STATE OF COLORADO

Colorado General Assembly

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MEMORANDUM

To: Steven Ward and Michael Fields

From: Legislative Council Staff and Office of Legislative Legal Services

Date: July 18, 2025

Subject: Proposed initiative measure 2025-2026 #122, concerning voter approval

of new fees and fee increases

Section 1-40-105 (1), Colorado Revised Statutes, requires the directors of the Colorado Legislative Council and the Office of Legislative Legal Services to "review and comment" on initiative petitions for proposed laws and amendments to the Colorado Constitution. We hereby submit our comments and questions to you regarding the appended proposed initiative.

The purpose of this statutory requirement of the directors of Legislative Council and the Office of Legislative Legal Services is to provide comments and questions intended to aid designated representatives, and the proponents they represent, in determining the language of their proposal and to avail the public of the contents of the proposal. Our first objective is to be sure we understand your intended purposes of the proposal. We hope that the comments and questions in this memorandum provide a basis for discussion and understanding of the proposal. Discussion between designated representatives or their legal representatives and employees of the Colorado Legislative Council and the Office of Legislative Legal Services is encouraged during review and comment meetings, but comments or discussion from anyone else is not permitted.

This proposed initiative **2025-2026** #122 was submitted by the same designated representatives as a part of a group of related proposed initiatives, including proposed initiatives **2025-2026** ##121, 123, and 124. The comments and questions raised in this memorandum do not include comments and questions that were addressed in the memorandum for proposed initiative **2025-2026** #121, except as necessary to fully understand proposed initiative **2025-2026** #122. Comments and

questions addressed in that memorandum may also be relevant, and those questions and comments are considered part of this memorandum.

Purposes

Purposes for Proposed Initiative 2025-2026 #122

The major purposes of the proposed amendment to the Colorado Constitution appear to be:

- To require advance voter approval for any fee that is imposed or increased on or after January 1, 2027, and that is projected to generate over \$100 million in revenue in its first five fiscal years, which includes revenue from multiple fees that are collected to fund similar purposes and that have been created within the same year or the preceding five years, except for fees charged by institutions of higher education;
- 2. To require the ballot title for the imposition or increase of such a fee to begin with specified language; and
- 3. To create a definition of "fee" that applies to Colorado law.

Substantive Comments and Questions

The substance of the proposed initiative raises the following additional comments and questions:

- 1. Article V, section 1 (5.5) of the Colorado Constitution requires all proposed initiatives to have a single subject. What is the single subject of the proposed initiative?
- 2. Regarding the definition of "fee," what does the phrase "as used in Colorado law" mean? Is this definition intended to apply to the Taxpayer's Bill of Rights (TABOR) and the Colorado Revised Statutes?
- 3. The following comments and questions relate to the voter approval requirement for newly created or increased fees:
 - a. Who are the "voters of the ... enterprise charging the fee"?

- b. Who would conduct the election required for a new or increased fee imposed by an enterprise rather than a district?
- c. Does this include increases to fees for public transit? For example, would increases to bus fares imposed by RTD or other transit districts or agencies require voter approval?
- 4. Section 2 of the proposed initiative states that the definition of "fee" included in the proposed initiative, which applies to "Colorado law," applies to fees enacted or increased on or after the initiative's effective date. As a result, it appears that this definition would only apply to a fee that currently exists in Colorado statute if and when that fee is increased on or after the effective date of the initiative. Is that correct?

Technical Comments

There are no new technical comments.