



## Fiscal Note

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 25-1170: LOBBYING BY NONPROFIT ENTITIES

**Prime Sponsors:**

Rep. Hamrick; Boesenecker  
Sen. Winter F.

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**Version:** Initial Fiscal Note

**Date:** February 12, 2025

**Fiscal note status:** The fiscal note reflects the introduced bill.

### Summary Information

**Overview.** The bill creates a new category of "nonprofit lobbyist" and exempts these lobbyists from the registration requirements for professional lobbyists if certain conditions are met.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- State Expenditures
- State Revenue

**Appropriations.** For FY 2025-26, the bill requires an appropriation of \$117,040 to the Department of State.

**Table 1**  
**State Fiscal Impacts**

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures (Cash Funds)	\$117,040	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

## Summary of Legislation

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The bill creates a new category of lobbyist for individuals who lobby exclusively for a nonprofit entity, and only as an incidental duty of the person's employment with the nonprofit. The bill exempts nonprofit lobbyists from having to register with the Department of State (DOS) or file disclosure statements. Nonprofit lobbyists representing a nonprofit entity may only lobby 30 days in a fiscal year, of which only 20 days may occur during a legislative session. If lobbyists representing a nonprofit entity exceed these limitations, or a lobbyist otherwise no longer meets the requirements to be a nonprofit lobbyist, the lobbyist must register as a professional lobbyist. Finally, the bill requires that nonprofit entities employing a lobbyist report the names of each nonprofit lobbyist, the dates engaged, and the matters lobbied. The report is due to the DOS within 72 hours of lobbying activity.

## State Revenue

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The bill may decrease revenue to DOS from lobbyist registration fees and may increase revenue to DOS from business filing fees as discussed below. This revenue is subject to TABOR.

### Lobbyist Registration Fees

If fewer lobbyists register with DOS as result of the bill, revenue from registration fees will decrease. The current fee is \$40 per year but the impact to revenue cannot be estimated at this time since the number of professional lobbyists who would shift to this new category of nonprofit lobbyist is not known.

### Business Filing Fees

Under current law, the DOS is authorized to adjust fees so that the revenue generated approximates its direct and indirect costs. The DOS is primarily funded through business filing fees. To cover the costs described in the State Expenditures section below, fees may need to be raised to cover all or some of the costs of this bill. The fees affected and the actual amount of fee charges will be set administratively by the DOS based on cash fund balance, total program costs, and the estimated number of professional activities subject to fees.

## State Expenditures

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In FY 2025-26 only, DOS will have \$117,040 in computer programming costs to update its lobbyist registration and reporting system. The fiscal note estimates that these updates will require 880 hours of developer time to create the new form for nonprofits to report lobbying activity, and flag when their lobbyists must begin registering as professional lobbyists. The costs are paid from the Department of State Cash Fund. Workload in DOS will increase to enforce the requirements of the bill. Since DOS already enforces lobbyist requirements, this impact is expected to be minimal.

Lastly, the bill minimally impacts the Legislative Department. The House of Representatives and Senate will be required to update information and resources for lobbyists on the General Assembly website. The bill may also reduce the number of volunteer lobbyists who register with the Chief Clerk of the House of Representatives. These impacts are minimal and no change to appropriations is required.

## Effective Date

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The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## State Appropriations

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For FY 2025-26, the bill requires an appropriation of \$117,040 from the Department of State Cash Fund to the Department of State.

## State and Local Government Contacts

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Secretary of State