Legislative Department Subtotal		**$160,036**	**($65,977)**
Personal Services		$99,016	($42,080)
FTE		1.4 FTE	(0.5 FTE)
Operating Expenses and Capital Outlay Costs		12,277	(1,399)
Computer Equipment, Software, and Website		23,944	(2,884)
Travel and Per Diem		(5,120)	(15,360)
Employee Benefits and Leased Space		29,919	(4,254)
Department of State Subtotal		**$92,029**	
Personal Services		$17,142	
FTE		0.2 FTE	
Computer Programming		71,680	
Employee Benefits and Leased Space		3,207	
TOTAL COSTS		**$252,065**	**($65,977)**
TOTAL FTE		**1.6 FTE**	**(0.5 FTE)**

Personal services and operating costs. Under the current legislative redistricting process, legislative district plans are drawn by the Colorado Reapportionment Commission in the legislative interim (between legislative sessions). Staff support for this commission is provided by the nonpartisan legislative staff. Compared to the current state legislative redistricting process, the process under Amendment Z is expected to require an additional 1.6 FTE in FY 2020-21 and a reduction of 0.5 FTE in FY 2021-22. Overall, an increase in staffing will be required over current law to process commissioner applications and maintain a website that can accept public comments for the commission.

The Department of State requires 0.2 FTE in FY 2020-21 only, for approximately 310 hours of staff time to promulgate rules regarding congressional redistricting lobbying, create training materials and conduct training on lobbyist congressional redistricting registration and reporting requirements. Staff will also assist with updating the online lobbying system and process any complaints received against lobbyists. Workload will also increase in FY 2021-22 to process complaints; however, this workload can be accomplished within existing appropriations.

Computer equipment and software. State legislative redistricting requires computers that use GIS and mapping software, as well as data and printing services. Amendment Z also specifies certain requirements for the commission's website that exceed the requirements under current law, such as allowing for the submission of public maps and comments, and broadcasting meetings online. These new requirements are expected to increase costs by $23,944 in FY 2020-21 and decrease by $2,884 in FY 2021-22 when compared to current law.

In FY 2020-21, the IT Services Division in the Department of State will require 640 hours of computer programming at $112 per hour, or $71,680, to make modifications to the existing lobbyist registration system.

Travel and per diem. Under current law, several meetings and public hearings are held as a part of the redistricting process to seek public input on new district plans. These meetings are held throughout the state and funds are needed to pay for travel expense reimbursement and per diem for staff and commission members. Under Amendment Z, costs will increase for additional staff and the twelfth commissioner to travel and to hold additional public hearings.

Administrative Law Judges/Court of Appeals. To the extent that complaints against a lobbyist for failure to fully or accurately report such activity, workload for the Office of Administrative Courts will increase. Workload for the Court of Appeals will also increase to the extent that an Administrative Law Judge decision is appealed. It is assumed this workload can be accomplished within each agency's existing appropriations.

Centrally appropriated costs. These costs, which include employee insurance, supplemental employee retirement payments, and leased space for the commission, are estimated to increase by $29,919 in FY 2020-21 and decrease by $4,254 in FY 2021-22, as compared to current law.

Effective Date

If approved by voters, Amendment Z will take effect upon proclamation of the Governor, no later than 30 days after the canvass of the vote is completed.

State and Local Government Contacts

Judicial	Law	Legislative Council
Local Affairs	Legal Services	Secretary of State

Colorado Legislative Council Staff

Amendment A

FISCAL IMPACT STATEMENT

Date: August 20, 2018 **Fiscal Analyst:** Aaron Carpenter (303-866-4918)

BALLOT TITLE: PROHIBIT SLAVERY AND INVOLUNTARY SERVITUDE IN ALL CIRCUMSTANCES

Fiscal Impact Summary	FY 2018-19	FY 2019-20
State Revenue	Potential minimal increase.	
State Expenditures	Potential and minimal workload increase.	
TABOR Impact	Potential minimal increase.	

Summary of Measure

Under the Colorado Constitution, slavery and involuntary servitude is prohibited except as a punishment for a crime. Amendment A removes this exception prohibiting slavery and involuntary servitude in all circumstances.

Background

Offender work requirements used in the Colorado criminal justice system may take the following forms:

- Prison work programs, where all eligible offenders are expected to work unless assigned to an approved education or training program;
- Community service, where a judge may sentence certain offenders to work a specific number of hours providing community service; and
- Probation, in which the court may require an offender to maintain suitable employment and/or pursue employment-related education or vocational training.

State Revenue

If approved by voters, Amendment A may overall minimally increase state revenue from court filing fees, criminal fees, and court administrative fees starting in the current FY 2018-19. If current inmates bring lawsuits to challenge their work requirements, revenue from court filing fees will increase. Courts may also require offenders to pay additional criminal fines and court administrative fees instead of being sentenced to community service, which will increase state revenue credited to the General Fund and various cash funds in the Judicial Department. Additionally, if less offenders are sentenced to probation, revenue to the Judicial Department will decrease. These impacts will vary depending on the number of legal challenges and future sentencing decisions but the fiscal note assumes these impacts will be minimal. The increase in revenue from court filing fees, criminal fees, and court administrative fees are subject to TABOR.

State Expenditures

If approved by voters, starting in FY 2018-19, Amendment A will result in a minimal potential increase state agency workload. To the extent that there are challenges to community service sentences or offender work programs, workload for the Department of Law will increase to litigate cases. Workload in the Judicial Department will also increase to hear those cases. Depending on the outcome of these cases, workload for the Department of Corrections may also increase to implement any changes to policies and procedures of work programs. Finally, if fewer people are sentenced to community service as a result of the measure, probation workload will decrease. These impacts will vary depending the number of legal challenges filed and on future sentencing decisions but are expected to be minimal.

TABOR refunds. The measure is expected to increase state General Fund obligations for TABOR refunds by a minimal amount in FY 2018-19 and FY 2019-20. Under current law and the current revenue forecast, TABOR refunds are expected to be paid in the following year via reimbursements to local governments for senior and disabled veteran property tax exemptions. The measure will not affect the amount of these reimbursements. A forecast of state revenue subject to TABOR is not available beyond FY 2019-20.

Local Government Impact

Amendment A may increase county revenue, costs, and workload, starting in the current FY 2018-19, as described below.

Denver County Court. Denver County Court revenue and workload may increase to the extent that the court hears challenges to community service sentences and offender work programs, and orders offenders to pay additional fees in lieu of a community service sentence. To the extent that fewer people are sentenced to community service, probation revenue and workload will decrease. Similar to the state, these impacts are expected to be minimal.

County Jails. To the extent that offenders are sentenced to jail instead of community service, county jail costs will increase. Because the courts have the discretion of incarceration or imposing a fine or other sentencing outcomes, the precise impact at the local level cannot be determined. Estimated costs to house an offender in a county jail vary from $53 to $114 per day. For the current fiscal year, the state reimburses county jails at a rate of $54.39 to house state inmates.

Effective Date

If approved by voters, Amendment A takes effect upon proclamation of the Governor within 30 days of the official canvass of votes at the 2018 general election.

State and Local Government Contacts

Corrections	Counties	Judicial
Law	Sheriffs	

Colorado Legislative Council Staff

Amendment 73

FISCAL IMPACT STATEMENT

Date: August 20, 2018

Fiscal Analyst: Marc Carey (303-866-4102)
Anna Gerstle (303-866-4375)

LCS TITLE: FUNDING FOR PUBLIC SCHOOLS

Fiscal Impact Summary	FY 2018-2019	FY 2019-2020
State Revenue	**$750.9 million**	**$1.6 billion**
Quality Public Education Fund	$750.9 million	$1.6 billion
State Expenditures	**$174,933**	**at least $866.1 million**
General Fund	$174,933	$85,843
Quality Public Education Fund		at least $866 million

Summary of Measure

The measure makes changes to the Colorado Constitution and state law related to funding for public education.

Quality Public Education Fund. The measure creates the Quality Public Education Fund (fund) in the Colorado Constitution. Money in the fund is to be used to support and enhance the quality of preschool through twelfth grade (P-12) public education beginning in FY 2019-20. The fund will contain revenue from a proposed income tax increase, discussed below. Money in the fund is exempt from the TABOR revenue limit and must be used to supplement General Fund appropriations for P-12 public education as of the measure's effective date, adjusted each year for inflation up to 5 percent.

New school finance act. The measure encourages the General Assembly to enact, as expeditiously as possible, a new public school finance law that meets certain criteria. Criteria relate to base per pupil funding; equitable allocation of funding among districts, based on several factors; adequate funding for certain specialized programs and early childhood programs; recruitment and retention of teachers; and the creation of a model that is transparent and easy to understand. Once legislation meeting these criteria has been enacted, the General Assembly may utilize money in the fund to implement the new school finance act.

Education spending requirements. Beginning in FY 2019-20 and until a new public school finance law that meets the criteria is enacted by the General Assembly, money in the fund must be used to:

- increase the statewide base per pupil funding for P-12 public education to $7,300;
- increase state funding for the following programs by at least the following specified amounts over FY 2018-19 levels:
  - special education by $120 million;
  - gifted and talented programs by $10 million;
  - English language proficiency programs by $20 million; and
  - preschool funding by $10 million;

The above increases are to be adjusted for inflation each year beginning in FY 2020-21.

In addition, the measure expands the number of kindergarten and at-risk students that receive funding through the state's P-12 funding formula. Specifically, the measure requires that:

- at-risk funding include students qualifying for reduced price lunch; and
- full day kindergarten funding be increased from 0.58 percent to 1.0 per full time equivalent student.

Income tax. The measure creates an exception to the current law requirement that any new income tax law change require taxable net income to be taxed at a single rate. Specifically, the measure allows multiple tax rates to apply to individuals, trusts, estates, and corporations if the tax increase is approved by voters for the funding of P-12 public education. The measure then increases state personal income tax rates on federal taxable income by the following graduated rates, beginning in tax year 2019:

- 0.37 percent for income between $150,000 and $200,000;
- 1.37 percent for income between $200,000 and $300,000;
- 2.37 percent for income between $300,000 and $500,000; and
- 3.62 percent for income above $500,000.

The measure also increases the state corporate income tax rate for domestic C corporations and foreign C corporations doing business in Colorado by 1.37 percent beginning in tax year 2019. All revenue from this individual and corporate income tax increase is deposited in the Quality Public Education Fund and may be retained and spent without further voter approval.

Assessment rate. Currently, the residential assessment rate is 7.2 percent and all other taxable property, excluding property and leases for mines and producing oil and gas, is assessed at 29.0 percent for all local government entities. Beginning January 1, 2019, the measure specifies that for property taxes levied by school districts only, the residential assessment rate is 7.0 percent, and the assessment rate for most non-residential property is 24.0 percent.

Reporting requirements. Within five years of when the money is first appropriated from the fund, the Colorado Department of Education (CDE) must contract for a study that includes how money from the fund was spent, and determine best practices for continuous improvement in student achievement. In addition, school districts that receive money from the fund must make certain information available on its website, including its mission, and current budget, audit, uniform improvement plan, and student achievement scores.

Within ten years of implementation of the new act and every five years thereafter, the General Assembly must conduct a review of the new school finance act to determine if it enables all school districts to meet academic standards and performance requirements, as well as make any necessary changes to the new act.

State Revenue

The measure increases state revenue by $750.9 million in FY 2018-19 (half-year impact) and $1.6 billion in FY 2019-20, deposited in the newly created Quality Public Education Fund. This amount is expected to grow over time with growth in population, income, and business earnings, and includes approximately $0.6 billion from individual income taxes and $112.72 million from corporate income taxes in FY 2018-19. The revenue estimate for FY 2019-20 includes approximately $1.4 billion from individual income tax and $229.44 million from corporate income tax. This revenue is exempt from TABOR and must be used for purposes identified in the measure. This estimate incorporates the federal Tax Cuts and Jobs Act.

Individual income tax. The measure creates graduated income tax rates for taxable income above $150,000. Graduated rates are increased above the current 4.63 percent by between 0.37 percent and 3.62 percent, depending on the amount of taxable income, as shown in Table 1. For example, a taxpayer with taxable income equal to $250,000 would be taxed at the current rate of 4.63 percent for the first $150,000 in income. The subsequent $50,000 would be taxed at a rate of 5 percent, and the final $50,000 would be taxed at a rate of 6.0 percent.

Table 1. Individual Income Tax Rates Under Amendment 73

Taxable income* between...	...is taxed at a marginal rate of...	Percent of Filers whose maximum income is in each tax bracket
$0 and $150,000	4.63%	91.8%
$150,001 and $200,000	5.0%	3.2%
$200,001 and $300,000	6.0%	2.5%
$300,001 and $500,000	7.0%	1.4%
Over $500,000	8.25%	1.1%

** These taxable income tiers apply to single, head of household, and joint filers.*

Under current law, revenue from individual income taxes is expected to be $8.0 billion in FY 2018-19 and $8.4 billion in FY 2019-20, based on the Legislative Council Staff June 2018 forecast. The measure is expected to increase state individual income tax collections by an additional $0.6 billion in FY 2018-19 and $1.4 billion in FY 2019-20. The FY 2018-19 estimate represents a half year impact. These estimates are based on actual taxpayer data for tax years 2014 through 2016. Estimates assume growth in taxpayer incomes, resulting in a larger share of taxpayers impacted by the new tax rates over time. Table 2 shows the impact on income tax liability for five example taxable incomes.

Table 2. Individual Income Taxpayer Impacts Under Amendment 73

If taxable income** is...	The measure will increase annual income tax liability* by....
less than $150,000	$0
$200,000	$185
$250,000	$870
$400,000	$3,925
$1,000,000	$24,395

** Actual tax liability may vary based on state income tax credits.*
*** These examples apply to single, head of household, and joint filers.*

Corporate income tax. Under current law, the corporate income tax rate is 4.63 percent, which is expected to generate $778.8 million in FY 2018-19 and $745.0 million in FY 2019-20. The measure increases the corporate tax rate by 1.37 percent to a total rate of 6.0 percent. The rate increase is expected to generate $112.7 million in new revenue in FY 2018-19 and $229.4 million in FY 2019-20. This amount is based on the Legislative Council Staff June 2018 forecast for corporate income tax collections in FY 2018-19 and FY 2019-20.

State Expenditures

In FY 2018-19, the measure increases state expenditures from the General Fund by $174,933 and 1.6 FTE. In FY 2019-20, the measure increases state expenditures by at least $866.1 million and up to $2.4 billion, and 1.3 FTE. Of the expenditures in FY 2019-20, $85,843 is from the General Fund and the remainder is from the Quality Public Education Fund. The minimum funding represents the funding requirements specified in the measure; the maximum of $2.4 billion includes all new revenue generated by the measure in FY 2018-19 ($750.9 million) and FY 2019-20 ($1.6 billion). In future years, approximately $1.6 billion will be generated by the measure annually and available for spending on public education by the General Assembly.

Expenditures in FY 2019-20 from the Quality Public Education Fund are listed in Table 3. The expenditures listed in Table 3 assume that the budget stabilization factor, which was adopted as a budget balancing tool in 2010, remains constant in FY 2019-20. The budget stabilization factor applies an equal percentage reduction to school finance formula funding across all school districts, and totaled $672.4 million in FY 2018-19. Whether the additional state revenue generated by the measure above the specified funding requirements is used to decrease the budget stabilization factor or for other educational priorities will be determined by the General Assembly.

Table 3. State Expenditure Increase Required By Amendment 73

Measure Requirements	**FY 2019-20**
Formula Funding	
Base per pupil funding to $7,300	$378 million
Full Day Kindergarten (1.0 FTE)	$227 million
Expansion of At-Risk (include reduced price lunch students)	$81 million
Interactive Impacts**	$20 million
Formula Subtotal	**$706 million**
Categorical and Preschool Programs	
Special education	$120 million
Gifted and talented programs	$10 million
English language learning	$20 million
Preschool funding	$10 million
Program Subtotal	$160 million
Total - Specified Funding Requirements	**$866 million**
Remaining state funding generated by the measure in FY 2018-19 and FY 2019-20, to be spent on public education as determined by the state legislature.	$1.5 billion
Total Education Spending	**$2.4 billion***

* *Includes revenue generated in FY 2018-19 ($750.9 million) and FY 2019-20 ($1.6 billion). Future years will allow spending up to the estimated $1.6 billion per year, plus growth. The measure requires the revenue to be spent on education, but does not specify the timing for the spending.*

** *Interactive impacts result from a higher base per pupil level for students projected under current law, and the additional at-risk and kindergarten students required to be funded by the measure.*

Formula funding. The measure increases total program funding by at least $706 million in FY 2019-20. Funding increases include:

- $378 million from increasing the base per pupil funding to $7,300;
- $227 million from increasing full day kindergarten funding from 0.58 percent to 1.0 per full time equivalent student; and
- $81 million from increasing at risk funding to include students qualifying for reduced price lunch.

In addition, the measure also results in $20 million in additional costs from implementing the above requirements simultaneously. The measure increases the base per pupil funding to $7,300 and expands the number of kindergarten students and at risk students funded through the school finance formula. The measure thus increases funding for the number of projected students under current law, and for the additional students required by the measure to be funded through the formula.

Categorical and preschool components. In FY 2019-20, the measure also increases funding for three categorical programs and preschool early-childhood education by a total of $160 million above FY 2018-19 spending levels. As shown in Table 1, special education funding must increase by $120 million, gifted and talented programs by $10 million, English language proficiency programs by $20 million, and preschool funding by $10 million.

Administrative components. The measure requires at least $174,933 and 1.6 FTE in FY 2018-19 and $85,843 and 1.3 FTE in FY 2019-20 to implement the measure, as discussed below.

Department of Revenue. The measure requires expenditures of $174,933 and 1.6 FTE in FY 2018-19 and $85,843 and 1.3 FTE in FY 2019-20 from the General Fund to the Department of Revenue to implement the measure. Expenditures include $46,250 to update and test the GenTax system, $7,200 to update forms, and $8,226 for document management in FY 2018-19, and for 1.6 FTE in FY 2018-19 and 1.3 FTE in FY 2019-20 to address questions, correspondence, protests, and refunds in both years. Required costs also include $27,873 in FY 2018-19 and $22,682 in FY 2019-20 for employee benefits and indirect costs.

Future year impacts - CDE. The measure increases expenditures in the Department of Education to conduct the required study on how money from the fund was spent, and determine best practices for continuous improvement in student achievement. The study must be completed within five years of the fund's implementation, or no later than FY 2024-25. Costs to contract for the study may range from $500,000 to $3 million based on previous studies. Funds from the Quality Public Education Fund may be used to cover the costs of the study. Additional expenditures may be required to update data systems and collect additional data prior to the study.

Future year impacts - LCS. The measure increases the workload for Legislative Council Staff to prepare the required report for the General Assembly no more than ten years after the implementation of a new school finance act. This fiscal impact statement assumes no additional funding is required.

Local Government and School District Impacts

The measure increases revenue to school districts by a minimum of $866 million and up to $2.3 billion in FY 2019-20, the first full fiscal year the measure is implemented. The minimum spending represents the funding requirements specified in the measure; the maximum increase is the result of $2.4 billion in new state revenue generated in FY 2018-19 and FY 2019-20 and a $62.4 million net decrease in property tax revenue in FY 2019-20. In future years, approximately $1.6 billion, plus growth, is expected to be available annually to support public education.

State revenue to school districts. The measure increases revenue from individual and corporate income taxes by $750.9 million in FY 2018-19 and $1.6 billion in FY 2019-20 and beyond. This revenue will be deposited in the Quality Public Education Fund. Beginning in FY 2019-20, the measure requires the General Assembly to appropriate and allows school districts to expend this money to support, improve, and enhance P-12 public education. Of the revenue generated, $866 million must be spent for the state's share of total program, categorical programs, and preschool funding based on the measure's requirements; the remaining funds must be spent on public education as determined by the General Assembly.

Property tax revenue. Property taxes are paid on a portion of a property's value, determined by an assessment rate. Under current law, the assessment rate for most nonresidential property is set at 29 percent, and the rate for residential property is determined by the state legislature based on a formula in the state constitution. Over time, the residential assessment rate has fallen from 21 percent in 1983 to the current rate of 7.2 percent. The rate is expected to fall further to 6.1 percent in 2019, based on projections published by Legislative Council Staff in December 2017.

For school district property taxes only, beginning in 2019, Amendment 73 reduces the nonresidential assessment rate from 29 percent to 24 percent, thereby reducing taxes for nonresidential property. The measure reduces the residential assessment rate from 7.2 percent to 7.0 percent, and sets it at this lower rate, keeping it from falling further. Relative to the projected 6.1 percent residential assessment rate for 2019, the rate under the measure will result in a tax increase for residential property taxpayers.

In 2019, the measure is projected to decrease school district property tax revenue by $62.4 million, reflecting a decrease in nonresidential property tax revenue of $317.8 million, partially off-set by an increase in residential property tax revenue of $255.3 million. The measure only applies to property taxes levied by school districts. The measure does not impact the assessment rates for mines and lands producing oil and gas.

Impact of full day kindergarten on local share of school finance. For three school districts (Harrison, Colorado Springs, and Cherry Creek), counting all kindergarten students as 1.0 FTE results in an approximately $5.0 million increase in the local share of school funding. These districts will not need to lower their school finance mill levy rate by as much as other districts in order to meet their constitutional spending limits, resulting in an increase to the property taxes that fund the local share. This impact has not been incorporated into the estimates for the statewide property tax impacts as a result of the measure.

Workload - school districts. The measure is likely to increase the costs and workload for school districts to document how revenue from the Quality Public School Fund is spent for the study compiled by CDE and adjust data systems accordingly. The costs vary based on the size and resources of each district.

Workload - county assessors. The measure increases costs for county assessors to implement the new assessment rates for school district property taxes only. The measure establishes a parallel set of assessment rates for school districts compared with those used for other local government entities. Assessors will be required to update or change property tax computer and data systems to accommodate the parallel rates and may require additional staff to implement such a change. Specific impacts will vary by county.

Effective Date

If approved by voters, the measure takes effect upon proclamation of the Governor within 30 days of the official canvass of votes at the 2018 general election.

State and Local Government Contacts

Education	Information Technology	Legislative Council
Property Tax	Revenue	School District

Colorado Legislative Council Staff

Initiative # 108

FISCAL IMPACT STATEMENT

Date: August 20, 2018 **Fiscal Analyst:** Josh Abram (303-866-3561)

LCS TITLE: JUST COMPENSATION FOR REDUCTION IN FAIR MARKET VALUE BY GOVERNMENT LAW OR REGULATION

Fiscal Impact Summary	FY 2018-19	FY 2020-21	FY 2021-2022
State Revenue	Increase.		
State Expenditures	Increase.		
TABOR Impact	Increase.		

Summary of Measure

Eminent domain is the power of government to take private property for public use. A common application of this power is taking private property for roads, public schools, or other government buildings. The Colorado constitution and state statutes prohibit the taking or damaging of private property for public use without just compensation to the property owner. This initiative amends the constitutional language controlling eminent domain.

Initiative 108 amends the constitution to prohibit the reduction in fair market value of private property by government law or regulation, or for public or private use, without just compensation.

State Revenue

Procedurally, when a governmental body seeks to acquire private property through eminent domain, a court or a court-appointed commission is required to establish the amount of just compensation. Filing fees to initiate proceedings with the court system creates new state revenue, which is subject to TABOR. This measure will result in additional court cases, and therefore additional fee revenue; however, because the number of future court cases brought by private property owners in response to future government laws or regulations is unknown, no estimate can be made.

State Expenditures

State expenditures will increase each time a court in the Judicial Branch decides that a law or regulation has reduced the fair market value of the private property, and therefore, that the state must provide just compensation. The amount of new expenditures required to compensate property holders cannot be estimated; however, this fiscal note assumes this increase could be significant for all branches of state government.

Workload in the Judicial Branch will increase to adjudicate cases, as well as in the Department of Law each time the Attorney General is required to defend the state against a takings claim. This fiscal note assumes that the initiative is not retroactive, and applies only to alleged damage occurring after the measure's effective date.

TABOR refunds. The measure is expected to increase state General Fund obligations for TABOR refunds from court fees in FY 2018-19 and FY 2019-20. Under current law and the current revenue forecast, TABOR refunds are expected to be paid in the following year via reimbursements to local governments for senior and disabled veteran property tax exemptions. The measure will not affect the amount of these reimbursements.

Local Government Impact

Similar to the state, local government workload and expenditures could increase significantly for each law, regulation or regulatory condition, that local courts rule has reduced the fair market value of private property, and therefore, that the local government must provide just compensation. Local courts also collect a fee for court filings. An increase in court cases will result in an increase in local government revenue.

Effective Date

If approved by voters, the ballot initiative takes effect upon proclamation of the Governor within 30 days of the official canvass of votes at the 2018 general election.

State and Local Government Contacts

All Agencies

Editor's Note: This is now Amendment 75

Colorado Legislative Council Staff

Initiative 173

FISCAL IMPACT STATEMENT

Date: August 20, 2018 **Fiscal Analyst:** Ryan Long (303-866-2066)

LCS TITLE: CAMPAIGN CONTRIBUTIONS

Fiscal Impact Summary	FY 2019-20	FY 2020-21
State Revenue		
State Expenditures	**$15,000**	
Cash Funds	15,000	

Summary of Measure

Under Initiative 173, candidates in a race may accept contributions from individuals that are up to five times the amount authorized in the state constitution if at least one candidate in the race:

- contributes or loans funds totaling more than $1.0 million to his or her own campaign;
- contributes or loans funds totaling more than $1.0 million to a committee to support or oppose any candidate in the same election; or
- coordinates third-party contributions totaling more than $1.0 million to any committee to influence the candidate's own election.

Background

Campaign contribution limits are established in the state constitution and adjusted for inflation every four years. These limits restrict the amount of money a person can donate to a candidate in a specific election cycle, which includes the primary and general elections, as indicated in Table 1. The current limits reflect adjustments made in 2015.

Table 1. Individual and Political Committee Contribution Limits

Election	Individual Contribution Limit
Governor/Lt. Governor	$1,150
Secretary of State	1,150
Attorney General	1,150
State Treasurer	1,150
State Senate	400
State House of Representatives	400
State Board of Education	400
CU Regent	400
District Attorney	400

State Expenditures

Initiative 173 will result in a one-time cost of $15,000 in FY 2019-20 in the Department of State to make modifications to the state's campaign finance tracking system, TRACER. This cost is paid from the Department of State Cash Fund.

Effective Date

If approved by voters, Initiative 173 will take effect upon proclamation of the Governor, no later than 30 days after the canvass of the vote is completed.

State and Local Government Contacts

Personnel State

Colorado Legislative Council Staff

Editor's Note: This is now Proposition 109

Initiative # 167

FISCAL IMPACT STATEMENT

Date: August 20, 2018 **Fiscal Analyst:** Larson Silbaugh (303-866-4720)

BALLOT TITLE: AUTHORIZE BONDS FOR TRANSPORTATION PROJECTS

Fiscal Impact Summary	FY 2018-2019 *current year*	FY 2019-2020	FY 2020-2021	FY 2021-2022
State Revenue	**$3.5 billion**	**($0.5 billion)**	**($0.5 billion)**	**($0.5 billion)**
Cash Funds	$3.5 billion	($0.5 billion)	($0.5 billion)	($0.5 billion)
State Transfers	-	-	-	-
General Fund	-	$50.0 million	$50.0 million	$50.0 million
Cash Funds	-	($50.0 million)	($50.0 million)	($50.0 million)
State Expenditures	Increase. See State Expenditures section.			
General Fund				
Cash Funds				

Summary of Measure

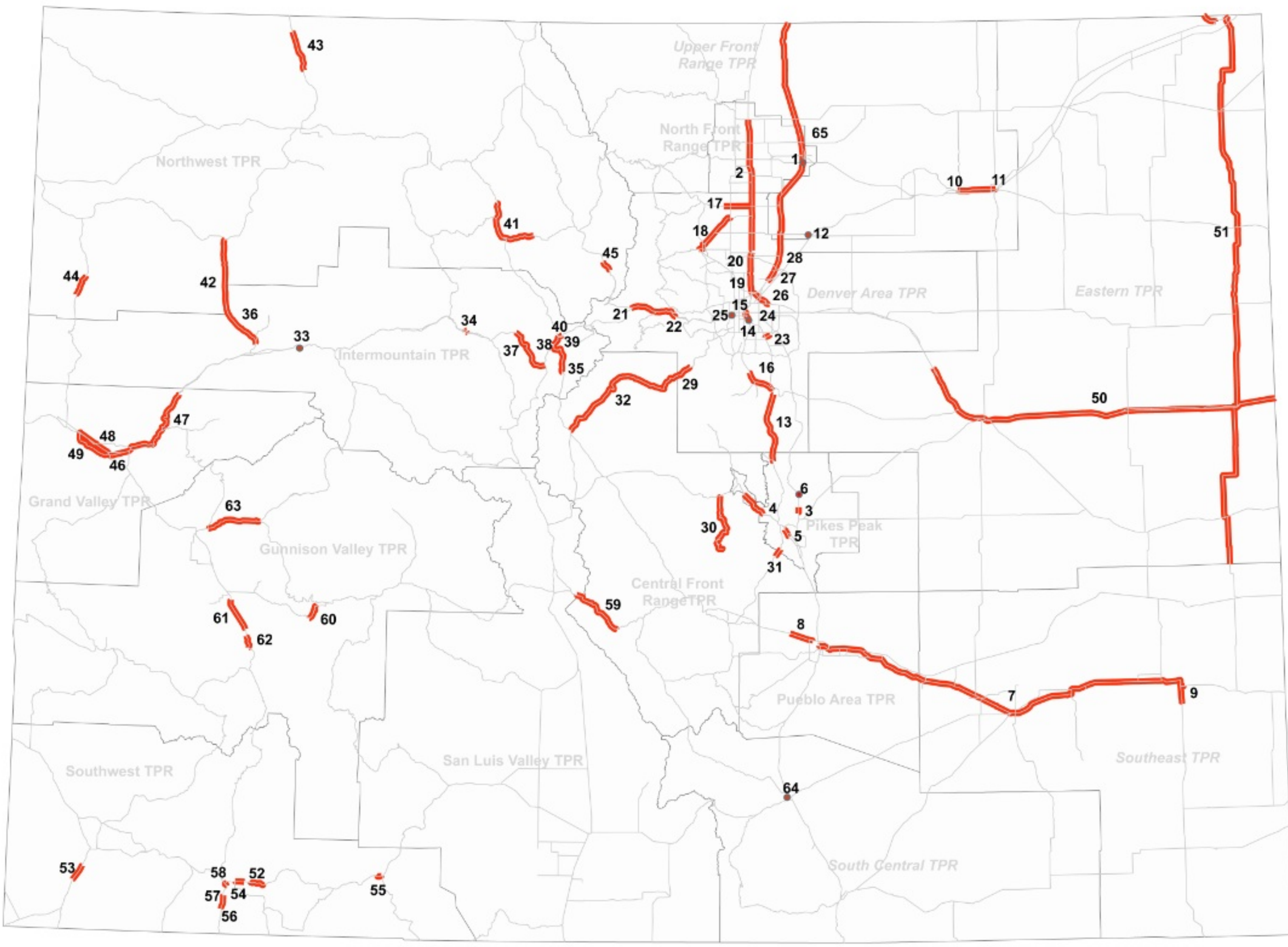
The measure requires the executive director of the Colorado Department of Transportation (CDOT) to issue Transportation Revenue Anticipation Notes (TRANs) no later than July 1, 2019, in a maximum amount of $3.5 billion with a maximum repayment cost of $5.2 billion over 20 years. Revenue from the bond issuance is exempt from TABOR as a voter-approved revenue change.

Voter-approved proceeds from TRANs must be used exclusively for road and bridge expansion, construction, maintenance, and repair on the 66 projects identified in the measure, which include projects in each of the state's 15 transportation planning regions. The 66 highway projects included in the measure are plotted by location in Figure 1 and listed in Table 1.

The measure requires the principal and interest on the borrowed money to be paid without raising taxes or fees. The state must reserve the right to repay the TRANs ahead of schedule without penalty.

Initiative # 167

Figure 1
Map of Highway Construction Projects Included in Initiative #167
(Projects and costs are listed in Table 1; "TPR" indicates Transportation Planning Region)



Prepared by: Colorado Legislative Council
Data provided by: Colorado Department of Transportation

Initiative # 167

Table 1
Descriptions and Costs of Projects Included in Initiative #167

Map Label	CDOT Project ID	Project Description from Measure	Funding Need*
		(a) In the North Front Range Transportation Planning Region:	
1	58	(I) US 34/US 85 Interchange Reconfiguration, improvements to the safety and capacity of the interchange and corridor improvements based off Hwy 85 planning and environmental linkages.	$113,000,000
2	52	(II) I-25 North, State Highway 7 to State Highway 14, add a lane in each direction, interchange reconstruction, mainline reconstruction, safety and Intelligent Transportation Safety improvements.	$653,000,000
		Subtotal	***$766,000,000***
		(b) In the Pikes Peak Transportation Planning Region:	
3	116	(I) State Highway 21, Constitution to North Carefree, construction of interim continuous flow intersection.	$143,650,000
4	20	(II) US 24 West, I-25 to Woodland Park, drainage and intersection improvements on US 24 from I-25 to Woodland Park.	$25,000,000
5	19	(III) I-25 South, Widening S. Academy to Circle/Lake (I-25 EA through Colorado Springs), widening of roadway to six lanes.	$369,804,000
6	28	(IV) State Highway 21, Research Parkway Interchange (phase of the State Highway 21 Woodmen to State Highway 83 EA), construction of new grade-separated interchange at State Highway 21 and Research Parkway.	$39,896,000
		Subtotal	***$578,350,000***
		(c) In the Pueblo Area Transportation Planning Region:	
7	24	(I) US 50B, widen to four lanes, shoulders, passing lanes and other safety improvements to the Kansas border.	$50,000,000
8	23	(II) US 50, West of Pueblo, widen the divided highway from two lanes to three lanes.	$45,895,000
		Subtotal	***$95,895,000***
		(d) In the Southeast Transportation Planning Region:	
9	25	US 287 Lamar Reliever Route, construction of reliever route, realignment of US 50 to future US 50/US 287 interchange.	$211,071,000
		Subtotal	***$211,071,000***
		(e) In the Upper Front Range Transportation Planning Region:	
10	54	(I) I-76, Fort Morgan to Brush, Phase 4 reconstruction of roadway and interchanges between Ft. Morgan and Brush.	$41,200,000
11	114	(II) I-76, Fort Morgan to Brush, Phase 5 reconstruction of roadway and interchanges between Ft. Morgan and Brush.	$65,000,000
12	69	(III) State Highway 52 Interchange in Hudson, reconstruction of interchange.	$14,000,000
		Subtotal	***$120,200,000***
		(f) In the Greater Denver Area Transportation Planning Region:	
13	1	(I) I-25 South, Monument to Castle Rock, expand capacity monument to Castle Rock as outlined in planning and environmental linkages study.	$350,000,000
14	2	(II) I-25 Central, Santa Fe to Alameda, Valley Highway Phase 2.0 improvements, complete Alameda interchange including reconstruction of Lipan, reconstruction of Alameda Bridge over the South Platte and finalize ramp configuration. *Note: This project has been funded.*	-

Table 1
Descriptions and Costs of Projects Included in Initiative #167 (Cont.)

Map Label	CDOT Project ID	Project Description from Measure	Funding Need*
15	*3*	*(III) I-25, Valley Highway Phase 3.0, Santa Fe to Bronco Arch, replacement of bridges and interchanges and roadway widening, congestion relief, safety, and mobility improvements.*	*$57,140,000*
16	*14*	*(IV) US 85, widening from C-470 to I-25 in Castle Rock (Louviers to Meadows), reconstruction of two lane roadway to four lanes with a divided median, acceleration/deceleration lanes and foot trail.*	*$49,500,000*
17	*70*	*(V) State Highway 66 Corridor Improvements West, widening, safety, and intersection improvements.*	*$1,500,000*
18	*74*	*(VI) State Highway 119, expand capacity.*	*$160,000,000*
19	*4*	*(VII) I-25 North, US 36 to 120th, improvements on I-25 between US 36 and 120th. Potential improvements include auxiliary lanes, additional lane between 84th Ave. and Thornton Parkway and reconstruction of 88th Ave. bridge.*	*$85,285,000*
20	*5*	*(VIII) I-25 North, US 36 to State Highway 7, Tolled Express Lane improvements, expand Tolled Express Lanes from current planned end at E-470 to State Highway 7. Combine with local funds to rebuild I-25/State Highway 7 interchange.*	*$101,750,000*
21	*6*	*(IX) I-70 West, westbound peak period shoulder lane, mirror eastbound peak period shoulder lane from Twin Tunnels (Exit 241) to Empire Junction.*	*$80,000,000*
22	*7*	*(X) I-70 West, Floyd Hill, reconstruct westbound bridge at Kermit's and construct third lane down Floyd Hill to bridge. Construction of third lane to twin tunnels, either peak period shoulder lanes or permanent.*	*$550,000,000*
23	*10*	*(XI) I-225, I-25 to Yosemite, complete National Environmental Policy Act design, removing bottleneck at Yosemite, ramps, lanes, interchanges and bridge replacement at Ulster.*	*$61,394,000*
24	*11*	*(XII) I-270, widening from I-76 to I-70, reconstruction to improve capacity, safety, and economic competitiveness. Capacity improvements, replacement of bridges, and reconstruct concrete pavement.*	*$398,774,000*
25	*13*	*(XIII) US 6, Wadsworth Interchange, reconstruct interchange to improve safety and relieve congestion.*	*$68,151,000*
26	*15*	*(XIV) I-270/US 85, I-270 to 62nd Ave. interchange, reconstruct interchange at I-270 intersection at 60th Ave. to improve safety and capacity.*	*$61,184,000*
27	*121*	*(XV) 104th grade separation, construction of grade separated interchange at 10th and 104th/US 85 and railroad crossing grade separation.*	*$102,310,000*
28	*122*	*(XVI) 120th grade separation, construction of a grade separated interchange at 120th and US 85/railroad crossing grade separation 120th.*	*$76,234,000*
29	*16*	*(XVII) US 285, Richmond Hill to Shaffer's Crossing, widen roadway to four lanes with median and construction of grade separated interchange at King's Valley.*	*$70,576,000*
		Subtotal	***$2,273,798,000***
		(g) In the Central Front Range Transportation Planning Region:	
30	*29*	*(I) State Highway 67, Divide to Victor, shoulder widening and safety improvements.*	*$25,000,000*
31	*100*	*(II) State Highway 115, replace and widen Rock Creek Bridge.*	*$15,100,000*
32	*99*	*(III) US 285, Fairplay to Richmond Hill, addition of passing lanes and shoulder improvements.*	*$15,000,000*
		Subtotal	***$55,100,000***

Table 1
Descriptions and Costs of Projects Included in Initiative #167 (Cont.)

Map Label	CDOT Project ID	Project Description from Measure	Funding Need*
		(h) In the Intermountain Transportation Planning Region:	
33	*132*	*(I) I-70, Garfield County/New Castle Interchange upgrade.*	*$15,072,000*
34	*33*	*(II) I-70 West, G Spur Road (Edwards Interchange); Phase 2 of Edwards interchange; interchange and intersection improvements.*	*$23,000,000*
35	*44*	*(III) State Highway 9, Frisco North, completion of corridor including minimal widening, water quality and drainage improvements, and two interchange improvements.*	*$13,817,000*
36	*45*	*(IV) State Highway 13, Rifle North, construction upgrades.*	*$60,000,000*
37	*35*	*(V) I-70 West, Vail Pass auxiliary lanes and wildlife overpass, complete National Environmental Policy Act design and preliminary engineering for recommended third lane (both directions) to increase safety and mobility. Install permanent water quality features, and widen roadway.*	*$225,000,000*
38	*36*	*(VI) I-70 West, Exit 203 interchange improvements.*	*$30,344,000*
39	*37*	*(VII) I-70 West, Frisco to Silverthorne Auxiliary Lane, improvements and upgrades.*	*$16,924,000*
40	*38*	*(VIII) I-70 West, Silverthorne Interchange, reconstruction of Exit 205 interchange and related improvements for four ramps.*	*$24,701,000*
		Subtotal	***$408,858,000***
		(i) In the Northwest Transportation Planning Region:	
41	*134*	*(I) US 40, Kremmling East and West, phased addition of shoulders and passing lanes on 14 miles.*	*$21,002,000*
42	*46*	*(II) State Highway 13, Rio Blanco South to County Line, phased addition of shoulders and passing lanes.*	*$24,680,000*
43	*47*	*(III) State Highway 13, Wyoming South, reconstruction of truck route and related improvements.*	*$48,304,000*
44	*50*	*(IV) State Highway 139, Little Horse South, safety improvements including reconstruction of the surface and addition of 4-8' paved shoulders.*	*$22,789,000*
45	*41*	*(V) US 40, Fraser to Winter Park, capacity improvements (four lane facility).*	*$13,592,000*
		Subtotal	***$130,367,000***
		(j) In the Grand Valley Transportation Planning Region:	
46	*30*	*(I) I-70, Business Loop, I-70 B widening; complete reconstruction and widening to meet current geometric design standards and improve safety, drainage and accesses along the corridor; add lanes in each direction to make a three-lane roadway section and reconstruct frontage roads 5th Street to Exit 26 corridor, new capacity.*	*$32,549,000*
47	*31*	*(II) I-70, Palisade to Debeque, reconstruction with realignment of curves and other safety improvements.*	*$71,014,000*
48	*39*	*(III) US 6 improvements Mesa County, completion of intersection studies and preliminary engineering for safety and mobility throughout the corridor; intersection, shoulders, and other safety and mobility improvements at specified locations throughout the corridor.*	*$23,651,000*
49	*51*	*(IV) State Highway 340, safety and capacity improvements including intersection improvements.*	*$16,992,000*
		Subtotal	***$144,206,000***

Table 1
Descriptions and Costs of Projects Included in Initiative #167 (Cont.)

Map Label	CDOT Project ID	Project Description from Measure	Funding Need*
		(k) In the Eastern Transportation Planning Region:	
50	*53*	*(I) I-70 East, replacement of Alkali-Silica Reactivity pavement and associated safety improvements.*	*$205,000,000*
51	*66*	*(II) US 385 Safety Improvements, intersection, shoulders, and other safety improvements at specified locations.*	*$40,000,000*
		Subtotal	***$245,000,000***
		(l) Southwest Transportation Planning Region:	
52	*83*	*(I) US 160 Mobility Improvements, corridor improvements, passing lanes, and shoulder widening at select locations.*	*$36,000,000*
53	*81*	*(II) US 160 Towaoc, addition of passing lanes and vehicle turnouts.*	*$11,220,000*
54	*138*	*(III) US 160 Elmore's East, completion of specified improvements.*	*$34,528,000*
55	*84*	*(IV) US 160 Pagosa, reconstruction to correct wheel rutting and addition of pedestrian facilities for safety.*	*$23,670,000*
56	*90*	*(V) US 550 South, Sunnyside, major reconstruction requiring widening to a four-lane roadway, including earthwork, drainage, irrigation, utilities, paving, pedestrian bridge, sound wall, animal crossings.*	*$32,620,000*
57	*91*	*(VI) US 550 Corridor South, gap reconstruction to four lanes, including drainage, utilities, animal crossings, and intersection improvements.*	*$31,992,000*
58 (a)	*92*	*(VII) US 550/US 160 Connection, complete the connection of US 550 to US 160 at the Grandview interchange (Phase 2).*	*$99,600,000*
58 (b)	*92*	*(VIII) US 550/US 160 Connection, finalize pre-construction, purchase required rights-of-way, complete final design and prepare advertisement (Phase 1).*	*-*
		Subtotal	***$269,630,000***
		(m) In the San Luis Valley Transportation Planning Region:	
59	*158*	*US 50 safety and mobility improvements between Salida and Coaldale, addition of passing lanes and vehicle turnouts.*	*$8,432,000*
		Subtotal	***$8,432,000***
		(n) Gunnison Valley Transportation Planning Region	
60	*43*	*US 50 Little Blue Canyon, reconstruction and widening of existing roadway template to meet current geometric design standards and improve roadside safety, drainage and access along the corridor; addition of passing lanes and mitigation of geohazard landslide within the project limits; phased implementation.*	*$29,500,000*
61	*137*	*US 550 Safety Improvements, specified study to review intersection improvements. US 550 Region 3 only.*	*$22,475,000*
62	*94*	*US 550 Uncompahgre River and Colona, addition of shoulders between Uncompahgre River and Colona (Billy Creek); construction of deer fencing and animal underpasses.*	*$30,537,000*
63	*49*	*State Highway 92, safety improvements including reconstruction of the surface, addition of 4-8' paved shoulders across Rogers Mesa, and other safety improvements including access and intersection improvements.*	*$32,915,000*
		Subtotal	***$115,427,000***

Table 1
Descriptions and Costs of Projects Included in Initiative #167 (Cont.)

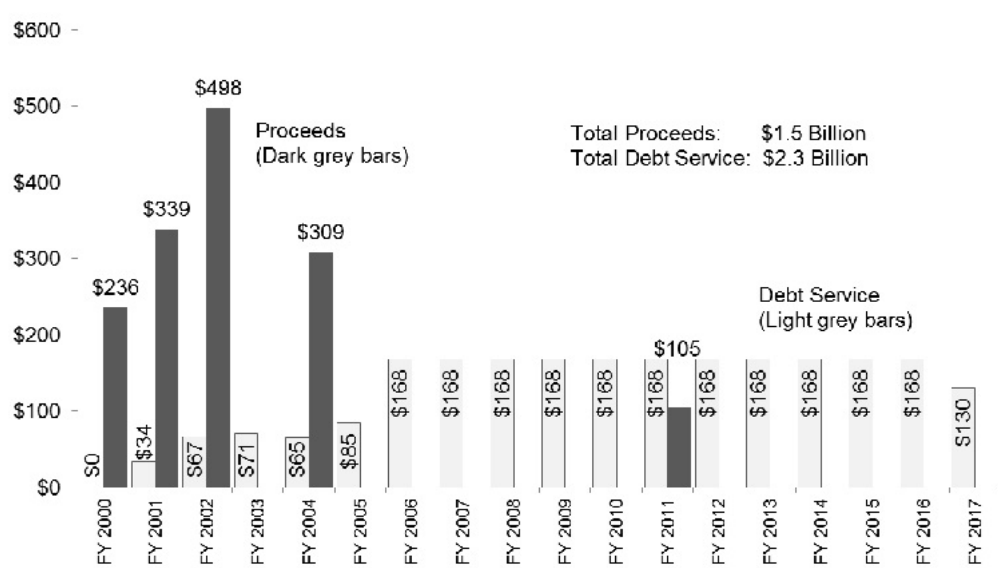
Map Label	CDOT Project ID	Project Description from Measure	Funding Need*
		(o) In the South Central Transportation Planning Region:	
64	*123*	*I-25, State Highway 10/State Highway 160, interchange reconstruction at Walsenburg.*	*$50,000,000*
		Subtotal	***$50,000,000***
65	*60*	*(p) US 85 corridor improvements, safety, intersection and interchange improvements.*	*$101,840,000*
		Subtotal	***$101,840,000***
		Grand Total	***$5,574,174,000***

** Total funding need does not include anticipated matching funds, subsequent project phases, or tolling revenue.*

Background

Transportation Revenue Anticipation Notes. In 1999, Colorado voters authorized CDOT to borrow up to $1.7 billion by selling TRANs, with a maximum repayment cost of $2.3 billion. Debt service on TRANs was paid with money from the federal government and state matching funds. TRANs proceeds were exempt from the TABOR revenue limit and were required to be used for a list of 28 prioritized statewide projects. The use of TRANs allowed CDOT to accelerate construction on these projects, including the widening of I-25 in Denver (T-REX). As shown in Figure 2, CDOT borrowed a total of $1.5 billion in installments from 2000 through 2011, with a total repayment cost of $2.3 billion. The final TRANs debt service payment occurred in December 2016.

Figure 2
1999 TRANs Proceeds and Debt Service
(Dollars in Millions)



Source: Colorado Department of Transportation. Not adjusted for inflation.

Transportation funding commitments conditional on the outcome of Initiative #167. Under current law, two sources of transportation funding will be cancelled if Initiative #167 is approved by voters. These sources, authorized in Senate Bill 17-267 and Senate Bill 18-001, are described below.

Senate Bill 17-267 certificates of participation. In 2017, the state committed to sell state buildings worth $500 million each year between FY 2018-19 and FY 2021-22, generating a total of $2.0 billion in state revenue. Most of this revenue, including all revenue generated in FY 2019-20 through FY 2021-22, is available for state transportation projects. Under the 2017 law, the state leases sold buildings back from purchasers over 20 years and resumes ownership of the buildings at the completion of this term. Total lease payments are capped at $150 million annually.

If the measure passes, the final three years of sales will be cancelled, reducing state revenue for transportation by a total of $1.5 billion between FY 2019-20 and FY 2021-22. Lease payments on these buildings will not be made, reducing state expenditures for lease payments by $112.5 million annually.

Senate Bill 18-001 transfers. In 2018, the state authorized transfers of $50 million per year from the General Fund to the State Highway Fund between FY 2019-20 and FY 2038-39. These transfers will be cancelled if the measure passes, reducing funding for transportation by a total of $1.0 billion over 20 years and making this amount available in the General Fund for other uses at the discretion of the General Assembly.

State Revenue

The measure is expected to increase state revenue by a net of $2.0 billion over multiple years. In FY 2018-19, revenue to the State Highway Fund in CDOT will increase by $3.5 billion as a result of the bond issuance. Revenue to the State Highway Fund will be reduced by $500 million in each of FY 2019-20, FY 2020-21, and FY 2021-22. These impacts are shown in Table 2. State revenue from the bond issuance is exempt from TABOR as a voter-approved revenue change.

Table 2
Net New State Revenue if Initiative #167 is Approved by Voters

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	Total
Initiative #167 Bonds	$3.5 billion	-	-	-	**$3.5 billion**
SB 17-267 COPs		($0.5 billion)	($0.5 billion)	($0.5 billion)	**($1.5 billion)**
Total	**$3.5 billion**	**($0.5 billion)**	**($0.5 billion)**	**($0.5 billion)**	**$2.0 billion**

State Transfers

If the measure passes, annual $50 million transfers from the General Fund to the State Highway Fund between FY 2019-20 and FY 2038-39 will be canceled as shown in Table 3.

Table 3
Change in SB 18-001 Transfers if Initiative #167 is Approved by Voters

	FY 2018-19	FY 2019-20	FY 2038-39	20-Year Total
State Highway Fund	($50 million)	($50 million)	($50 million)	**($1.0 billion)**
General Fund	$50 million	$50 million	$50 million	**$1.0 billion**
Total	-	-	-	-

State Expenditures

The measure will increase state expenditures between FY 2019-20 and FY 2038-39 as described in the following paragraphs.

Project costs. CDOT will use TRANs to fund some of the projects identified in Initiative #167. The measure requires the issuance of TRANs in an amount of up to $3.5 billion. For the projects listed in the measure, CDOT's current funding need is $5.6 billion; this amount is subject to change due to inflation, project delays, and the availability of federal and local match funding. Project selection and order will be determined by CDOT and the Transportation Commission.

Bond repayments. CDOT and the Colorado General Assembly will be obligated to spend future revenue on TRANs principal and interest payments. Under the measure, the total TRANs repayment costs may not exceed $5.2 billion and must be repaid within 20 years. Assuming the repayment schedule is for the full $5.2 billion over 20 years, the average annual repayment cost will be $260 million. Actual repayment amounts will vary depending on the actual TRANs amount and the terms of the TRANs, including the timing of when TRANs bonds are issued and the interest rate. The expenditure increase will require a decrease in spending on other programs, to be determined by CDOT and the state legislature.

Lease payments for Senate Bill 17-267. The sale and lease-back of $1.5 billion in state buildings will be cancelled, eliminating the lease payments associated with those buildings. Eliminating the lease payments will reduce state commitments by $2.25 billion over a 20-year period. On average, lease payments will fall by $112.5 million per year, though this savings is expected to ramp up by $37.5 million annually as each building sale is cancelled. Table 4 shows the net impact for repayment of the bonds in Initiative #167 and the elimination of lease payments.

Table 4
Change in State Funding Commitments if Initiative #167 is Approved by Voters

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2038-39	20-Year Total
Initiative #167 Bonds	$260.0 million	$260.0 million	$260.0 million	$260.0 million	**$5.20 billion**
SB 17-267 Leases	-	($37.5 million)	($75.0 million)	($112.5 million)	**($2.25 billion)**
Total	**$260.0million**	**$222.5 million**	**$185.0 million**	**$147.5 million**	**$2.95 billion**

Effective Date

If approved by voters, Initiative #167 takes effect upon proclamation of the Governor, no later than 30 days after the official canvass of votes is completed. TRANs must be issued by July 1, 2019.

State and Local Government Contacts

Counties	Information Technology	Municipalities
Revenue	Secretary of State	Transportation

Editor's Note: This is now Proposition 110

Colorado Legislative Council Staff

Initiative # 153

FISCAL IMPACT STATEMENT

Date: August 20, 2018 **Fiscal Analyst:** Larson Silbaugh (303-866-4720)

LCS TITLE: AUTHORIZE SALES TAX AND BONDS FOR TRANSPORTATION PROJECTS

Fiscal Impact Summary	FY 2018-19	FY 2019-20
State Revenue		
Total Sales and Use Tax Revenue	**$366.0 million**	**$766.7 million**
Sales and Use Tax Revenue in State Highway Fund	164.7 million	345.0 million
Sales and Use Tax Revenue in Other Funds	201.3 million	421.7 million
Bond Proceeds	**up to $6.0 billion**	
State Expenditures	**$65,127**	
Department of Revenue	15,127	
Department of Transportation (Bond Consultant)	50,000	
Department of Transportation (Debt Repayment)	See State Expenditures Section.	

Summary of Measure

This measure increases the state sales and use tax rate from 2.9 percent to 3.52 percent between January 1, 2019, and January 1, 2039. In addition, the measure allows the Colorado Department of Transportation to issue bonds totaling up to $6.0 billion. The total repayment cost may not exceed $9.4 billion over 20 years. The revenue generated from the tax increase is dedicated for the following purposes:

- 45 percent for bond repayment and state transportation funding;
- 15 percent for multimodal transportation; and
- 40 percent for municipal and county transportation projects.

Revenue from both the tax increase and bond issuance is exempt from TABOR as a voter-approved revenue change. The measure also creates a citizen oversight commission that must annually report how the bond proceeds have been used.

State Revenue

This measure increases state sales and use tax revenue by $366.0 million in FY 2018-19 and $766.7 million in FY 2019-20. The estimate for FY 2018-19 represents a half-year impact based on the January 1, 2019, effective date of the tax increase. In addition, the measure authorizes the Department of Transportation to sell bonds, increasing revenue by up to $6.0 billion starting in FY 2018-19.

Sales and use tax revenue. The measure increases the sales and use tax rate by 0.62 percentage points, from 2.9 percent to 3.52 percent, starting January 1, 2019. Based on the March 2018 Legislative Council Staff revenue forecast, the higher tax rate will increase state sales and use tax revenue by $366.0 million in FY 2018-19 and $766.7 million in FY 2019-20, with continuing increases through FY 2038-39. The estimate for FY 2018-19 represents a half-year impact.

New state tax revenue will be distributed as shown in Table 1. The State Highway Fund is used to pay for construction and maintenance of state highways. The Multimodal Transportation Options Fund issues grants to fund multimodal transportation projects such as bike paths, walking paths, mass transit, and transportation options for seniors and persons with disabilities. The measure creates the Local Transportation Priorities Fund to increase revenue for county and municipal transportation projects.

Table 1. Tax Revenue Under Initiative #153

Fund	FY 2018-19	FY 2019-20
State Highway Fund (45%)	$164.7 million	$345.0 million
Mulitmodal Transportation Options Fund (15%)	$54.9 million	$115.0 million
Local Transportation Priorities Fund (40%)	$146.4 million	$306.7 million
TOTAL	**$366.0 million**	**$766.7 million**

Transportation bond proceeds. The measure authorizes the Department of Transportation to sell up to $6.0 billion in bonds starting in FY 2018-19. The total repayment cost may not exceed $9.4 billion over 20 years. Selling bonds will increase revenue for state transportation projects and create a 20-year liability for repayment. Table 2 shows the revenue increase from bond proceeds occurring in FY 2018-19 and FY 2019-20, however the timing and actual amount is uncertain.

Table 2. Bond Revenue Under Initiative #153

	FY 2018-19	FY 2019-20
Bond Proceeds - State Highway Fund	Up to $6.0 billion	

State Expenditures

This measure will increase expenditures equal to the amount of revenue described above for construction and maintenance of transportation projects and debt service. The administrative costs of implementing the policies in the measure will increase state expenditures by $65,127 in FY 2018-19 only. Department of Revenue expenditures will increase by $15,127, and Department of Transportation expenditures will increase by $50,000.

Department of Transportation. In FY 2018-19 only, Department of Transportation expenditures will increase by $50,000 for consulting expenses to negotiate new transportation bonds authorized by the measure. Workload will also increase for the department to staff the citizen oversight committee and ensure the information required by the measure is posted on the department's website. This workload can be accomplished within existing appropriations.

Bond repayment. Total transportation bond repayment costs may not exceed $9.4 billion, and debt must be serviced within 20 years. Based on assumed repayment costs of $9.4 billion over 20 years, the average annual debt service costs will be $470.0 million. Table 3 compares the potential bond repayment cost with sales and use tax revenue from the measure.

Table 3. Comparison of Debt Service and Tax Revenue Allocation Under Initiative #153		
	FY 2018-19	**FY 2019-20**
Bond debt service (estimated)	-	($470.0 million)
Sales and use tax revenue to State Highway Fund	$164.7 million	$345.0 million
Difference	**$164.7 million**	**($125.0 million)**

Department of Revenue. In FY 2018-19 only, General Fund expenditures will increase by $15,127. Expenditures will increase by $13,927 for programming to the state's tax administration software. These costs include 25 hours of programming at $250 per hour, as well as costs for department staff to perform testing of the program changes. Expenditures will also increase by $1,200 to change one state tax form.

Local Government Impact

The ballot measure increases state government distributions to local governments beginning in FY 2018-19.

Local government revenue. Local governments will receive disbursements from the state sales and use tax increase. The local government allocation equals 40 percent of new tax revenue, which is $146.4 million in FY 2018-19, and $306.7 million in FY 2019-20. Sales and use tax disbursements will grow as taxable sales grow over time. Counties and municipalities each receive half of these amounts. Revenue is distributed among individual counties and municipalities according to the current law distribution formula for transportation funding.

Multimodal Transportation Options Fund. To receive money from this fund for multimodal projects, counties and municipalities must provide 50 percent matching funds. The Transportation Commission has the authority to prioritize the funding for multimodal transportation projects paid for through the fund.

Local government expenditures. Local governments will have additional funding for transportation projects. Under current law, local governments must spend revenue transferred from the state for transportation on construction and maintenance of public highways, acquisition of rights-of-way and access rights, and for the construction and maintenance of transit-related projects. The measure allows local governments to spend new sales tax funding to match funding from the Multimodal Transportation Options Fund.

Effective Date

If approved by voters, the measure takes effect upon proclamation of the Governor, no later than 30 days after the official canvass of votes is completed. The new sales and use tax rates apply January 1, 2019.

State and Local Government Contacts

Counties Municipalities Revenue Transportation

Editor's Note: This is now Proposition 111

Colorado Legislative Council Staff

Initiative # 126

FISCAL IMPACT STATEMENT

Date: August 20, 2018 **Fiscal Analyst:** Clare Pramuk (303-866-2677)

BALLOT TITLE: LIMITATIONS ON PAYDAY LOANS

Fiscal Impact Summary	FY 2018-19	FY 2019-20
State Revenue Cash Funds	up to ($85,000)	up to ($85,000)
State Expenditures Cash Funds	up to ($85,000)	up to ($85,000)
TABOR Refund	up to ($85,000)	up to ($85,000)

Summary of Measure

Under current law, a lender may charge an origination fee, a monthly maintenance fee, and apply an interest rate of 45 percent on a deferred deposit or payday loan. The origination fee is up to 20 percent of the first $300 loaned plus 7.5 percent of any amount loaned in excess of $300. The monthly maintenance fee is $7.50 per $100 loaned, up to a maximum of $30 per month and is charged at the end of each month, beginning 30 days after the origination of the loan.

This measure limits the total cost of the loan to a maximum annual percentage rate (APR) of 36 percent and eliminates all other financing charges and fees associated with deferred deposit or payday lending. The APR is the total loan cost expressed as a yearly rate and includes the interest on the loan amount, origination fees, and monthly maintenance fees. The measure also expands what constitutes unfair or deceptive trade practices for deferred deposit or payday lending.

Background

Deferred deposit or payday loans are small, unsecured loans that must be repaid quickly. Colorado law limits payday loans to $500 with a minimum repayment term of six months and no maximum repayment term. In 2016, about 207,000 individuals in Colorado obtained 414,284 deferred deposit or payday loans from the state's 180 licensed lenders, which represented over $166 million in loans. The average deferred deposit or payday loan was about $392 in 2016, with a 129 percent average APR.

The Uniform Consumer Credit Unit of the Department of Law licenses deferred deposit and payday lenders, conducts compliance examinations of their loans, investigates complaints involving lenders, and establishes rules for the industry. The current annual license fee is $500. Of this, $400 is retained by the Uniform Consumer Credit Cash Fund and $100 is transferred to the Identity Theft and Financial Fraud Cash Fund in the Department of Public Safety.

State Revenue

If Initiative 126 results in deferred deposit or payday lenders choosing not to renew their licenses, there will be a reduction in fee revenue of up to $85,000. The Uniform Consumer Credit Cash Fund will have a revenue reduction of up to $68,000 and the Identity Theft and Financial Fraud Cash Fund will have a reduction of up to $17,000. These revenue reductions are subject to TABOR. If the revenue reduction creates a budget shortfall for the Uniform Consumer Credit Unit in the Department of Law, the unit is authorized under current law to increase the license fees for other lenders. The Department of Public Safety portion of the license fee was created in statute and would require legislative action to recover the loss in revenue.

If the measure results in an increase in lenders found to have committed unfair or deceptive trade practices, fine revenue to the General Fund may increase and this revenue is subject to TABOR. Because there is no record of any such cases in recent years, the fiscal note does not assume such a revenue increase.

State Expenditures

If the measure is approved by voters, the Uniform Consumer Credit Unit in the Department of Law will update its rules and examination procedures to reflect the new APR limit. Current unit resources are sufficient to make these updates as well as to continue to license and examine deferred deposit or payday lenders in the future. If the number of licensees decreases due to the measure, the unit is expected to maintain the same workload, but will reprioritize its inspection efforts among the other lenders licensed by the unit. The Department of Public Safety may need to reduce its financial fraud operating expenses to address the revenue reduction during the annual budget process. If unfair or deceptive trade practices cases are brought because of the measure, the Judicial Department will have a workload increase. Any increase in workload is not expected to require additional appropriations.

TABOR Refunds. The bill is expected to decrease state General Fund obligations for TABOR refunds by up to $85,000 in FY 2018-19 and FY 2019-20. Under current law and the current revenue forecast, TABOR refunds are expected to be paid in the following year via reimbursements to local governments for senior and disabled veteran property tax exemptions. The measure will not affect the amount of these reimbursements.

Effective Date

The measure takes effect on February 1, 2019, if approved by voters at the 2018 general election.

Departments Contacted

Law Judicial Public Safety

Editor's Note: This is now Proposition 112

Colorado Legislative Council Staff

Initiative # 97

FISCAL IMPACT STATEMENT

Date: August 20, 2018 **Fiscal Analyst:** Josh Abram (303-866-3561)

BALLOT TITLE: SETBACK REQUIREMENT FOR OIL AND GAS DEVELOPMENT

Fiscal Impact Summary	FY 2020-21	FY 2021-22
State Revenue	Reduction	
State Expenditures	Reduction	

Summary of Measure

If approved by voters, Initiative 97 requires that new oil and natural gas development not on federal land be located at least 2,500 feet from an occupied structure or vulnerable area. A state or local government may require a setback greater than 2,500 feet. If two or more local governments with overlapping jurisdictions establish different setback requirements, the larger setback is applied.

Oil and gas development is defined as the exploration for, and the drilling, production, and processing of gas and liquid hydrocarbons. This includes gas flowlines, and the treatment of waste associated with oil and gas development. Renewed production of an oil or gas well that had previously been plugged or abandoned is considered new development.

Occupied structures means any building that requires a certificate of occupancy or is intended for human occupancy, including homes, hospitals, and schools. Vulnerable areas include playgrounds, permanent sports fields, amphitheaters, public parks, public open space, public and community drinking water sources, irrigation canals, reservoirs, lakes, rivers, perennial or intermittent streams, and creeks. The state or a local government may designate additional vulnerable areas, which must then be considered for any setback site calculation.

Background

Setback requirements for oil and natural gas facilities. The required distance from an oil and natural gas facility and a home or other structure is commonly known as a setback requirement. Current state regulations, approved in 2013, prohibit oil and natural gas wells and production facilities from being located closer than:

- 500 feet from a home or other occupied building; and
- 1,000 feet from high-occupancy buildings such as schools, health care institutions, correctional facilities, and child care centers, as well as neighborhoods with at least 22 buildings.

Currently, the 500-foot setback prohibits oil and gas development on about 18 acres surrounding a given point, and the 1,000-foot setback prohibits development on about 72 acres. This measure increases the setback to a minimum of 2,500 feet, or about 450 surrounding acres.

State and local revenue from oil and natural gas. Companies that extract mineral resources, including oil and natural gas, coal, and metallic minerals, pay severance taxes to the state. Oil and natural gas producers also pay income taxes, sales taxes, use taxes, and local property taxes.

State Revenue

The measure is expected to decrease state revenue in the future from severance taxes, royalty payments from development on state land, and lease revenue from development on non-federal land. Because the measure does not impact existing development, no immediate impact on state revenue is anticipated; however, because the measure reduces the surface land available for the development of new oil and gas production, future state revenue from these sources will be reduced. The measure may also reduce future income, sales, and use taxes to the state to the degree that oil and natural gas production is decreased.

The setback requirement is applicable to oil and natural gas production on state and private land, and does not affect current wells or new production on federal land. The impact on production will vary regionally depending on the share of overall land privately held, population density, and proximity to vulnerable areas. Since the economic conditions and geographic limitations affecting oil and natural gas production are uncertain, the specific reductions in state revenue cannot be estimated.

State Expenditures

Severance tax revenue received by the state funds both general operating expenses of and specific programs in the Department of Natural Resources, including water supply project grants, low-income energy assistance, control of invasive species, and a variety of other programs. Any decrease in severance taxes will reduce the amount of funds available for these uses.

Local Government Impact

The measure will reduce property tax collections at the local level. For FY 2016-17, $496.7 million was collected locally from property taxes from oil and gas development, representing 82.5 percent of all tax revenue. In heavily populated counties and counties with geographically vulnerable areas, the measure is anticipated to reduce the surface land available for future oil and gas exploration and development, therefore reducing property taxes collected for the local governments in those areas. The measure is also expected to decrease the amount of severance tax revenue that state government collects and shares with local governments most directly impacted by oil and natural gas development. The measure's impact on local revenue and expenditures will depend on the overall impact on state severance tax revenue and the assessed value of oil and natural gas development in each taxing jurisdiction as a result of future prohibitions on new development. As such, the change in local revenue and expenditures cannot be estimated.

Effective Date

The measure takes effect upon official declaration of the governor and applies to oil and gas development permitted on or after that date.

State and Local Government Contacts

Counties	Municipalities
Natural Resources	Public Health and Environment