

Notice of Election to Increase Taxes on a Citizen Petition

**STATEWIDE ELECTION DAY IS
Tuesday, November 4, 2008**

Polling places open from 7 a.m. to 7 p.m.
(Early Voting Begins October 20, 2008)

2008 STATE BALLOT INFORMATION BOOKLET

and

**Recommendations on
Retention of Judges**



Legislative Council of the
Colorado General Assembly

Research Publication No. 576-1

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September 15, 2008

This booklet provides information on the eighteen statewide measures on the November 4, 2008, ballot and on the judges that are on the ballot for retention in your area. The information is presented in three sections.

Section One — Analyses of Measures

The first section contains an analysis of each proposed change to the state constitution and state statute. Each analysis includes a description of the measure and major arguments for and against. Careful consideration has been given to the arguments in an effort to fairly represent both sides of the issue. It also includes an estimate of the fiscal impact of the measure. More information on the fiscal impact of measures can be found at www.coloradobluebook.com. The state constitution requires that the nonpartisan research staff of the General Assembly prepare these analyses and distribute them in a ballot information booklet to registered voter households.

Amendments and Referenda

A measure that is put on the ballot through the signature-collection process is labeled an "Amendment," followed by a number. A measure placed on the ballot by the state legislature is labeled a "Referendum," followed by a letter.

Constitutional vs. Statutory Changes

The first line of the analysis of each measure indicates whether the measure is a change to the constitution or to statute. Fourteen of the measures on the ballot propose changes to the state constitution. Voter approval is required in the future to change any constitutional measure adopted by the voters, although the legislature may adopt statutes that clarify or implement these constitutional measures as long they do not conflict with the constitution. The remaining four measures change state statute. The state legislature, with the approval of the governor, may change any of these measures in the future without voter approval. The first line of the analysis of each measure indicates whether the measure is a change to the constitution or to statute.

Section Two — Titles and Text

The second section provides the title that appears on the ballot and the legal language of each measure, including whether the measure changes the constitution or statute. The legal language of the measures shows new laws in capitalized letters and laws that are being eliminated in strikeout type, with the exception of Amendment 54. This measure is a new law but is not in capitalized letters.

Section Three — Recommendations on Retaining Judges

The *third section* contains information about the performance of Colorado Supreme Court, Court of Appeals, and trial court judges who are on your ballot. The information was prepared by the state commission and district commissions on judicial performance. The narrative for each judge includes a recommendation stated as "RETAIN," "DO NOT RETAIN," or "NO OPINION."

Information on Local Election Officials

The booklet concludes with addresses and telephone numbers of local election officials. Your local election official can provide you with information on polling places, absentee ballots, and early voting.

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Local Election Offices

*A **YES** vote on any ballot issue is a vote **IN FAVOR OF** changing current law or existing circumstances, and a **NO** vote on any ballot issue is a vote **AGAINST** changing current law or existing circumstances.*

A list of telephone numbers for county election offices appears inside the back cover of this booklet.

This publication, as well as a link to the full text of the fiscal impact statements for each measure, can be found at:
www.coloradobluebook.com

**Amendment 46
Discrimination and Preferential Treatment by Governments**

Amendment 46 proposes amending the Colorado Constitution to:

- ◆ prohibit Colorado governments from discriminating against or granting preferential treatment to any individual or group on the basis of race, sex, color, ethnicity, or national origin in public employment, public education, or public contracting;
- ◆ make exceptions for federal programs, existing court orders or other legally binding agreements, and bona fide qualifications based on sex; and
- ◆ provide the same remedies that are available for violations of existing Colorado anti-discrimination law.

Summary and Analysis

Discrimination generally means denying access to an individual based on certain characteristics such as race, age, or sex. The term preferential treatment is often used to refer to policies that assist historically disadvantaged groups in order to remedy past and current discrimination or to increase diversity.

The U.S. Constitution protects individuals against unequal treatment by governments based on such characteristics as race and gender. Currently, governments may consider race and gender when choosing among qualified individuals or firms as long as they do so under a narrowly tailored plan to correct discrimination or promote diversity. The use of quotas and point systems, particularly in public college admissions practices, is rarely allowed.

Provisions of Amendment 46. Amendment 46 adds language to the Colorado Constitution that prohibits discrimination or preferential treatment in the areas of public employment, public education, and public contracting on the basis of race, sex, color, ethnicity, or national origin. The terms "discrimination" and "preferential treatment" are not defined in the measure.

There are various government programs and agencies in Colorado that target assistance to a particular race, gender, or ethnicity that may be affected by Amendment 46. Examples of assistance include programs to help individuals obtain financial aid for college, develop professional skills, or start a business. Private organizations and programs are not affected by the measure.

Exceptions in Amendment 46. Amendment 46 does not affect the following:

- *Action required to receive federal funding.* For example, public schools must ensure that girls receive the same access to school athletics programs as boys in order to receive federal funding.
- *Existing court orders and legally binding agreements that provide a remedy for discrimination.* The City and County of Denver, for instance, is under a court order that governs hiring practices for police officers to achieve diversity in the workforce.
- *Bona fide qualifications based on sex.* In the area of privacy, hiring a female, as opposed to a male, prison guard for the purpose of searching female inmates is an example of a bona fide qualification for public employment based on sex. Amendment 46 expands this exemption to the areas of public education and public contracting.

Remedies for discriminatory practices and preferential treatment. The measure requires that the remedies that exist for Colorado anti-discrimination law be used for violations of Amendment 46. Additionally, the remedies must be the same regardless of the injured party's race, sex, color, ethnicity, or national origin. Most remedies that exist today relate to employment law. Examples include paying lost wages, hiring or reinstating employees, and orders to stop discriminatory practices.

Arguments For

1) Amendment 46 treats everyone equally in public employment, education, and contracting. Discrimination occurs when people are given preference based on their race or gender rather than their qualifications. Preferential treatment leads to resentment and treats women and minorities as if they cannot succeed on their merits. Furthermore, racial classifications are divisive for society; preferencing one group over another based on race does not promote equal and fair treatment for everyone.

2) The idea of giving preference to an individual based on race or gender is outdated for today's society. Race, color, ethnicity, and national origin are becoming more difficult to define as more Americans identify themselves as multi-racial. Amendment 46 aligns state policies with the modern world.

Arguments Against

1) Discrimination still exists in today's society, which deprives some individuals of an opportunity to succeed. Women and minorities earn less, are under-represented in top-paying fields, and receive fewer public contracting dollars when compared to non-minority or male groups. Programs that consider race and gender provide greater access to employment, education, and business opportunities for historically disadvantaged groups. These programs have been successful in promoting diversity and correcting past discrimination, but equality has not yet been achieved.

2) The impact of this measure is uncertain and potentially far-reaching. Amendment 46 does not define "preferential treatment" or "discrimination," leaving these terms open to interpretation and lawsuits funded at taxpayers' expense. Entities that do not have sufficient financial resources for a legal challenge may simply discontinue offering programs that appear to target assistance to specific populations.

Estimate of Fiscal Impact

The impact on state and local revenues or spending cannot be estimated because the number of programs affected is unknown. Government agencies, including public colleges and universities, may have costs and/or savings to conform current programs and policies with the measure. Costs that may result from potential legal challenges to the measure cannot be estimated.

Amendment 47
Prohibition on Mandatory Labor Union Membership and Dues

Amendment 47 proposes amending the Colorado Constitution to:

- ◆ prohibit requiring an employee to join and pay any dues or fees to a labor union as a condition of employment; and
- ◆ create a misdemeanor penalty for violation of this law.

Summary and Analysis

Requirements for union membership today. All employees have the right to join a workplace union as a means for negotiating with their employer over issues such as pay, benefits, and working conditions.

The procedure to form a union in the private sector is outlined in federal and Colorado law. The decision to be represented by a union must be approved by a majority vote of the employees. At this point, membership and payment of dues is voluntary. Once a union is in place, private-sector employees in Colorado may vote to include, as part of the collective bargaining process, a requirement that all employees, including those who choose not to join the union, pay their share of the cost of collective bargaining as a condition of employment.

Neither federal nor Colorado law regulates the formation of unions for most state and local public employees, such as teachers or government workers. In the public sector, the employer decides how to recognize and interact with any prospective union. The collective bargaining agreement sets forth requirements for membership and payment of dues. It can require public employees who choose not to join the union to pay their share of the cost of collective bargaining.

Requirements for union membership under Amendment 47. Amendment 47 applies to all employees, whether working in the public or private sector. It eliminates the possibility that any employee can be required to pay for the cost of collective bargaining or join a union as a condition of employment. Violation of this law carries the highest-level misdemeanor fine, which is currently a fine of between \$500 and \$5,000.

Amendment 47 defines a labor union to include organizations that deal with employers over employee issues such as wages, rates of pay, hours of work, grievances, and other conditions of employment, and organizations that provide mutual aid or protection in connection with employment.

Arguments For

- 1) Banning mandatory union membership and dues gives employees the freedom to choose how to participate in union activities. No one should be required to join a union or contribute financially to a union as a condition of employment. Removing these obstacles to employment creates greater flexibility for both job seekers and employers.
- 2) States with laws like Amendment 47 are often viewed as more business friendly. Most of Colorado's neighboring states have laws similar to Amendment 47, and labor laws are a factor that businesses consider when deciding where to relocate or expand. Therefore, the measure may help the state as it competes with other states for new jobs and business investment.

Arguments Against

- 1) States with laws like Amendment 47 are often viewed as less worker friendly. Under Amendment 47, employees can avoid paying their fair share for representation to improve wages, health care benefits, and workplace safety because federal law requires that all private-sector employees receive the benefits of collective bargaining, whether they are union members or not. Labor unions with fewer resources are not as effective in standing up for the interests of all employees.
- 2) Amendment 47 may define labor union too broadly. By defining labor union to include organizations that provide mutual aid or protection, employers may be banned from requiring employees to belong to organizations that promote workplace safety or provide job-related education programs.

Estimate of Fiscal Impact

Other than potential fine revenue, Amendment 47 is not expected to affect state or local government revenue or spending.

Amendment 48
Definition of Person

Amendment 48 proposes amending the Colorado Constitution to:

- ◆ define the term "person" to "include any human being from the moment of fertilization"; and
- ◆ apply this definition of person to the sections of the Colorado Constitution that protect the natural and essential rights of persons, allow open access to courts for every person, and ensure that no person has his or her life, liberty, or property taken away without due process of law.

Summary and Analysis

Like the U.S. Constitution, the Colorado Constitution has a bill of rights. The Colorado bill of rights contains the rights and duties of the people of Colorado and outlines the principles of state government. Amendment 48 defines the term "person" for sections 3, 6, and 25 of the Colorado bill of rights. These sections concern inalienable rights, equality of justice, and due process of law.

Inalienable rights. Section 3 asserts that all persons have natural, essential, and inalienable rights to life, liberty, property, safety, and happiness. These rights include the right to defend against threats to safety, the freedom to make independent decisions, the right to work and obtain economic goods, and the right to survive. Inalienable rights are fundamental to all humans and are not created by laws and government. The constitution requires that the government protect these rights, although the government is permitted to limit the exercise of rights as necessary for the public welfare.

The constitutional provision regarding inalienable rights has been applied by courts, for example, to guarantee the right of an individual to pursue a legitimate trade or business, to acquire property without fear of discrimination, and to travel freely around the state.

Equality of justice. Section 6 requires the courts in Colorado to be open to all persons. If a person's legal rights are violated, this section guarantees that a judicial remedy is available.

Courts have determined that this section applies to a variety of circumstances. For instance, individuals are denied equal access to justice if juries are chosen in a discriminatory manner. Additionally, all persons have the same right to use the courts regardless of their financial resources.

Due process of law. Section 25 ensures that no person is deprived of life, liberty, or property without due process of law. Due process of law requires the government to follow consistent procedures before a person's fundamental rights are taken away. The courts have determined, for example, that due process requires the government to provide notice and a fair hearing before detaining a person, taking a person's property, or sentencing a person to death.

Definition of the term "person." The Colorado bill of rights does not currently contain a definition of person. Amendment 48 defines person to include a human being from the moment of fertilization. The term "moment of fertilization" is not defined in Amendment 48. The generally accepted medical definition of fertilization is the union of a male sperm and a female egg.

Arguments For

1) Amendment 48 ensures that all human life, beginning with the moment of fertilization, is afforded fair and equal treatment. Currently, these rights are not given until birth. Amendment 48 recognizes that a new human life is created at the moment of fertilization and gives all human life, whether born or unborn, equal rights and protections.

2) Amendment 48 gives clear direction to the courts and the legislature about who is considered a person. Because the bill of rights does not currently contain a definition of the term "person," interpretation of the word is

subjective, which may lead to the rights granted by the constitution being inconsistently applied. The measure ensures uniform application of the term "person" under the law.

3) The measure may establish the legal foundation to end the practice of abortion in Colorado. The U.S. Supreme Court decision that legalized abortion in the U.S. found that the unborn were not included in the word "person" as used in the U.S. Constitution. If each human life, from the moment of fertilization, is recognized as a person under Colorado's bill of rights, Amendment 48 may provide support for legal challenges to prohibit abortions in Colorado.

Arguments Against

1) Amendment 48 allows government interference in the doctor-patient relationship and could limit the exercise of independent medical judgement. The measure could restrict a doctor from using certain medical procedures and treatments. Furthermore, the measure may subject medical professionals to legal action for providing medical care to a woman of child-bearing age if it is determined to affect another "person."

2) Amendment 48 may limit the ability of individuals to make private, personal choices about their lives and health. The measure could be used to limit access to abortions and to prohibit medical care, including emergency contraception, commonly used forms of birth control, and treatments for cancer, tubal pregnancies, and infertility. The amendment may restrict some stem cell research that could lead to life-saving therapies for a variety of disabilities and illnesses.

3) Amendment 48 is more complex than adding a definition to the state constitution. Creating a definition of the word "person" in the constitution could impact many existing state laws containing the term. The courts and the legislature will have to determine how to apply the new definition to a wide variety of laws, including property rights and criminal laws.

Estimate of Fiscal Impact

No immediate impact to state revenue or expenditures is expected because Amendment 48 does not require that any specific actions be taken or services provided. If legislation is adopted, or the courts determine that the measure requires the state to provide new services, state spending may increase.

Amendment 49
Allowable Government Paycheck Deductions

Amendment 49 proposes amending the Colorado Constitution to:

- ◆ prohibit any public employee paycheck deduction, except for:
 - deductions required by federal law;
 - tax withholdings;
 - court-ordered liens and garnishments;
 - health benefit and other insurance deductions;
 - deductions for savings, investment, and retirement plans; and
 - deductions for charitable, religious, educational, and other tax-exempt organizations.

Summary and Analysis

A paycheck deduction is a specific amount of money withheld from an employee's pay. Paycheck deductions can be mandatory (federal and state taxes); offered as an employee benefit (health care and pension deductions); requested by the employee (gifts to charities); or established through agreements with labor or other organizations (automatic payment of dues or fees).

State law regulates paycheck deductions for state employees, but not for employees of local governments. Instead, each local government sets its own rules and, in fact, some local governments have adopted limits on paycheck deductions similar to those in Amendment 49. For the state and other local governments, however, Amendment 49 prohibits certain paycheck deductions that are currently in place, like dues or fees for labor or other organizations. Amendment 49 applies to all public employers in Colorado, including the state, counties, municipalities, school districts, and special districts.

Arguments For

1) Amendment 49 reduces the potential for conflicts of interest that can occur when elected officials permit the use of government payroll systems to collect money for politically active groups, such as labor or professional organizations. These groups contribute to campaigns and lobby elected officials. Prohibiting governments from collecting money for these groups eliminates an unnecessary government function.

2) Amendment 49 protects employees from unwanted paycheck deductions. Some public employers automatically deduct dues and fees for labor or professional organizations. Employees who do not want these deductions must take extra steps within limited time frames to prevent them. Amendment 49 stops this practice. A public employee can contribute to any organization he or she chooses using automatic withdrawals from his or her private bank.

Arguments Against

1) Amendment 49 intrudes on the ability of public employees to make individual choices about paycheck deductions. Currently, all public employees have the option to cancel an automatic deduction, and many do so. Amendment 49 goes beyond addressing unwanted deductions; it precludes every employee from making decisions about organizations to support through a paycheck deduction. Further, Amendment 49 takes an inconsistent approach to paycheck deductions for private organizations: it allows employees to contribute to some private groups while prohibiting contributions to others.

2) Amendment 49 interferes with the authority of local governments to decide which paycheck deductions are available to their employees. These decisions are best made by individual local governments based on the needs of each community, not by a statewide vote. Payroll deductions are a benefit that public employers can offer to employees; eliminating this benefit does not save any taxpayer money.

Estimate of Fiscal Impact

Amendment 49 does not affect state or local government revenues or expenditures.

Amendment 50
Limited Gaming in Central City, Black Hawk, and Cripple Creek

Amendment 50 proposes amending the Colorado Constitution to:

- ◆ allow residents of Central City, Black Hawk, and Cripple Creek to vote to extend casino hours, approve additional games, and increase the maximum single bet limit;
- ◆ give most of the gaming tax revenue that results from new gaming limits to Colorado community colleges and to the gaming cities and counties;
- ◆ require statewide voter approval for any gaming tax increase if new gaming limits are adopted by any gaming town; and
- ◆ exempt the revenue raised from new gaming limits from state and local revenue and spending limits.

Summary and Analysis

Gaming limits in Colorado today and under Amendment 50. Since 1991 Colorado has permitted limited stakes gaming in Central City and Black Hawk in Gilpin County, and Cripple Creek in Teller County. The state constitution places the following limits on gaming:

- single bets cannot exceed \$5;
- only slot machines, blackjack, and poker games are allowed; and
- casinos must close between 2:00 a.m. and 8:00 a.m.

Amendment 50 allows Central City, Black Hawk, and Cripple Creek to vote to change the existing gaming limits. Each town may vote to extend the hours of operation of casinos, to add the games of roulette and/or craps, and to increase the amount that can be wagered on any single bet from \$5 up to a maximum of \$100. The towns may vote on changing any or all of these limits.

Distribution of state gaming money today and under Amendment 50. Casinos pay taxes on income from gaming and also pay various fees and fines. Last year, the state collected \$112 million from gaming. After paying to enforce gaming laws, approximately one-quarter of the gaming money goes back to the gaming cities and counties, about one-quarter goes to historic preservation and restoration projects across the state, and half of the revenue is allocated to the state legislature to spend on programs. These programs currently include assistance to local governments for gaming impacts, tourism promotion, economic development programs, energy efficiency and renewable energy projects, and highway projects.

Amendment 50 distributes new money from increased gaming activity differently than existing law. First, the money is used to pay to enforce gaming laws related to any changes in the limits. Second, some of the new money provides annual increases to the programs and local governments that currently get gaming money. The rest is distributed as follows:

- 78 percent for financial aid and classroom instruction at Colorado community, junior, and district colleges based on each school's number of students;
- 12 percent to Gilpin and Teller Counties, based on the proportion of the new money raised within each county, to help address the impacts of gaming; and
- 10 percent to Central City, Black Hawk, and Cripple Creek, based on the proportion of the new money raised within each town, to help address the impacts of gaming.

Table 1 shows how new state gaming money is distributed under Amendment 50 assuming that all three gaming towns approve the maximum limits. The actual amount of money distributed may be higher or lower than what is shown because of the difficulty in estimating revenue from current gaming and the amount of new revenue that would be generated by Amendment 50.

Table 1. Estimated Distribution of New Gaming Money under Amendment 50 in Millions of Dollars*

Amendment 50 Recipients	Year 1	Year 2	Year 3	Year 4	Year 5
Additional Money to Current Recipients	\$2	\$3	\$4	\$4	\$5
Community Colleges	\$29	\$32	\$46	\$52	\$63
Black Hawk, Central City, and Cripple Creek	\$4	\$4	\$6	\$7	\$8
Gilpin and Teller Counties	\$4	\$5	\$7	\$8	\$10

* Assumes new gaming limits begin July 1, 2009. Also, state gaming revenue received each year is distributed to recipients for use in the following year. The table shows the amounts to recipients after estimated additional state administrative costs are paid from the new revenue.

Statewide voter approval for gaming tax increases. The state Gaming Commission sets the tax rates on casino income within the parameters in the state constitution. Currently, the constitution sets the highest allowable tax rate at 40 percent. On July 1, 2008, the highest tax rate actually imposed was 20 percent. If voters in any of

the gaming towns approve new gaming limits, a gaming tax increase above the July 1, 2008, level must be approved through a statewide vote.

Arguments For

1) Amendment 50 could significantly boost revenue to community colleges without increasing taxes or taking money away from current recipients of gaming revenue. Community colleges are vital to the state's economy and educational system because they provide affordable access to educational and retraining programs. Increasing financial aid helps more Coloradans benefit from the economic opportunities that community colleges can provide. The additional revenue also goes to recruiting and retaining qualified faculty so that Colorado can offer quality education throughout the state.

2) The measure gives voters in each gaming community the ability to decide what is best for them. For example, one community may decide to expand casino hours of operation to help manage traffic, while another may choose to attract new visitors by expanding both bet limits and games.

3) Amendment 50 makes Colorado more competitive with other gaming states. Colorado has the most restricted gaming in the country. The tourism industries in other gaming states benefit from less restricted gaming, and changing Colorado's gaming limits could result in more tourist spending in the state. Colorado's gaming limits have been in place for seventeen years, and the bet limit of \$5 in 1991 equals about \$3 today.

Arguments Against

1) Amendment 50 could significantly expand gambling in Colorado. It could turn the three historic gaming communities into high-stakes, round-the-clock gambling destinations. Further, Indian casinos that currently operate under the state's gaming limits would likely increase their limits to the maximum allowed by this measure. This expansion could occur even if the voters in Central City, Black Hawk, and Cripple Creek do not choose to change their gaming limits.

2) Providing more opportunities to gamble may lead to an increase in the number of compulsive gamblers in the state. The effects of compulsive gambling are costly to families and society. Compulsive gambling can lead to bankruptcy, divorce, child neglect and abuse, domestic violence, suicide, and crime.

3) Amendment 50 permanently sets aside state tax money for specific uses, eliminating the ability to evaluate how the new money could be spent most effectively over time. The new money is dedicated to community colleges and the gaming communities each year regardless of how the financial needs of these entities compare to other state programs. As a constitutional measure, Amendment 50 limits the flexibility to use state tax money for the most pressing needs and to respond to changing budget priorities.

Estimate of Fiscal Impact

State revenue and spending. State revenue and spending resulting from Amendment 50 will depend upon the extent to which the three gaming towns approve new gaming limits. The following estimates of tax revenue and spending are based on the assumption that all three towns approve the maximum gaming limits.

- Tax revenue will increase by about \$300 million over the first five years. Table 1 on page 7 provides a five-year estimate of the distribution of state gaming revenue under Amendment 50.
- State regulation costs will increase by \$461,000 in budget year 2009 and \$1.0 million in budget year 2010. These costs will be paid from gaming revenue. The state will also incur a one-time computer programming cost of \$21,000 in budget year 2009 to account for both changes in gaming limits and the approval of roulette and craps by any of the gaming towns. This cost will be paid from other state money.

Local government revenue and spending. The local governments serving both the gaming communities and surrounding areas could experience increased costs from new gaming limits, such as higher public safety, traffic, and road maintenance costs. The revenue resulting from new gaming limits could help offset any increased costs. Also, the gaming communities could see increased sales tax revenue from an increase in the number of visitors and more property tax revenue if new casinos are built or existing ones are expanded.

Amendment 51
State Sales Tax Increase for Services for People
with Developmental Disabilities

Amendment 51 proposes amending the Colorado statutes to:

- ◆ increase the state sales and use tax from 2.9 percent to 3.0 percent on July 1, 2009, and from 3.0 percent to 3.1 percent on July 1, 2010;
- ◆ direct that the new money be used to pay for services for people with developmental disabilities and to help eliminate the waiting lists for services;
- ◆ prohibit the legislature from reducing the current level of state funding for services for people with developmental disabilities; and
- ◆ exempt the new money from state spending limits.

Summary and Analysis

Developmental disabilities. Developmental disabilities include a number of different conditions that affect a person's physical or mental abilities, such as speaking, moving, learning, and independent living. Developmental disabilities can become apparent at anytime up to age 22 and last throughout a person's lifetime. Mental retardation, autism, Down syndrome, and cerebral palsy are examples of developmental disabilities.

Services for people with developmental disabilities. Services for people with developmental disabilities are delivered through a state and local system. The state administers the overall system; twenty local nonprofit agencies throughout the state determine a person's eligibility and arrange and provide services. Services are generally provided in the community or in the family home, and vary based upon the person's specific disability and needs. For instance, one person may need assistance with speech and language development, another may need job training to become employed, and another may need full-time care.

Current funding allows about 11,800 people to receive services in the community. This year, federal, state, and local government funding for services is estimated at \$372 million. The state's share of that total is about \$184 million.

Waiting lists for services. There are currently about 9,700 adults and children on waiting lists for services within the next two years. That number is expected to grow to over 12,000 people by 2012. If funding to eliminate the waiting lists becomes available, a number of people who are not currently on a waiting list may seek services as services become more accessible. Thus, it is difficult to estimate the total number of people who are eligible for services and the cost to eliminate the waiting lists.

Sales and use tax. The state sales tax is paid on the purchase price of most items. Some items are exempt, such as food bought at grocery stores, prescription drugs, household electricity and heat, and gasoline. The tax applies to some services, most notably local telephone service, cell phone service, food and drink service at restaurants and bars, and lodging. The state use tax is paid on items on which the sales tax was not collected, such as items bought from sellers outside of the state. In addition to the state, local governments also have sales and use taxes, although they may apply to different items than the state tax.

Amount of tax increase. The current state sales and use tax rate is 2.9 percent. When combined with local government sales taxes, the total tax rate varies across the state. For example, the total tax rate in the City of Denver is 7.72 percent, in Fort Collins it is 6.7 percent, in Fort Morgan it is 5.9 percent, in Pueblo it is 7.4 percent, and it is 7.65 percent in Grand Junction.

Amendment 51 raises the state tax rate to 3.1 percent over two years. On July 1, 2009, the rate increases to 3 percent, and on July 1, 2010, and thereafter the rate is 3.1 percent. The measure is estimated to raise about \$89 million in the first year of the tax increase and \$186 million in the next year when the tax increase is fully in place. Table 1 provides examples of how Amendment 51 affects state sales taxes.

Table 1. Comparison of State Sales Taxes Due under Current Law and Amendment 51

Price	Total Tax Increase	Current State Sales Tax	State Sales Tax in 1st Year of Increase	State Sales Tax in 2nd Year of Increase
\$20	4 cents	58 cents	60 cents	62 cents
\$100	20 cents	\$2.90	\$3.00	\$3.10
\$5,000	\$10.00	\$145.00	\$150.00	\$155.00

Use of the new money for services. Amendment 51 requires that all of the new sales tax money be used for services for people with developmental disabilities to help reduce the current waiting lists. The money cannot be used for state administration costs or to reduce current state spending on services. However, in any year in which two-thirds of the state legislature and the governor declare a state fiscal emergency, the money can be used for any purpose relating to services for people with developmental disabilities, such as replacing the current level of spending on services and for state administration costs. In addition, Amendment 51 creates a reserve for any money that is not spent in a given year for use in future years. Finally, a large portion of the new money can be used to leverage additional federal funds, increasing the total amount available to pay for services.

How Colorado's taxes compare with other states. Colorado has the lowest state sales tax rate of the 45 states with a state sales tax. However, Colorado has higher local government sales tax rates than most states. Thus, when comparing combined state and local sales taxes, Colorado ranks higher. Colorado ranks 17th in the amount of sales taxes paid per person and 23rd in the amount paid based on wealth. Colorado's total state and local taxes, including income, property, sales, and other taxes, rank 26th in the amount paid per person and 46th based on wealth.

Arguments For

1) Many children and adults with developmental disabilities — and the families who care for them — are at the point of crisis because they cannot get needed services. No alternative public-sector safety net exists to provide care for them. The wait time for services can last as long as ten years. The demand for services continues to grow because people with developmental disabilities are vulnerable and often need life-long care, and there are many aging parents who can no longer care for their children with developmental disabilities. The need for services is so great that it cannot be met without a new source of funding unless the state cuts money from other programs.

2) By spending money now, the state can reduce future costs of government services. For example, the new sales tax will provide money to expand early intervention programs for children, such as speech-language or physical therapy, and programs that help train and employ adults with developmental disabilities, which may reduce future reliance on government-funded services.

3) A sales tax of one penny per \$5 purchase is a small investment for the large return of providing basic services and improving the quality of life for people with developmental disabilities, such as autism, cerebral palsy, Down syndrome, or mental retardation. Furthermore, the tax applies to only a limited number of services, and does not apply to many basic necessities. The money raised from the new sales tax directly benefits people with developmental disabilities, and does not pay for state administrative overhead.

Arguments Against

1) Raising sales taxes may hurt the state's economy and citizens. The economy is already struggling with a weak housing market and high gas and food prices. Further, raising sales taxes burdens lower- and middle-income consumers the most because it cuts into a larger share of their income. Instead of requiring everyone to pay higher taxes, people who wish to help individuals with developmental disabilities can make private donations.

2) Reducing the waiting lists could be accomplished without raising taxes by reprioritizing how the state spends its money and by eliminating government inefficiencies. The state government already spends about \$4 billion, or about 30 percent of state and federal operating dollars, to provide health-care-related services, and this spending grows every year. The measure takes \$186 million out of the private economy to expand the size and cost of government. This money could be better used by Colorado's citizens and businesses to spend on their own needs and to help grow the economy.

3) Decisions about how to spend state tax dollars are best made through an open and deliberative process that considers the needs and priorities of the entire state. Amendment 51 permanently raises taxes without any discussion about whether the measure raises an appropriate amount of money, how the new money can be spent most effectively, or how the needs of people with developmental disabilities compare with other needs in the state. The new money must be spent on services for people with developmental disabilities even if the amount raised exceeds what is legitimately needed to provide services, which could lead to wasteful spending while other needs remain underfunded.

Estimate of Fiscal Impact

State revenue. The sales tax increase raises about \$89 million in budget year 2010 and about \$186 million in budget year 2011 to provide services for people with developmental disabilities. The state is also expected to receive about \$19 million in 2010 and about \$39 million in 2011 from the federal government to fund these services.

State spending. Amendment 51 increases state administrative costs by about \$100,000 in 2009, \$315,000 in 2010, and \$430,000 in 2011 to oversee the services provided to people with developmental disabilities and to implement the sales tax increase. These costs cannot be paid from the new sales tax money, but a portion will be paid with funding from the federal government.

The nonprofit agencies that provide services will experience additional costs of around \$46 million in 2010 and \$94 million in 2011. These costs include both providing the actual services to more people and startup and training expenses to accommodate the increase in services provided. The new sales tax money is expected to pay for some of these costs, with the remainder funded by the federal government. It is unlikely that all of the new sales tax money will be spent in the first several years because developing the capacity to serve the number of people who are on waiting lists will take time. Any sales tax money that is not immediately spent on services must be placed in reserve.

Impact on taxpayers. Both individuals and businesses pay sales and use taxes. Businesses pay about 40 percent of the state's sales taxes; Colorado residents pay about half; and the remaining 10 percent is paid by visitors to the state. The additional amount of taxes paid by each Colorado household will depend on a household's income and number of people. A three-person household with around \$55,000 in annual income is estimated to pay an additional \$20 in state sales taxes in the first year of the tax increase and an additional \$40 in the second year when the tax increase is fully in place.

State Spending and Tax Increases

The state constitution requires that the following fiscal information be provided when a tax increase question is on the ballot:

1. the estimated or actual state spending under the constitutional spending limit for the current year and each of the past four years with the overall percentage and dollar change; and

2. for the first full fiscal year of the proposed tax increase, an estimate of the maximum dollar amount of the tax increase and of state fiscal year spending without the increase.

Table 2 shows the dollar amount of state spending under the constitutional spending limit.

Table 2. State Spending

	Actual 2005	Actual 2006	Actual 2007	Estimated 2008	Estimated 2009
State Spending	\$8.314 billion	\$8.045 billion	\$8.334 billion	\$8.836 billion	\$9.168 billion
Four-Year Dollar Change in State Spending: \$854 million					
Four-Year Percent Change in State Spending: 10.3 Percent					

The numbers in Table 2 show state spending from 2005 through 2008 for programs that were subject to the constitutional spending limit during those years. However, the constitution allows a program that operates similar to a private business to become exempt from the limit if it meets certain conditions. Because some programs have done this during the last five years, the numbers in Table 2 are not directly comparable to each other. Furthermore, Referendum C, which was passed by voters in 2005, allows the state to spend money above the limit that it otherwise would have refunded to taxpayers. If the numbers are adjusted to account for both of these factors, the four-year dollar change is \$2.413 billion and the four-year percent change is 30.4 percent.

Table 3 shows the revenue expected from the increased sales and use taxes, state fiscal year spending without these taxes for 2011, the first full fiscal year for which the increase would be in place, and the sum of the two.

Table 3. State Fiscal Year Spending and the Proposed Tax Increase

	2011 Estimate
State Spending Without New Taxes	\$10,156.1 million
New Sales and Use Tax Increase	\$186.1 million
State Spending Plus the New Taxes	\$10,342.2 million
Note: The new sales and use tax revenue is not subject to the state's fiscal year spending limits.	

**Amendment 52
Use of Severance Tax Revenue for Highways**

Amendment 52 proposes amending the Colorado Constitution to:

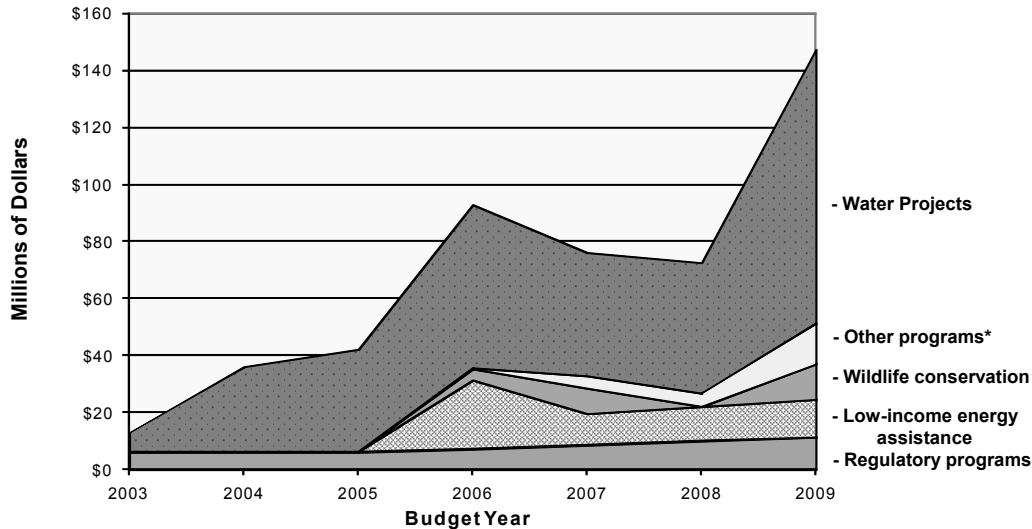
- ◆ require the state legislature to spend a portion of state severance tax collections on highway projects.

Summary and Analysis

What is the severance tax? Companies that extract nonrenewable natural resources such as coal, oil, natural gas, gold, and silver from the earth pay the state severance tax. The amount of severance tax paid is based on company income or the volume of the resource mined.

How is severance tax revenue spent now? The state legislature determines how severance tax revenue is spent. Under existing statutes, it is evenly divided between local governments and state programs. State statute distributes the local government portion to communities impacted by the mineral extraction industry — either directly based on mining activity in the area or through competitive loans or grants. The state portion is spent on loans for local water projects like dams, pipelines, and canals; programs regulating mining activity; and, in recent years, programs like low-income energy assistance and wildlife conservation. Figure 1 shows the amount of severance tax revenue spent on different state programs over the past six years and the amount budgeted for 2009.

Figure 1. Severance Tax Revenue Spent on State Programs



* Other programs include: zebra mussel, tamarisk, and pine bark beetle control; soil conservation; renewable energy; agriculture; state parks; and wildlife conservation.

How does Amendment 52 change current law? Of the 50 percent of severance taxes spent on state programs, Amendment 52 constitutionally limits the amount that the state legislature can spend to the prior year's amount plus inflation (with an adjustment if severance tax collections decrease). The remaining amount of the state portion must be used to construct and maintain highways, with priority given to relieving congestion on Interstate-70 (I-70). The state legislature is responsible for budgeting the highway money. The state legislature maintains the ability to allocate both the money that is currently returned to local governments and the money spent on state programs in any way it chooses, just as it does now.

What is the projected change in spending under Amendment 52? Table 1 shows the projected shift in spending from state programs to highway projects under Amendment 52. For example, in 2009, state programs receive \$181 million under current law. Under Amendment 52, these programs receive \$92 million, and \$89 million is shifted to highway projects aimed at relieving congestion on I-70.

Table 1. Projected Change in State Portion of Severance Tax Spending in Millions of Dollars

Severance Tax Spending	2009	2010	2011	2012	Four-Year Total
State Program Money under Current Law	\$181	\$130	\$148	\$154	\$613
Amount for State Programs under Amendment 52*	\$92	\$95	\$99	\$102	\$388
Shift from State Programs to Highway Projects under Amendment 52	\$89	\$35	\$49	\$52	\$225

* Based on a projected annual inflation rate that varies between 2.2 and 3.5 percent.

How are transportation projects currently funded? Fuel taxes, vehicle registration fees, a portion of income and sales taxes, and federal highway money finance transportation projects in Colorado. The state received about \$1.2 billion for transportation projects in budget year 2008, with fuel taxes and registration fees at \$415 million, federal funds at \$408 million, and income and sales taxes at \$426 million.

How do Amendment 52 and Amendment 58 interact? Both Amendment 52 and Amendment 58 change how the state spends severance tax revenue, but the two measures propose different uses for the money. Thus, some of the provisions of these measures appear to conflict with one another. Should both measures pass, the state will be required to implement these conflicting provisions, but if challenged the courts will have to decide how the measures take effect. Amendment 52 proposes a change to the state constitution, while Amendment 58 proposes a change to state statute. To date, Colorado courts have not addressed this type of conflict between ballot measures, but it is likely that the constitutional provision would prevail.

Arguments For

1) Amendment 52 increases funding for highways by an estimated \$225 million over the next four years without raising taxes. The most recent statewide transportation plan expects highway revenue to fall short of the cost of maintaining the current highway system. This revenue shortfall has occurred in part because better vehicle fuel efficiency and higher road construction costs have decreased the purchasing power of gasoline taxes, which is one of the system's primary funding sources. By amending the state constitution, Amendment 52 creates a new, dedicated source of money for highways that cannot be changed without another vote of the people.

2) Amendment 52 creates a permanent revenue stream for highway projects, with emphasis on congestion relief for I-70. I-70 is a key transportation corridor for both Colorado residents and visitors to the state. The highway supports both intra- and interstate commerce, provides access to key ski and recreational areas, and is an important commuter route. However, funding for construction and maintenance has not kept pace with increased traffic on the highway. A new source of money is vital for relieving congestion in this transportation corridor.

3) The recent growth in oil and gas production has resulted in severance tax revenue that far exceeds the funding requirements of the state programs it has traditionally supported. The money available for state programs has grown from \$8 million to over \$100 million in the past few years, and is expected to continue to grow. Amendment 52 increases funding for existing state programs by inflation, while refocusing future growth in severance tax revenue on transportation problems facing the state.

Arguments Against

1) Amendment 52 diverts money that would help meet Colorado's rapidly growing water demand and maintain its aging water supply system. Half of the money shifted to highway projects under this measure would be available under current law to provide loans and grants for water projects, water conservation, and other programs. A recent study indicated that current and planned water supply projects are likely to meet about 80 percent of the estimated new demand between 2004 and 2030. By shifting over \$100 million in the next four years from water projects to transportation projects, Amendment 52 hurts the state's ability to meet long-term water supply needs.

2) Amendment 52 could politicize funding for transportation projects. To prevent political considerations from influencing the allocation of transportation money, an independent commission develops a statewide transportation plan that identifies, prioritizes, and selects transportation projects for funding. Giving budgeting authority for some of the money to the state legislature could result in the legislature selecting transportation projects based on political considerations.

3) Amendment 52 does not guarantee that any new money will go to projects that relieve congestion on I-70. The money could instead replace current funding for existing projects on I-70. Thus, the measure could result in growth in transportation spending in areas unrelated to relieving I-70 congestion.

Estimate of Fiscal Impact

State impacts. Amendment 52 does not change state severance tax collections. Instead, it caps the amount of severance tax revenue that can be allocated by the legislature and diverts money above the cap to highway projects. Under the cap, funding for existing state programs is expected to grow from \$92 million to \$102 million over the next four years. Based on a state forecast of severance tax revenue, Amendment 52 shifts \$89 million to transportation in the current budget year, and \$225 million over the next four years.

Table 2 shows the change in spending that is expected to occur due to Amendment 52. Several existing programs will receive less money under Amendment 52 than they would have under current law. Money for water projects is expected to drop by \$45 million in 2009, with the actual spending reduction occurring in the following year. Existing state programs will see a total reduction of \$2 million from budgeted amounts in 2009. These programs include wildlife conservation, low-income energy assistance, bark beetle control, zebra mussel control, and soil conservation. In addition, based on the forecast, the legislature would have been able to spend another \$42 million in the current year. Over the next four years, spending on existing state programs is expected to be about \$29 million less than under current law, revenue for water projects is expected to drop \$112 million, and spending on other programs will drop \$84 million.

Table 2. Estimated State Spending Change Due to Amendment 52 in Millions of Dollars

State Revenue	2009	2010	2011	2012	4-year Total
Projected Total Severance Tax Revenue	\$356	\$255	\$288	\$301	\$1,200
Amount for Existing State Programs under Amendment 52	\$92	\$95	\$99	\$102	\$388
Amount Shifted to Transportation under Amendment 52	<u>\$89</u>	<u>\$35</u>	<u>\$49</u>	<u>\$52</u>	<u>\$225</u>
Water Projects	45	17	24	26	112
Existing State Programs	2	13	14	0	29
Other Non-budgeted State Programs	42	5	11	26	84

* Water projects appear in the year in which the money is received. Actual expenditure of this money occurs in the following year.

**Amendment 53
Criminal Accountability of Business Executives**

Amendment 53 proposes amending the Colorado statutes to:

- ◆ hold a business executive criminally responsible for the business's failure to perform a duty required by law if the official knew of the duty and the business's failure to perform it.

Summary and Analysis

Accountability of business entities. Businesses are subject to a wide variety of state and federal laws, including environmental protections, securities regulations, and consumer protection guarantees. Colorado law criminalizes certain acts committed by or on behalf of a business. Businesses may be held criminally accountable for the failure to perform specific legal duties and for illegal conduct authorized or tolerated by a governing board, manager, or executive. When these types of laws are violated, companies may be assessed fines.

Expansion of accountability for business executives. In Colorado, individuals may be prosecuted for illegal conduct performed on behalf of a business and, in some cases, for failure to perform a legal duty. Amendment 53 extends criminal accountability to business executives who were aware of their business's failure

to perform a legal duty. Amendment 53 applies to an officer, director, managing partner, managing member, or sole proprietor of a for-profit business or nonprofit entity.

In conjunction with the new criminal provisions, Amendment 53 applies existing criminal penalties, including fines, imprisonment, or both, to business executives. The measure provides a defense from prosecution for business executives who report knowledge of their business's failure to comply with the law, as long as the report is made prior to the filing of charges.

Arguments For

1) Amendment 53 addresses a gap in state law. While business entities themselves can be prosecuted, their executives can currently avoid responsibility for their businesses' failure to follow state law. The measure helps ensure that these executives are held accountable when they know of a legal duty that their business has failed to perform. Over time, Amendment 53 can foster a business environment that attracts and retains responsible employers.

2) Amendment 53 may encourage a healthy and moral economic climate for Colorado. When businesses fail to comply with state law, the state's economy can be impacted in a variety of unexpected or far-reaching ways. The measure seeks to eliminate cases where executives' failure to act or take responsibility for their businesses' legal obligations affects the lives of employees, shareholders, or even the state's citizens as a whole.

3) Amendment 53 could lead to additional disclosure about and charges for illegal corporate conduct. The measure establishes a defense from prosecution for executives, which may make executives feel more secure about reporting their business's failure to perform duties required under the law.

Arguments Against

1) Amendment 53 may negatively impact a business climate in which most businesses and their executives comply with the law. For example, the new criminal penalties could drive higher insurance costs for law-abiding executives, which may ultimately be passed along to consumers. Additionally, fear of prosecution could hinder recruitment of top business talent and may leave community leaders reluctant to serve on nonprofit boards.

2) State and federal laws already hold business executives accountable. For example, executives can be prosecuted under Colorado law for their own criminal conduct on behalf of their business. Recent federal laws have strengthened criminal and civil penalties for business executives who commit fraud. High-profile prosecutions of business executives demonstrate that current laws are sufficient to address corporate wrongdoing.

3) Amendment 53 creates a way to avoid accountability. Business executives who are aware of their business's failure to comply with the law, and who should be held responsible, may escape prosecution through reports to the attorney general.

Estimate of Fiscal Impact

Amendment 53 is not expected to have a significant impact on either state or local government spending in Colorado, assuming business executives comply with laws. But, because law enforcement officials have the discretion to bring charges and the courts have discretion over imposing criminal penalties for people convicted of a crime, the exact fiscal impact cannot be determined. In the event that a person is convicted of an offense, the measure could increase state spending for offenders sentenced to state prison (for felonies) and local government spending for offenders sentenced to county jail (for misdemeanors). The state court system may also see an increase in activity, but no significant increase in costs is anticipated. Any conviction that includes a fine would increase state revenue.

Amendment 54
Campaign Contributions from Certain Government Contractors

Amendment 54 proposes amending the Colorado Constitution to:

- ◆ prohibit certain government contractors from contributing to a political party or candidate for the contract's duration and two years thereafter;
- ◆ prohibit contributors to ballot issue campaigns from entering into certain government contracts relating to the ballot issue;
- ◆ apply the prohibitions on campaign contributions and ballot issue contracts to any contractor with a government contract or contracts that does not use a public and competitive bidding process soliciting at least three bids and with a total value greater than \$100,000 in a single year; and
- ◆ apply the prohibitions on campaign contributions and ballot issue contracts to a labor organization holding a collective bargaining agreement with a state or local government.

Summary and Analysis

Government entities purchase goods and services from private-sector vendors for the operation of government. The awarding of state contracts for these goods and services is regulated by state law. Local governments largely determine their own practices.

How are state government contracts awarded? State law requires, with few exceptions, that vendors for state contracts be selected through a competitive bidding process. Separate rules govern small and emergency purchases. In some cases, a state agency may determine that only one good or service can reasonably meet the agency's need, and only one vendor can provide the particular good or service. Examples of circumstances when competitive bidding is not used include cases:

- where equipment, accessories, or replacement parts must be compatible;
- where a sole supplier's item is needed for trial use or testing; and
- where public utility services are to be purchased.

How does the measure affect government contractors and labor organizations? Amendment 54 prohibits campaign contributions by certain government contractors. The prohibition applies to contractors with a total contract value of greater than \$100,000 in a single year where fewer than three bids are solicited. It also covers labor organizations that represent public employees in a collective bargaining agreement.

Contracts covered by Amendment 54 are referred to in the measure as "sole source contracts" and include those awarded by the state, cities, counties, school districts, and other special districts. The measure requires the state to publish and maintain a database of every covered government contract issued at every level of government.

How are Amendment 54's prohibitions applied? Under the measure, covered government contractors are prohibited from making a campaign contribution themselves, or on behalf of a family member, to any political party or any state or local candidate for the duration of the contract plus two additional years. A contractor includes:

- the contracting entity's officers, directors, or trustees;
- any individual who controls at least 10 percent of the shares of or interest in the entity; and
- in the case of a collective bargaining agreement, a labor organization and any political committees it creates to make campaign contributions.

The measure also prohibits a person who contributes to a ballot issue campaign from entering into a covered government contract relating to the ballot issue.

What penalties exist under Amendment 54? Under Amendment 54, individuals who accept contributions from covered government contractors for the benefit of a political party or candidate must pay restitution to the contracting government. Elected or appointed officials may be removed or disqualified from office for knowingly violating Amendment 54. Further, a covered government contractor who intentionally makes a contribution in violation of the measure is barred from holding a covered government contract or public employment for three years. The governor may suspend these penalties during a declared state of emergency.

What is the scope of state contracts affected by Amendment 54? Information is not available on the number of state contracts that meet the criteria in Amendment 54. However, a sample of state contracts indicates that last year about 6 percent of state contracts had a value greater than \$100,000 and were not put out for bid. These contracts represented about 5 percent of the total value of state contracts over \$100,000.

What is the scope of local government contracts affected by Amendment 54? Information is not available on the number and value of local contracts that meet the criteria in Amendment 54. Some local governments, including the cities of Boulder and Fort Collins, have enacted laws restricting campaign contributions by individuals holding any type of contract with the local government and would integrate Amendment 54's provisions into existing practice. Local governments also enter into collective bargaining agreements. For example, 45 school districts, representing 80 percent of teachers in the state, and four city police departments, representing 33 percent of the state's police officers, are covered under collective bargaining agreements.

Arguments For

1) Amendment 54 promotes civic trust and government transparency. By prohibiting campaign contributions, Amendment 54 ensures that business interests, labor, and other covered government contractors do not influence policy decisions through campaign contributions. In addition, by requiring state officials to publish information on covered government contracts, the measure makes information on vendors that receive such contracts easier to obtain by ordinary citizens. Registered voters can hold both public officials and contractors to a high ethical standard and seek remedies when violations occur.

2) Amendment 54 furthers the efficient use of taxpayer dollars by promoting competitive bidding for government contracts. It makes contracts where fewer than three bids are solicited less attractive by prohibiting political contributions from entities that receive such contracts. Amendment 54 thus encourages taxpayer value in contracting, and discourages instances where it may be easy to rely on entities with existing contracts.

Arguments Against

1) The broad scope of the measure could have far-reaching consequences for contractors, political candidates, and elected officials. For example, an individual holding a covered contract with one local government could be penalized for making a contribution to a candidate in a separate jurisdiction. To avoid violations and penalties, candidates and political parties will have to monitor each contribution to ensure that it is not made by a sole-source government contractor, or by the contractor on behalf of a relative. Furthermore, Amendment 54 establishes penalties that are severe relative to the offenses, including loss or disqualification from office for elected or appointed officials.

2) Amendment 54 proposes an inflexible approach to government contracting. Different regions and levels of government throughout the state have varying contracting needs and access to providers of goods and services. Because rural cities and counties typically have fewer contracting options than urban communities or state government, the measure presents unique challenges for small communities and their service providers. For example, if one organization in a small community is the only available contractor for community services, the organization would have to choose between accepting a contract and participating financially in the political process.

Estimate of Fiscal Impact

Amendment 54 requires the state to publish and maintain a summary of each covered government contract issued by the state and all local government entities, beginning December 31, 2008. The cost of hiring a contractor to develop the database is \$234,000. In addition, annual state expenditures of \$85,000 for one employee are required to manage the database of contracts of approximately 4,000 governmental entities. Thus, the total cost to the state will be \$277,000 and a half-time employee in budget year 2009 and \$85,000 and one employee in budget year 2010 and thereafter.

Amendment 55
Allowable Reasons for Employee Discharge or Suspension

Amendment 55 proposes amending the Colorado Constitution to:

- ◆ prohibit private-sector employers from firing or suspending full-time employees except for specific reasons; and
- ◆ allow an employee who believes he or she was improperly fired or suspended to sue the employer.

Summary and Analysis

Current limits on firing employees. Under current law, private-sector employees typically can be fired or suspended at any time and for any reason, an arrangement commonly known as at-will employment. There are limits to at-will employment. For example, an employee cannot be fired based on his or her race, sex, religion, or age. In addition, an employee cannot be fired because of an unwillingness to perform an illegal act.

Proposed limits on firing or suspending employees. Amendment 55 prohibits private sector employers from firing or suspending full-time employees except for the following reasons, which the measure defines as "just cause":

- incompetence;
- substandard performance or neglect of job duties;
- repeated violations of an employer's written policies and procedures relating to job performance;
- gross insubordination or willful misconduct that affects job performance;
- conviction of a crime involving moral turpitude;
- employer bankruptcy; and
- documented adverse economic circumstances that directly affect the employer.

Amendment 55 requires that an employer provide an employee with written documentation of the actions that led to the employee's firing or suspension.

Affected employers and employees. Amendment 55 applies to for-profit employers that employ 20 people or more and nonprofit employers that employ 1,000 people or more. It affects employees who work full-time for at least six consecutive months for such employers. Amendment 55 does not apply to businesses where employees are covered by a collective bargaining agreement requiring employers to show just cause for firing or suspending an employee. It also does not apply to government entities.

Legal remedies. Amendment 55 allows an employee to file a lawsuit challenging a firing or suspension. If the court determines that an employee was fired or suspended without just cause, it may order the employee to be rehired and award back wages and damages. This measure also allows the court to award attorneys fees to the winning party.

Arguments For

1) Amendment 55 allows employees who do a good job to work without fear of losing their employment with no notice and for no reason. The measure still allows employees to be fired for incompetence or neglect of duties, or if the company faces difficult economic circumstances, but companies cannot arbitrarily fire employees.

2) Providing job security for employees may help improve Colorado's business climate. Employers will have a larger pool of applicants to choose from if job seekers are attracted to the security offered by the just-cause requirements. Also, employees who feel secure in their employment may be more likely to spend money, which could improve the overall economy.

3) Amendment 55 puts in law business practices that are followed by good employers. Many companies document issues that result in firing or suspending an employee. This measure provides employees of private-sector companies with the same protections available to most government employees and employees protected by collective bargaining agreements.

Arguments Against

1) Amendment 55 imposes inflexible constitutional restrictions on businesses that may hurt Colorado's economy. By preventing businesses from making basic economic decisions, such as eliminating unnecessary employees, automating operations, or reorganizing to improve efficiency, the measure places them at a competitive disadvantage with businesses in other states. The measure increases administrative and litigation costs, which may discourage new businesses from moving to Colorado or may cause existing businesses to relocate to another state.

2) This measure may hurt the people it is intended to help by discouraging employers from hiring full-time employees. To avoid the new requirements, employers may be inclined to convert full-time employees to part-time employees or to hire independent contractors instead of regular full-time employees. Such responses by employers would adversely affect both the employed and those seeking work.

3) Amendment 55 is unnecessary because the decision to fire an employee is rarely taken lightly. Most businesses recognize that firing an employee results in lost productivity, and finding a replacement employee can be difficult, expensive, and time consuming. In addition, federal and state law already protect employees from being fired for reasons unrelated to job performance, such as an employee's race, sex, religion, or age.

Estimate of Fiscal Impact

Amendment 55 will increase the number of lawsuits filed by employees challenging their firing or suspension. The actual increase in cases to be filed is unknown, but at least 3,750 new lawsuits are expected each year. These additional lawsuits will increase both revenue and spending in the state judicial branch. Revenue from fees paid when lawsuits are filed is expected to total \$1.4 million per year. Spending is expected to increase by \$2.7 million per year, including salary, operating, and capital costs for about 30 new state employees. The new employees include district court judges and associated support staff.

Amendment 56
Employer Responsibility for Health Insurance

Amendment 56 proposes amending the Colorado Constitution to:

- ◆ require private employers with 20 or more employees to either provide health insurance for both employees and their dependents or pay for insurance through a new state authority;
- ◆ limit the amount the employee must pay to 20 percent for employee-only coverage and to 30 percent for dependent coverage; and
- ◆ require the state legislature to implement the measure, including establishing the new state authority and minimum standards for health insurance plans.

Summary and Analysis

Currently, employers in Colorado are not required by state or federal law to provide health insurance for their employees. No information is available on how many employers with 20 or more employees offer health insurance; however, federal data show that most employers in Colorado with more than 25 employees offer some type of health insurance to their employees. Federal data also show that small employers are less likely to offer health insurance than larger employers.

For those employers who offer health insurance, plans and premiums may vary significantly. For example, an employer may offer employees a basic plan, and pay 90 percent of the premium. Another employer may offer a comprehensive plan, and pay 50 percent of the premium. There is no state or federal law that requires an employer to contribute to the cost of insurance for employees or their dependents.

Health care coverage in Colorado. According to a state study, about 58 percent of Coloradans obtain health insurance through their employer or through a family member's employer. Other sources of coverage include government programs such as Medicare and Medicaid (21 percent) and individually purchased health insurance (4 percent). The remaining 17 percent of Coloradans are uninsured.

Requirements of Amendment 56. Amendment 56 requires every private employer in Colorado with 20 or more employees to provide health insurance to employees and dependents. Those that currently provide insurance may need to change their plans to meet the requirements of Amendment 56 to: (1) offer dependent insurance, (2) pay 80 percent of the cost of the health insurance for the employee, and (3) pay 70 percent of the cost of insurance for the employee's dependents.

Alternatively, employers may choose to pay premiums to a newly established state authority. The authority must contract for health insurance for employees whose employers do not directly provide coverage. The state legislature is responsible for determining how the authority operates. Amendment 56 prohibits the legislature from using general state tax dollars for the operation of the authority or to pay insurance costs, but other sources of revenue may be used. Amendment 56 also requires the legislature to enact laws to implement its provisions, including determining the types of health plans that must be offered by employers.

Other employer mandates for health insurance in the U.S. Federal law generally prohibits states from requiring employers to provide health insurance. Thus, few states have such laws. Congress granted an exception for a Hawaii law that requires employers to choose one of three ways to provide health insurance to employees. Recently, an ordinance was adopted in the City of San Francisco requiring employers to spend a certain amount on health care for employees; it has been implemented, but is being challenged in federal court. A court struck down a Maryland law that would have required private employers with at least 10,000 employees to spend at least 8 percent of their payroll on health insurance benefits because it effectively required employers to change their employee health insurance plans. Massachusetts and Vermont require employers who do not provide health insurance benefits to pay a fee to the state; neither of those laws has been challenged in court.

Arguments For

1) Businesses are likely to benefit from higher productivity and fewer days lost to illness when more employees are insured. Individuals with health insurance tend to be healthier because they have access to preventative care and are more likely to seek medical attention for minor illnesses and injuries before they become serious. As a result of Amendment 56, affected businesses may have more insured employees, allowing them to be more productive and contribute to the growth and strength of Colorado's economy.

2) Amendment 56 increases access to affordable health insurance for working people and their families. When individuals and families have health insurance, they are better protected from the financial burden of catastrophic medical events. By establishing cost-sharing requirements between employers and employees, the measure provides more workers with a viable option to obtain health insurance.

3) Employers in the state share in the responsibility for solving the problem of access to health care. While a majority of Colorado employers offer health insurance to employees, employers that do not provide this benefit have an unfair competitive advantage and create a financial burden on those that do. The costs of treating people with little or no health insurance are passed on in the form of increased charges for health care services and increased insurance premiums, which in turn raise the cost of health care for everyone.

Arguments Against

1) Amendment 56 places a new financial burden on businesses that may result in higher costs, lost jobs, and an increase in the price for goods and services. Additionally, companies may be discouraged from locating in Colorado. All these factors could slow growth and damage the state's economy. The measure removes the flexibility employers currently have to offer benefits that are within a company's budget while meeting the needs of their employees.

2) Amendment 56 may ultimately hurt employees. Businesses are likely to decrease employees' wages, bonuses, or other benefits in order to offset increased health care costs. Due to the requirement that employers pay 70 percent of the costs for family-health coverage, the measure could result in discrimination against hiring individuals with families.

3) Amendment 56 does not solve the problems associated with the high cost of health insurance. Often the reason that employers do not offer health insurance is because they cannot afford the premiums. Employees may remain uninsured because they cannot afford their share of the premiums or choose not to purchase health insurance. The plans established by the legislature may not provide better or more affordable health insurance for employees covered by the measure. Additionally, the measure does nothing for employees of small businesses. A constitutional change, like Amendment 56, is an inflexible approach to dealing with the complex issue of health insurance.

Estimate of Fiscal Impact

State and local governments are excluded from the health insurance requirements of Amendment 56, so government spending is not affected by these components of the measure. Both state revenue and spending are expected to increase for the new state authority, beginning in budget year 2010. Total revenue from premiums depends upon the number of employers and employees selecting health coverage through the authority. Total spending depends on the specific responsibilities of the authority. The increase in state revenue and spending cannot be estimated until the legislature implements the measure. Employer costs to provide health insurance, as specified by Amendment 56, are not estimated.

Amendment 57
Additional Remedies for Injured Employees

Amendment 57 proposes amending the Colorado statutes to:

- ◆ require every private employer in Colorado with ten or more employees to provide a safe and healthy workplace; and
- ◆ allow an injured employee to seek damages in court, beyond workers' compensation benefits, if the employee believes that the employer failed to provide a safe and healthy workplace.

Summary and Analysis

Currently, federal and state safety standards exist to ensure safe working conditions for employees. Companies may be fined if they do not meet these standards. Employees who are injured at work receive benefits through workers' compensation.

What remedies are available to injured employees under workers' compensation? Workers' compensation is the exclusive remedy for employees to receive benefits from employers for on-the-job injuries. State law requires all employers with one or more full- or part-time employees to provide workers' compensation benefits for on-the-job injuries and work-related diseases. Benefits are provided regardless of whether the injury was caused by the employer, the employee, the equipment, or a third party. Employees are entitled to specific benefits, which are outlined in state law, without going to court. When a workplace injury occurs, an injured employee receives the following benefits, depending on the circumstances:

- reasonable and necessary medical care, at no cost to the employee;
- tax-free payment for lost wages up to two-thirds of the injured employee's salary;
- payment for permanent disability and disfigurement;
- vocational rehabilitation;
- funeral expenses; and
- death benefits for surviving dependents.

An employee may appeal the determination of benefits through a state system, but cannot sue an employer for damages. An employee may sue a third party whose negligence may have caused or contributed to a workplace injury to recover damages in excess of workers' compensation benefits. In 2005, over 120,000 workplace injuries were reported, and of those, approximately 85,000 resulted in claims for medical care and 16,600 resulted in claims for lost wages.

What additional remedies are offered to injured employees under Amendment 57? In addition to any remedies received under workers' compensation, Amendment 57 allows an injured employee to sue an employer if he or she believes that the employer failed to provide a safe and healthy workplace. Amendment 57 applies to employees working at private companies with ten or more employees. An employee cannot receive damages that he or she already received under workers' compensation. Under Amendment 57, examples of damages that an employee may sue for include:

- past and future monetary losses;
- pain and suffering;
- emotional distress;
- inconvenience;
- mental anguish;
- loss of enjoyment of life; and
- other non-monetary losses.

Arguments For

1) The workers' compensation system does not always meet the needs of injured employees. While an injured employee receives medical care at no cost, the choice of doctor and treatment options are limited. Further, an injured employee who is unable to work may receive wage payments that are far below the employee's previous take-home earnings. By allowing the courts to review individual cases, Amendment 57 establishes another avenue for employees to seek compensation for injuries, such as pain and suffering, beyond the benefits provided by workers' compensation.

2) Amendment 57 encourages an increased focus on workplace safety, and both employers and employees benefit from safe and healthy workplaces. Safe workplaces allow employees to be efficient and productive, saving employers money. Maintaining a safe workplace reduces employees' concerns about their day-to-day safety and the likelihood of injury. Amendment 57 provides a mechanism to financially penalize employers who endanger the safety of their employees.

Arguments Against

1) Amendment 57 is unnecessary. The current workers' compensation system effectively balances the needs of employees and employers. It ensures prompt delivery of benefits to injured employees without the delay, expense, and risk involved with a lawsuit and controls costs for employers. Amendment 57 disrupts this balance by requiring employers to continue to pay for workers' compensation benefits and making them subject to lawsuits from injured employees seeking additional benefits. Moreover, employers are already motivated to provide safe and healthy workplaces to comply with safety regulations, lower costs for worker replacement and insurance premiums, and increase employee productivity.

2) The negative effect of Amendment 57 on the state's economy outweighs any potential benefits to some injured employees. It exposes employers to increased liability and legal costs. These costs are expected to be passed on to consumers and employees through higher prices for goods and services, lower wages, and reduced employee benefits. Amendment 57 may increase unemployment by discouraging businesses from locating or expanding in Colorado.

Estimate of Fiscal Impact

State revenue and spending. Amendment 57 is expected to lead to new court filings by employees injured at work. Because the measure establishes a new right of action, there is no experience available to estimate the number of filings that will result. Table 1 shows both annual state revenue and spending increases if 1 percent, 10 percent, or 25 percent of workers' compensation claims for lost wages result in new court cases. Revenue increases result from court filing fees, and spending increases pay for additional court staff. As people become aware of their ability to sue under this measure, the potential for significant revenue and spending increases is real.

Table 1. Annual State Revenue and Spending Increases under Amendment 57*

	1% of Claims Result in a Court Case	10% of Claims Result in a Court Case	25% of Claims Result in a Court Case
Cases Filed	166	1,660	4,150
New Revenue - Fees	\$61,000	\$608,000	\$1,520,000
New Spending	\$139,000	\$1,433,000	\$3,583,000
New Employees	2	18	44

* Table 1 shows only government spending and does not include costs to private companies.

Amendment 58
Severance Taxes on the Oil and Natural Gas Industry

Amendment 58 proposes amending the Colorado statutes to:

- ◆ increase the amount of state severance taxes paid by oil and natural gas companies, primarily by eliminating an existing state tax credit;
- ◆ allocate the increased severance tax revenue to college scholarships for state residents, wildlife habitat, renewable energy projects, transportation projects in energy-impacted areas, and water treatment grants; and
- ◆ exempt all oil and gas severance tax revenue from state and local spending limits.

Summary and Analysis

What is the severance tax? The severance tax is paid by companies that extract nonrenewable natural resources from the earth, including oil and gas, gold, coal, and molybdenum. Over the last five years, 92 percent of state severance tax collections have come from oil and gas, and nearly all of that is from gas. Last year, the state collected \$140 million in oil and gas severance taxes. Collections fluctuate annually with changing energy prices.

How does Amendment 58 change Colorado's current severance taxes on oil and gas? Amendment 58 eliminates a state tax credit, increases the number of oil and gas wells subject to the tax, and changes the tax rate on oil and gas companies. These changes are estimated to increase state severance tax collections by \$321 million in budget year 2010.

Eliminating the state tax credit. The state currently allows companies to reduce their severance tax payment by 87.5 percent of local property taxes paid on oil and gas production. Amendment 58 removes this tax credit, increasing state severance taxes by an estimated \$258 million in budget year 2010.

Increasing the number of wells subject to the tax. Companies currently do not have to pay the severance tax on small wells. Amendment 58 increases the number of smaller wells subject to the tax. With this change, the production on which the tax is paid increases from 40 percent to 56 percent for oil and from 80 percent to 90 percent for gas. This change is expected to increase state severance tax revenue by \$62 million in budget year 2010.

Changing the tax rate on oil and gas companies. Colorado currently taxes oil and gas companies at rates between 2 and 5 percent, depending on income. Amendment 58 changes the tax to a flat rate of 5 percent for companies earning \$300,000 or more, eliminating taxes for small companies and increasing taxes on large companies. As a result, a company earning more than \$300,000 will pay 5 percent on all of its income, while a company earning less than \$300,000 will pay no severance tax. The loss in revenue from small companies is expected to be minimal, while the tax increase on large companies is estimated to raise state severance tax collections by about \$1 million annually.

How do Colorado's oil and gas taxes compare to other states? Colorado's actual severance tax rate is the lowest of the eight large-producing western states when each state's exemptions, deductions, and credits are taken into account. In budget year 2007, Colorado's actual severance tax rate was 1.3 percent; Montana's rate was the highest at 6.8 percent. Assuming the taxes in other states remain the same, Amendment 58 raises Colorado's severance tax ranking to the third lowest. These rankings do not take into account other taxes that oil and gas companies pay, such as income, sales, and property taxes, which vary among the states.

How is severance tax revenue distributed under current law? Under current law, Colorado severance tax revenue is evenly divided between state programs and local governments. The state portion pays for water projects and programs related to mineral extraction, clean energy development, low-income energy assistance, and wildlife conservation. The local government portion is distributed to communities affected by mining, either based on mining activity in the area or through competitive loans or grants.

How does Amendment 58 distribute severance tax revenue? Under Amendment 58, the state programs and local governments that currently receive all of the severance tax revenue will evenly split 44 percent of severance tax collections. Although the portion of money set aside for these uses is less than under current law, the estimated increase in collections under Amendment 58 is expected to provide existing programs with about the same amount of money over the next four years. However, severance tax collections fluctuate with energy prices, and state programs and local governments could receive more or less money than currently anticipated.

Amendment 58 dedicates the remaining 56 percent of severance tax revenue to new uses. Ten percent is placed in a reserve account for future use by the state. Ninety percent pays for new programs as follows:

- 60 percent for a college scholarship program for lower- and middle-income Coloradans. The governor-appointed board that oversees the state's higher education system sets the specific eligibility criteria for the scholarship program, considering factors such as income, family size, and academic performance;
- 15 percent to assist local governments, nonprofit organizations, and the state to acquire and maintain wildlife habitat. The state board tasked with preserving Colorado's wildlife and open space distributes this money;
- 10 percent for projects that promote energy efficiency and the use of renewable, clean energy resources;
- 10 percent for transportation projects in areas of the state impacted by the oil and gas industry; and
- 5 percent for small community drinking water and domestic wastewater treatment projects.

Table 1 presents estimates of the money that Amendment 58 provides to these uses over the next four budget years.

Table 1. Use of New Money under Amendment 58 in Millions of Dollars

New Programs	2009 (half-year)	2010	2011	2012	Four-Year Total
Held in Reserve	\$14	\$30	\$32	\$33	\$109
College Scholarships	\$78	\$162	\$171	\$183	\$594
Wildlife Habitat	\$20	\$40	\$43	\$46	\$149
Clean Energy	\$13	\$27	\$29	\$31	\$100
Transportation Projects	\$13	\$27	\$29	\$31	\$100
Water Grants	\$7	\$13	\$14	\$15	\$49
Total New Programs:	\$145	\$299	\$318	\$339	\$1,101

How do Amendment 58 and Amendment 52 interact? Both Amendment 58 and Amendment 52 change how the state spends severance tax revenue, but the two measures propose different uses for the money. Thus, some of the provisions of these measures appear to conflict with one another. Should both measures pass, the state will be required to implement these conflicting provisions, but if challenged the courts will have to decide how the measures take effect. Amendment 52 proposes a change to the state constitution, while this measure proposes a change to state statute. To date, Colorado courts have not addressed this type of conflict between ballot measures, but it is likely that the constitutional provision would prevail.

Arguments For

1) Amendment 58 eliminates a state tax credit for an industry that is currently experiencing record profits. Better uses exist for state dollars than this credit. Amendment 58 directs the new money to state and community programs that help improve the state's economy, environment, and infrastructure. These programs are a sound investment in Colorado's future.

2) Increasing access to college for middle- and low-income Coloradans is critical to ensuring the state's long-term economic health. The scholarships funded through this measure offset the high cost of college, making a college education attainable for more residents. As Colorado graduates more state residents, businesses benefit from a larger pool of educated workers that can help grow Colorado's economy.

3) Oil and gas production is necessarily limited by the location of reserves. Raising the extraction cost of those resources is not likely to have much of an effect on production in Colorado. Colorado currently has the lowest severance tax rate among large-producing western states. By eliminating the state tax credit and tightening the small-well tax exemption, Amendment 58 increases the compensation that Colorado citizens receive for the extraction of natural resources and brings Colorado's tax rate more in line with other states.

4) The money raised by Amendment 58 provides benefits to the state with little or no increase in the cost of energy for Colorado consumers. Oil and gas prices are influenced by numerous factors, and a change in Colorado's severance tax is not a large enough factor to make a significant difference in Colorado's prices. Colorado produces less than one-tenth of one percent of the world's oil. Increasing the state's severance tax on this level of production is unlikely to affect the market price of gasoline. Likewise, since most of the natural gas produced in Colorado is sold elsewhere, any additional costs are likely to be paid by consumers outside of Colorado.

Arguments Against

1) Increasing taxes on oil and gas companies could negatively affect the state's economy and its citizens. The industry directly contributes \$16.5 billion and employs about 20,000 workers in the state. In addition, industry activity supports another 20,000 to 50,000 jobs as a result of its Colorado extraction activities. By more than doubling the state's severance tax, Amendment 58 is likely to make Colorado less attractive to the oil and gas industry, which may reduce the industry's investment in the state and result in a loss of jobs. Moreover, the tax increase is occurring at a time when more production could help lower energy prices.

2) The spending plan for the new money is vague and relies upon a volatile source of money. Amendment 58 contains few specifics on the distribution of the scholarship money or the other programs it creates. Further, funding statewide programs with money from the energy industry is risky because it has endured boom-and-bust cycles in the past. It is better to fund programs that address statewide needs with money from multiple sources.

3) The existing state tax credit is justifiable given the higher property taxes paid by the industry. Currently, oil and gas property is valued at nearly three times the rate as other business properties. The higher property taxes paid by the industry provide local communities in energy-impacted areas with the financial resources to address the effects of oil and gas production. The state tax credit offsets these higher local taxes.

4) Amendment 58 may increase energy prices for Colorado consumers. A portion of the gasoline sold in the state is refined from Colorado oil, and a major utility purchases gas from companies that produce in Colorado. Therefore, a portion of the higher costs from this measure could be passed on in monthly heating bills and higher gasoline prices. Colorado consumers are already faced with high gasoline and electricity costs.

Estimate of Fiscal Impact

Amendment 58 is expected to increase state severance tax revenue by \$1.1 billion over the next four years, as indicated in Table 2. Amendment 58 also changes the allocation of severance tax revenue and directs revenue to several new and existing state programs. Based on the current state forecast, Amendment 58 reduces the money for existing state programs and local governments by \$44 million in the current budget year, but provides between \$7 and \$22 million more per year over the next three budget years than current law. These numbers are estimates based on forecasts of oil and gas prices; existing state programs and local governments could receive more or less money depending on actual prices. The new programs created by Amendment 58 will receive a total of \$1.1 billion over the next four years, of which a portion will cover the administrative costs of the programs.

Table 2. Estimated Fiscal Impact of Amendment 58 in Millions of Dollars

Severance Tax Distribution	2009	2010	2011	2012	Total
Projected Severance Taxes under Current Law	\$315	\$213	\$244	\$254	\$1,026
Projected Severance Taxes under Amendment 58	\$416	\$534	\$569	\$606	\$2,125
New Severance Taxes under Amendment 58	\$101	\$321	\$325	\$352	\$1,099
Distribution to State Programs and Local Governments under Current Law	\$315	\$213	\$244	\$254	\$1,026
Distribution to State Programs and Local Governments under Amendment 58	\$271	\$235	\$251	\$267	\$1,024
Difference in Distribution to Existing State Programs and Local Governments	-\$44	\$22	\$7	\$13	-\$2
Distribution to New Programs, Identified in Table 1	\$145	\$299	\$318	\$339	\$1,101

State Spending and Tax Increases

The state constitution requires that the following fiscal information be provided when a tax increase question is on the ballot:

1. the estimated or actual state spending under the constitutional spending limit for the current year and each of the past four years with the overall percentage and dollar change; and
2. for the first full fiscal year of the proposed tax increase, an estimate of the maximum dollar amount of the tax increase and of state fiscal year spending without the increase.

Table 3 shows the dollar amount of state spending under the constitutional spending limit.

Table 3. State Spending

	Actual 2005	Actual 2006	Actual 2007	Estimated 2008	Estimated 2009
State Spending	\$8.314 billion	\$8.045 billion	\$8.334 billion	\$8.836 billion	\$9.168 billion
Four-Year Dollar Change in State Spending: \$854 million					
Four-Year Percent Change in State Spending: 10.3 Percent					

The numbers in Table 3 show state spending from 2005 through 2008 for programs that were subject to the constitutional spending limit during those years. However, the constitution allows a program that operates similar to a private business to become exempt from the limit if it meets certain conditions. Because some programs have done this during the last five years, the numbers in Table 3 are not directly comparable to each other. Furthermore, Referendum C, which was passed by voters in 2005, allows the state to spend money above the limit that it otherwise would have refunded to taxpayers. If the numbers are adjusted to account for both of these factors, the four-year dollar change is \$2.413 billion and the four-year percent change is 30.4 percent.

Table 4 shows the revenue expected from the increased severance taxes; state fiscal year spending without these taxes for 2010, the first full fiscal year for which the increase would be in place; and the sum of the two.

Table 4. State Fiscal Year Spending and the Proposed Tax Increase

	2010 Estimate
State Spending Without New Taxes	\$9,672.5 million
New Severance Tax Increase	\$321.4 million
State Spending Plus the New Taxes	\$9,993.9 million
<small>Note: The new severance tax revenue and existing severance tax revenue is not subject to the state's fiscal year spending limits.</small>	

**Amendment 59
Education Funding and TABOR Rebates**

Amendment 59 proposes amending the Colorado Constitution to:

- ◆ eliminate rebates that taxpayers receive when the state collects more money than it is allowed, and spend the money on preschool through 12th grade (P-12) public education;
- ◆ eliminate the required inflationary increase for P-12 education spending; and
- ◆ set aside money in a new savings account for P-12 education.

Summary and Analysis

What is the state spending limit and how is it changed? A constitutional provision known as TABOR limits the amount of money the state may spend each year. Any money collected above the limit must be rebated to taxpayers unless voters allow the state to spend it. Current projections do not show any rebates during the next five years. Since the economy grows faster than the limit over time, tax collections will grow beyond the limit and rebates will occur at some point in the future. Beginning in 2011, Amendment 59 permanently eliminates these rebates and instead places that money in the State Education Fund.

What are the required increases for education spending and how are they changed? Another constitutional provision known as Amendment 23 requires the state to increase the amount of money it spends on P-12 education. Spending per student must increase by at least inflation each year after 2011. Amendment 59 eliminates this requirement.

What is the State Education Fund? The State Education Fund is an existing state fund that receives and holds money that can be spent only on P-12 education. Under current law, a portion of state income taxes is deposited in the fund. Amendment 59 deposits the money that the state keeps above the TABOR spending limit into the fund, along with other money the legislature may transfer to the fund.

What is the new savings account for P-12 education? Amendment 59 creates a savings account within the State Education Fund. It places ten percent of income tax revenue that is currently deposited in the fund into the savings account until a certain threshold is reached. This money, about \$46 million in the first year, may be spent only if two-thirds of the state legislature votes to do so. In years that statewide personal income grows less than 6 percent, the state legislature may spend it with a simple majority vote. In either case, this money may be spent only on P-12 education.

What else does the amendment do? In addition to the TABOR spending limit mentioned above, the state has a yearly limit on spending increases for most state programs. Any money the state has above this limit is currently spent on transportation and to build and maintain the state's buildings. Amendment 59 allows the

legislature to transfer this money to the State Education Fund as long as certain other transfers for transportation have been made.

Arguments For

1) Without raising taxes, Amendment 59 provides a future source of money for educating Colorado's children. This money may be used to increase per-student funding and for P-12 education improvements, including expanding preschool and full-day kindergarten programs, reducing class size, expanding technology education, and providing performance pay for teachers. Providing new sources of money to invest in P-12 education helps schools teach children the skills needed for the jobs of the future. A well-educated workforce is necessary to attract new businesses, generate new jobs, and keep existing jobs in Colorado.

2) A savings account for education protects both P-12 schools and other state programs during economic downturns. Currently, Amendment 23 requires an increase in school funding every year, regardless of the economic situation. In difficult times, this required increase may result in cuts to other state programs such as health care, transportation, and higher education in order to fund P-12 education. Amendment 59 relieves pressure to cut other programs while protecting funding for P-12 education during an economic downturn.

3) TABOR limits spending growth while Amendment 23 requires spending increases on education. Amendment 59 eliminates this tension while protecting funding for education and retaining the right of Coloradans to vote on tax increases.

Arguments Against

1) Amendment 59 permanently eliminates all future TABOR rebates to Colorado taxpayers. It is effectively a tax increase that will grow the size of state government. In addition, while the TABOR rebates are supposed to be spent on education, the money could instead replace existing education spending, allowing growth in other state programs. Amendment 59 also allows the only major source of money that is spent on the state's buildings to be transferred for spending on P-12 education at a time when the state is currently unable to keep up with building maintenance and construction needs.

2) Amendment 59 eliminates guaranteed funding increases for education and places future funding for education at the discretion of the state legislature. Without these guaranteed increases, legislators could provide less than inflationary increases for P-12 education in order to pay for other programs.

3) Without a limit on spending, government is more likely to increase fees. TABOR requires that money collected above the spending limit be returned to taxpayers. When the state is providing rebates, government has little incentive to raise fees because the additional money is rebated to taxpayers. Amendment 59 weakens this disincentive and thus is likely to result in an increase in the amount of fees charged to people.

Estimate of Fiscal Impact

Beginning in 2010, 10 percent of the income tax collections deposited into the State Education Fund will be placed in a savings account. The savings account will receive an estimated \$46 million in 2010 and \$50 million in 2011. Money will be placed in the savings account each year until the account balance reaches a certain threshold amount. The savings account is expected to reach the threshold in 2023. Under current projections, no new money will be deposited in the State Education Fund from TABOR rebates during the next five years. The state is expected to deposit new money from TABOR rebates into the fund at some point in the future.

Amendment 59 allows transfers of money to the State Education Fund above the state's yearly limit on spending for most state programs as long as certain other transfers for transportation have been made. Money is expected to be available for these transfers beginning in 2010. Any transfers will result in a dollar-for-dollar decrease in spending on transportation and capital construction projects.

Referendum L
Qualifications for Serving in the State Legislature

Referendum L proposes amending the Colorado Constitution to:

- ◆ lower the age requirement for serving in the state legislature from 25 to 21.

Summary and Analysis

Requirements for serving in the state legislature. The state constitution requires that a representative or senator in the state legislature be at least 25 years old, be a United States citizen, and reside in the district from which he or she is elected for at least twelve months prior to being elected. Referendum L lowers the age requirement to 21. The existing age requirement has been in the state constitution, unchanged, since 1876.

Comparison of state age requirements. All 50 states have age requirements for members of their state legislatures, ranging from 18 to 30 years old. Three states, including Colorado, require that members of the House of Representatives be at least 25 years old. The remaining states have a lower age requirement for the House of Representatives. Twenty-six states, including Colorado, require that members of the Senate be at least 25 years old, with seven of those states having an even higher age requirement.

Arguments For

- 1) Excluding 21- to 24-year-olds from seeking election to the state legislature is an unnecessary restriction. A 21-year-old is considered an adult under the law. Voters can judge whether a candidate possesses the maturity, ability, and competence to hold political office without regard to age.
- 2) Allowing 21-year-olds to run for office encourages civic engagement of young people. By opening access to the ballot to a wider group of potential legislative candidates, young candidates and their supporters can offer a new and different perspective on issues that come before the state legislature. Additionally, young legislators can encourage legislative debate on and elevate issues important to young adults.

Arguments Against

- 1) Younger candidates may lack the maturity and real-world experience to be effective legislators. The policy decisions and political pressures that legislators face are best handled by people with more life experience. Lack of experience could hinder a young legislator's ability to represent a constituency effectively.
- 2) The current age requirement strikes an appropriate balance between youth and experience. It has been the standard for Colorado since the enactment of the state constitution. Further, it aligns with the age requirement for service in the United States House of Representatives and many other state senates.

Estimate of Fiscal Impact

Referendum L is not expected to affect state or local government revenues or spending.

Referendum M
Obsolete Constitutional Provision Relating to Land Value Increases

Referendum M proposes amending the Colorado Constitution to:

- ◆ remove a provision that allows the state legislature to delay taxing land value increases from planting hedges, orchards, and forests on private lands.

Summary and Analysis

When the state constitution was adopted in 1876, it allowed the state legislature to pass laws to delay taxing any increase in the value of private land from planting hedges, orchards, and forests. Historical documents suggest that this delay was included in the constitution to promote and encourage the growth of forests on lands owned by private citizens. In 1876, the state legislature adopted a law excluding such plantings from taxation for ten years — through 1886.

In the late 1800s and early 1900s, the state legislature adopted other laws to delay taxing increased property value from tree plantings. As the law is written today, it excludes from taxation any increase in the value of private land resulting from the planting of trees for a period of 30 years from the date of planting. The law is not used in the way property is currently valued for property taxes. In addition, other sections of the constitution adopted more recently define allowable tax exemptions, and a tax exemption for planting hedges, orchards, or forests on private land is not included.

Argument For

1) Referendum M reduces unnecessary language in the constitution by removing an obsolete provision. Because this provision is not used today, individual property taxes will not increase as a result of this measure. A future state legislature cannot grant a delay in taxation for planting trees on private land because this is prohibited by the constitution, which defines allowable tax exemptions.

Argument Against

1) Special circumstances may lead to a future desire to encourage reforestation through a tax incentive. There are conflicting provisions about allowable tax exemptions in the constitution, and it is uncertain if the provision being removed is valid. If the provision is removed, however, the legislature will certainly not be able to offer a tax incentive for planting trees on private lands.

Estimate of Fiscal Impact

Referendum M does not affect state or local revenues or expenditures.

Referendum N
Obsolete Constitutional Provisions Relating to Alcohol Beverages

Referendum N proposes amending the Colorado Constitution to:

- ◆ remove provisions related to the regulation of alcohol beverages from two sections of the constitution.

Summary and Analysis

The manufacture, distribution, and sale of alcohol beverages are regulated by both the state and federal government. The federal government regulates the manufacture and import of alcohol to ensure the content is safe and the labeling is accurate. Colorado law regulates such things as standards of health, cleanliness, purity, quality, storage, and transportation of alcohol that is manufactured, distributed, and sold in the state. Referendum N repeals two sections of the state constitution relating to alcohol beverages.

Impure or tainted alcohol beverages. Referendum N repeals language in the state constitution that requires the state legislature to prohibit importing, manufacturing, and selling impure alcohol. This language was part of the original constitution that was adopted in 1876.

Regulation of alcohol beverages. Prior to national liquor prohibition in 1919, Colorado adopted a constitutional amendment prohibiting the manufacture and import of alcohol, beginning in 1916. In 1933, the 21st Amendment to the U.S. Constitution repealed liquor prohibition. Around the same time, an amendment to the Colorado Constitution required the state to regulate the manufacture, sale, and distribution of all alcohol within Colorado, and it prohibited the state legislature from passing laws that allow citizens to establish saloons. Saloons existed before 1916 and were strictly for consuming alcohol beverages; current law requires licensed drinking establishments to offer food or meals. Referendum N removes the constitutional provisions that address the manufacture, sale, and distribution of alcohol within Colorado. It also removes the constitutional prohibition on saloons, allowing the state legislature to determine whether to permit the establishment of saloons in the future.

Argument For

1) The constitutional restrictions relating to alcohol beverages are outdated, no longer necessary, and clutter the constitution. Removing these provisions does not affect the legislature's authority to regulate alcohol within the state. Further, the quality of alcohol has been regulated by the federal government since the early 1900s, so the problem of impure alcohol beverages does not exist as it did when Colorado became a state.

Argument Against

1) Referendum N repeals provisions of the constitution that have historical significance and reflect an interesting period in Colorado's history. Removing them may diminish the historical character of the constitution and make research of repealed constitutional provisions and state laws more difficult.

Estimate of Fiscal Impact

Referendum N is not expected to affect state or local revenues or expenditures.

Referendum O
Citizen-Initiated State Laws

Referendum O proposes amending the Colorado Constitution to:

- ◆ decrease the number of signatures required to place a statutory initiative on the ballot, and increase the number of signatures required to place a constitutional initiative on the ballot;
- ◆ require that eight percent of signatures for constitutional initiatives be gathered from each congressional district;
- ◆ require that drafts of proposed constitutional initiatives be submitted for review earlier in the year;
- ◆ extend the time period for collecting signatures for statutory initiatives;
- ◆ increase the number of votes required for the legislature to change a statutory initiative for five years after the statute takes effect; and
- ◆ allow the public and state legislators to comment on proposed initiatives at a public meeting.

Summary and Analysis

In Colorado, citizens may propose new state laws or changes to existing laws through the initiative process, also known as the petition process. Under this process, proposed laws are put on the ballot by citizens instead of being proposed within the state legislature. Initiatives must be approved by voters to take effect.

Citizens may initiate changes either to the state constitution or state statutes. In general, the constitution defines the powers of the legislative, executive, and judicial branches of government and contains the bill of rights. When conflicts arise between the constitution and statutes, the constitution prevails. The constitution may be changed only with approval of the state's voters at an election, and therefore is a more permanent set of laws. Statutes, on the other hand, are more easily changed because they do not need voter approval. They may be amended through any of the following ways:

- a bill passed by the state legislature and approved by the governor;
- a bill passed by the state legislature and approved by the voters; or
- an initiative approved by the voters.

Referendum O changes the requirements for proposing initiated laws, making it easier to propose statutory initiatives and more difficult to propose constitutional initiatives.

Signature requirements. To place an initiative on the ballot, proponents must collect a certain number of signatures from registered voters. Currently, the signature requirements for constitutional and statutory measures are the same. Referendum O differentiates between the two types, requiring 50 percent more signatures for constitutional initiatives than statutory initiatives, giving proponents of statutory initiatives an additional three months to collect signatures, and requiring proponents of constitutional initiatives to collect signatures throughout the state. Table 1 compares the current signature requirements to those proposed by Referendum O.

Table 1. Current and Proposed Signature Requirements

Issue	Current Initiative Process	Referendum O Initiative Process
How many valid signatures are required to place an initiative on the ballot?	An amount equal to 5 percent of all votes cast for secretary of state at the most recent election; 76,047 signatures required for 2008.	<u>Constitutional</u> - An amount equal to 6 percent of all votes cast for governor at the most recent election; 93,497 signatures required for 2008. <u>Statutory</u> - An amount equal to 4 percent of all votes cast for governor at the most recent election; 62,331 signatures required for 2008.
Where must signatures be collected?	Anywhere in the state.	<u>Constitutional</u> - At least 8 percent of the minimum required number of signatures must be collected from each congressional district; 7,480 signatures required from each of the 7 congressional districts (52,360 of the 93,497 total required signatures) for 2008. <u>Statutory</u> - No change
What is the maximum time allowed for collecting signatures?	6 months	<u>Constitutional</u> - No change <u>Statutory</u> - 9 months

Review of initiatives. Under current law, all initiatives must be submitted to the nonpartisan legislative staff for review. This review helps to ensure that the initiative's wording expresses the proponents' intent and notifies the public that an initiative has been submitted. The staff prepare written comments that address the wording, intent, and purpose of the initiative and discuss those comments at a meeting with the proponents. Currently, the public may attend the meeting, but may not testify. Referendum O requires that constitutional initiatives be submitted to legislative staff earlier than statutory initiatives and that an opportunity for public comment be provided at the meeting. Table 2 compares the current and proposed process for reviewing initiatives.

Table 2. Current and Proposed Review Procedures

Issue	Current Initiative Process	Referendum O Initiative Process
What is the deadline for submitting the text of initiatives for review?	The date changes annually, but generally falls in the second half of April; April 25 for the 2008 election.	<u>Constitutional</u> - No later than the 60th day of the legislative session prior to the election; March 8 for the 2008 election. <u>Statutory</u> - No change
When must staff provide written comments and hold a public meeting?	Within 2 weeks after the measure is submitted	Written comments must be provided to proponents within 2 weeks and the meeting must be held within 3 weeks after the measure is submitted.
Who may provide comments at the meeting?	Only legislative staff and proponents	Members of the public and state legislators, as well as proponents and legislative staff

Protection for statutory initiatives. Under current law, once a statutory initiative is passed by the voters, the legislature can pass a bill at any time to change that statute with a majority vote (33 representatives and 18 senators). Referendum O requires a two-thirds vote in the legislature (44 representatives and 24 senators) to pass a bill changing an initiated statute within five years of the statute taking effect.

Arguments For

1) Laws sometimes need to be updated to keep pace with a changing world. Referendum O encourages citizens to propose statutory rather than constitutional initiatives. Statutory initiatives preserve the citizens' right to initiate laws, while giving the legislature flexibility to react when laws require clarification or when problems or unforeseen circumstances arise.

2) Because the requirements for proposing constitutional initiatives are no different than the requirements for proposing statutory initiatives, the constitution is susceptible to detailed provisions that cannot be changed without another election. Colorado has one of the easiest constitutions to amend through the initiative process. Placing detailed provisions in the constitution limits the ability of the legislature to address policy and fiscal matters. Requiring more signatures for constitutional initiatives makes it more difficult to initiate constitutional amendments, which may make the Colorado Constitution a more enduring framework for state government.

3) Requiring that signatures for constitutional initiatives be gathered from each congressional district ensures that citizens from across the state support measures before they are placed on the ballot. Due to the relative ease of collecting signatures in heavily populated urban areas compared to sparsely populated rural areas, rural citizens may have a limited voice in determining which issues appear on the ballot.

4) Allowing the public and state legislators to comment on an initiative at a public meeting early in the process makes the review process more open and helps citizens gain a better understanding of the measure. It also helps proponents identify potential problems, make sure that the measure clearly expresses their intent, and avoid unintended consequences.

5) Limiting the ability of the legislature to change initiated statutes strikes a balance between protecting initiated statutes and permitting the legislature to address problems that may arise. The two-thirds legislative approval requirement is stringent enough to protect voter intent, but still allows for non-controversial changes that clarify, correct, or improve a statute.

Arguments Against

1) Referendum O makes it more difficult and expensive for citizens to exercise their right to initiate constitutional changes. Constitutional initiatives are the best way for citizens to set fundamental policies for the state because they take precedence over statutes and cannot be changed without future voter approval. Requiring more signatures to qualify for the ballot restricts the public's ability to address issues that the legislature, courts, and executive branch have not addressed to the public's satisfaction or in which government officials have a vested interest.

2) The protections in Referendum O for statutory initiatives may not be sufficient to preserve voter-approved statutes from changes by the legislature. With a two-thirds vote, the legislature can overturn the decision of a majority of the state's voters almost immediately. Further, after five years, the statute can be changed or repealed by majority vote of the legislature.

3) The requirement to collect a certain number of signatures from each congressional district could enable one part of the state to block a change favored by the rest of the state. Also, it becomes more difficult to meet the signature requirement if the number of congressional districts increases. Currently, Colorado has seven congressional districts. Ultimately, if Colorado has thirteen or more congressional districts, supporters of a constitutional change could have to collect more signatures than an amount equal to six percent of all votes cast for Governor to get on the ballot.

4) Requiring constitutional initiatives to be filed halfway through the legislative session limits the ability of citizens to respond to action, or inaction, by the legislature on issues of importance to the voters. This change puts citizens at a disadvantage compared to the legislature, which can still propose competing alternatives or bills that weaken an initiative.

5) Referendum O is an attempt to fix a perceived problem where none actually exists. Making it more difficult to place a constitutional amendment on the ballot has no impact on the quality or content of amendments adopted. Placing a measure on the ballot is not the same as changing the constitution; it only gives people the ability to vote on the issue. In fact, the voters have been rather selective about which constitutional measures they approve: in the past 50 years, voters have rejected almost two-thirds of all citizen-initiated constitutional amendments.

Estimate of Fiscal Impact

Requiring that signatures be collected from each congressional district for constitutional initiatives will increase state costs to verify signatures. Costs are estimated to increase at least \$40,200 in the 2010 budget year and \$106,000 in the 2011 budget year, but the actual increase will depend on the number of constitutional initiatives submitted and the number requiring verification of each signature instead of a random sampling of signatures.

TITLES AND TEXT

Amendment 46
Discrimination and Preferential Treatment by Governments
(Constitutional Amendment)

Ballot Title: Shall there be an amendment to the Colorado constitution concerning a prohibition against discrimination by the state, and, in connection therewith, prohibiting the state from discriminating against or granting preferential treatment to any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting; allowing exceptions to the prohibition when bona fide qualifications based on sex are reasonably necessary or when action is necessary to establish or maintain eligibility for federal funds; preserving the validity of court orders or consent decrees in effect at the time the measure becomes effective; defining "state" to include the state of Colorado, agencies or departments of the state, public institutions of higher education, political subdivisions, or governmental instrumentalities of or within the state; and making portions of the measure found invalid severable from the remainder of the measure?

Text of Measure:

Be it Enacted by the People of the State of Colorado:

Article II of the constitution of the state of Colorado is amended by the addition of the following section:

SECTION 31: NONDISCRIMINATION BY THE STATE

(1) THE STATE SHALL NOT DISCRIMINATE AGAINST, OR GRANT PREFERENTIAL TREATMENT TO, ANY INDIVIDUAL OR GROUP ON THE BASIS OF RACE, SEX, COLOR, ETHNICITY, OR NATIONAL ORIGIN IN THE OPERATION OF PUBLIC EMPLOYMENT, PUBLIC EDUCATION, OR PUBLIC CONTRACTING.

(2) THIS SECTION SHALL APPLY ONLY TO ACTION TAKEN AFTER THE SECTION'S EFFECTIVE DATE.

(3) NOTHING IN THIS SECTION SHALL BE INTERPRETED AS PROHIBITING BONA FIDE QUALIFICATIONS BASED ON SEX THAT ARE REASONABLY NECESSARY TO THE NORMAL OPERATION OF PUBLIC EMPLOYMENT, PUBLIC EDUCATION, OR PUBLIC CONTRACTING.

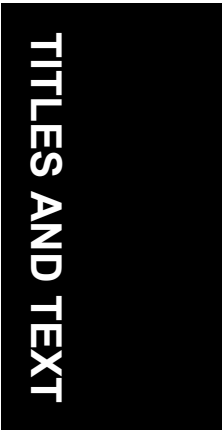
(4) NOTHING IN THIS SECTION SHALL BE INTERPRETED AS INVALIDATING ANY COURT ORDER OR CONSENT DECREE THAT IS IN FORCE AS OF THE EFFECTIVE DATE OF THIS SECTION.

(5) NOTHING IN THIS SECTION SHALL BE INTERPRETED AS PROHIBITING ACTION THAT MUST BE TAKEN TO ESTABLISH OR MAINTAIN ELIGIBILITY FOR ANY FEDERAL PROGRAM, IF INELIGIBILITY WOULD RESULT IN A LOSS OF FEDERAL FUNDS TO THE STATE.

(6) FOR THE PURPOSES OF THIS SECTION, "STATE" SHALL INCLUDE, BUT NOT NECESSARILY BE LIMITED TO, THE STATE OF COLORADO, ANY AGENCY OR DEPARTMENT OF THE STATE, ANY PUBLIC INSTITUTION OF HIGHER EDUCATION, ANY POLITICAL SUBDIVISION, OR ANY GOVERNMENTAL INSTRUMENTALITY OF OR WITHIN THE STATE.

(7) THE REMEDIES AVAILABLE FOR VIOLATIONS OF THIS SECTION SHALL BE THE SAME, REGARDLESS OF THE INJURED PARTY'S RACE, SEX, COLOR, ETHNICITY, OR NATIONAL ORIGIN, AS ARE OTHERWISE AVAILABLE FOR VIOLATIONS OF THEN-EXISTING COLORADO ANTI-DISCRIMINATION LAW.

(8) THIS SECTION SHALL BE SELF-EXECUTING. IF ANY PART OF THIS SECTION IS FOUND TO BE IN CONFLICT WITH FEDERAL LAW OR THE UNITED STATES CONSTITUTION, THE SECTION SHALL BE IMPLEMENTED TO THE MAXIMUM EXTENT THAT FEDERAL LAW AND THE UNITED STATES CONSTITUTION PERMIT. ANY PROVISION HELD INVALID SHALL BE SEVERABLE FROM THE REMAINING PORTIONS OF THIS SECTION.



Amendment 47
Prohibition on Mandatory Labor Union Membership and Dues
(Constitutional Amendment)

Ballot Title: Shall there be an amendment to the Colorado constitution concerning participation in a labor organization as a condition of employment, and, in connection therewith, prohibiting an employer from requiring that a person be a member and pay any moneys to a labor organization or to any other third party in lieu of payment to a labor organization and creating a misdemeanor criminal penalty for a person who violates the provisions of the section?

Text of Measure:

Be it Enacted by the People of the State of Colorado:

SECTION 1. Article XVIII of the constitution of the state of Colorado is amended BY THE ADDITION OF A NEW SECTION to read:

Section 16. Right to work. (1) THIS AMENDMENT SHALL BE KNOWN AND MAY BE CITED AS THE "COLORADO RIGHT TO WORK AMENDMENT".

(2) (a) NO PERSON SHALL, AS A CONDITION OF EMPLOYMENT, BE REQUIRED TO:

(I) BE A MEMBER OF A LABOR UNION; AND

(II) PAY ANY DUES, FEES, ASSESSMENTS, OR OTHER CHARGES OF ANY KIND TO A LABOR UNION OR TO ANY CHARITY OR OTHER THIRD PARTY, IN LIEU OF SUCH PAYMENTS.

(b) NOTHING IN THIS SECTION SHALL PREVENT ANY PERSON FROM VOLUNTARILY BELONGING OR VOLUNTARILY PROVIDING FINANCIAL SUPPORT TO A LABOR UNION.

(3) ANY PERSON WHO DIRECTLY OR INDIRECTLY VIOLATES ANY PROVISION OF THIS SECTION COMMITS A MISDEMEANOR AND UPON CONVICTION THEREOF SHALL BE PUNISHED BY A FINE IN AN AMOUNT EQUIVALENT TO THE MOST STRINGENT MISDEMEANOR CLASSIFICATION PROVIDED BY LAW.

(4) THIS SECTION SHALL APPLY TO ALL UNION EMPLOYMENT CONTRACTS ENTERED INTO AFTER THE EFFECTIVE DATE OF THIS SECTION AND SHALL APPLY TO ANY RENEWAL OR EXTENSION OF ANY EXISTING UNION CONTRACT.

(5) AS USED IN THIS SECTION, "LABOR UNION" MEANS ANY ORGANIZATION OF ANY KIND, OR AGENCY OR EMPLOYEE REPRESENTATION COMMITTEE OR ORGANIZATION, THAT EXISTS FOR THE PURPOSE, IN WHOLE OR IN PART, OF DEALING WITH EMPLOYERS CONCERNING WAGES, RATES OF PAY, HOURS OF WORK, OTHER CONDITIONS OF EMPLOYMENT, OR OTHER FORMS OF COMPENSATION; ANY ORGANIZATION THAT EXISTS FOR THE PURPOSE OF COLLECTIVE BARGAINING OR OF DEALING WITH EMPLOYERS CONCERNING GRIEVANCES; AND ANY ORGANIZATION PROVIDING OTHER MUTUAL AID OR PROTECTION IN CONNECTION WITH EMPLOYMENT.

SECTION 2. Effective date. This amendment shall take effect upon proclamation of the vote by the governor.

Amendment 48
Definition of Person
(Constitutional Amendment)

Ballot Title: Shall there be an amendment to the Colorado constitution defining the term "person" to include any human being from the moment of fertilization as "person" is used in those provisions of the Colorado constitution relating to inalienable rights, equality of justice, and due process of law?

Text of Measure:

Be it Enacted by the People of the State of Colorado:

SECTION 1. Article II of the constitution of the state of Colorado is amended BY THE ADDITION OF A NEW SECTION to read:

Section 31. Person defined. AS USED IN SECTIONS 3, 6, AND 25 OF ARTICLE II OF THE STATE CONSTITUTION, THE TERMS "PERSON" OR "PERSONS" SHALL INCLUDE ANY HUMAN BEING FROM THE MOMENT OF FERTILIZATION.

Amendment 49
Allowable Government Paycheck Deductions
(Constitutional Amendment)

Ballot Title: Shall there be an amendment to the Colorado constitution concerning deductions from governmental payroll systems, and, in connection therewith, prohibiting a governmental payroll system from taking a payroll deduction from any government employee except deductions required by federal law, tax withholdings, judicial liens and garnishments, deductions for individual or group health benefits or other insurance, deductions for pension or retirement plans or systems, or other savings or investment programs, and charitable deductions?

Text of Measure:

ARTICLE XXX
Ethical Standards for Public Payroll Systems

Be it Enacted by the People of the State of Colorado:

THE CONSTITUTION OF THE STATE OF COLORADO IS AMENDED BY THE ADDITION OF A NEW ARTICLE TO READ:

SECTION 1. PURPOSE AND FINDINGS. IN THE INTEREST OF ADVANCING SIMPLE, ETHICAL, AND EFFICIENT GOVERNMENT, THE PEOPLE OF THE STATE OF COLORADO HEREBY FIND AND DECLARE THAT PUBLIC PAYROLL SYSTEMS SHOULD NOT BE UTILIZED TO BENEFIT PRIVATE ORGANIZATIONS AND SPECIAL INTERESTS EXCEPT IN ACCORDANCE WITH THIS ARTICLE. THE PEOPLE OF THE STATE OF COLORADO FURTHER FIND AND DECLARE THAT THE REQUIREMENTS OF THIS ARTICLE MUST APPLY TO ALL PUBLIC EMPLOYERS, INCLUDING ALL LOCAL GOVERNMENTS AND POLITICAL SUBDIVISIONS OF THE STATE.

SECTION 2. DEFINITIONS. (1) "CHARITABLE DEDUCTION" MEANS A PAYROLL DEDUCTION FOR CONTRIBUTION TO A CHARITY OR OTHER ORGANIZATION EXEMPT FROM FEDERAL INCOME TAX UNDER SECTION 501 (C)(3) OF THE "INTERNAL REVENUE CODE OF 1986", AS AMENDED.

(2) "PUBLIC EMPLOYEE" MEANS ANY PERSON WHO IS AN EMPLOYEE OF A PUBLIC EMPLOYER AS DEFINED IN THIS ARTICLE.

(3) "PUBLIC EMPLOYER" MEANS THE STATE OF COLORADO, INCLUDING ANY INSTITUTIONS OF HIGHER EDUCATION; ANY COLORADO LOCAL GOVERNMENTAL ENTITY, INCLUDING CITIES, TOWNS, CITIES AND COUNTIES, AND COUNTIES; AND ANY AND ALL OTHER GOVERNMENTAL ENTITIES, INCLUDING SCHOOL DISTRICTS AND POLITICAL SUBDIVISIONS OF THE STATE OF COLORADO. PUBLIC EMPLOYER SHALL NOT INCLUDE ANY FOREIGN COUNTRY, THE FEDERAL GOVERNMENT, THE GOVERNMENT OF ANY OTHER STATE, OR ANY ENTITIES AND SUBDIVISIONS ORGANIZED UNDER FEDERAL LAW OR UNDER THE LAWS OF SUCH OTHER STATES OR FOREIGN COUNTRIES. PUBLIC EMPLOYER SHALL NOT INCLUDE ANY PRIVATE ENTITY PROVIDING SERVICES TO A PUBLIC EMPLOYER THROUGH SUCH PRIVATE ENTITIES' OWN EMPLOYEES AND CONTRACTORS.

TITLES AND TEXT

(4) "PUBLIC PAYROLL SYSTEM" MEANS THE PAYROLL SYSTEM USED BY ANY PUBLIC EMPLOYER FOR PAYMENT OF WAGES, EARNINGS, OR OTHER COMPENSATION TO PUBLIC EMPLOYEES, REGARDLESS OF WHETHER SUCH SYSTEM IS ADMINISTERED DIRECTLY BY SUCH PUBLIC EMPLOYER OR BY A THIRD PARTY PURSUANT TO A CONTRACT OR OTHER ARRANGEMENT WITH SUCH PUBLIC EMPLOYER.

SECTION 3. ALLOWABLE PUBLIC PAYROLL DEDUCTIONS. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, NO PUBLIC PAYROLL SYSTEM SHALL TAKE ANY PAYROLL DEDUCTION FROM THE PAYROLL COMPENSATION OF ANY PUBLIC EMPLOYEE EXCEPT FOR THE FOLLOWING:

- (A) DEDUCTIONS REQUIRED BY FEDERAL LAW, INCLUDING BY WAY OF EXAMPLE BUT NOT LIMITATION, FOR SOCIAL SECURITY AND MEDICARE;
- (B) TAX WITHHOLDINGS;
- (C) JUDICIAL LIENS AND GARNISHMENTS, INCLUDING COURT-ORDERED CHILD SUPPORT, DOMESTIC SUPPORT, AND MAINTENANCE OBLIGATIONS AND PAYMENTS;
- (D) DEDUCTIONS FOR INDIVIDUAL OR GROUP HEALTH BENEFITS OR OTHER INSURANCE;
- (E) DEDUCTIONS FOR PENSION OR RETIREMENT PLANS OR SYSTEMS, OR OTHER SAVINGS OR INVESTMENT PROGRAMS; AND
- (F) CHARITABLE DEDUCTIONS.

SECTION 4. SELF-EXECUTING, SEVERABILITY, CONFLICTING PROVISIONS. ALL PROVISIONS OF THIS ARTICLE ARE SELF-EXECUTING AND SEVERABLE, AND SHALL SUPERSEDE CONFLICTING STATE CONSTITUTIONAL, STATE STATUTORY, LOCAL CHARTER, ORDINANCE, OR RESOLUTION, AND OTHER STATE AND LOCAL PROVISIONS.

SECTION 5. EFFECTIVE DATE. THE PROVISIONS OF THIS ARTICLE SHALL TAKE EFFECT UPON THE PROCLAMATION OF THE GOVERNOR.

Amendment 50
Limited Gaming in Central City, Black Hawk, and Cripple Creek
 (Constitutional Amendment)

Ballot Title: SHALL THERE BE AN AMENDMENT TO THE COLORADO CONSTITUTION CONCERNING VOTER-APPROVED REVISIONS TO LIMITED GAMING, AND, IN CONNECTION THEREWITH, ALLOWING THE LOCAL VOTERS IN CENTRAL CITY, BLACK HAWK, AND CRIPPLE CREEK TO EXTEND CASINO HOURS OF OPERATION, APPROVED GAMES TO INCLUDE ROULETTE AND CRAPS OR BOTH, AND MAXIMUM SINGLE BETS UP TO \$100; ADJUSTING DISTRIBUTIONS TO CURRENT GAMING FUND RECIPIENTS FOR GROWTH IN GAMING TAX REVENUE DUE TO VOTER-APPROVED REVISIONS IN GAMING; DISTRIBUTING 78% OF THE REMAINING GAMING TAX REVENUE FROM THIS AMENDMENT FOR STUDENT FINANCIAL AID AND CLASSROOM INSTRUCTION AT COMMUNITY COLLEGES ACCORDING TO THE PROPORTION OF THEIR RESPECTIVE STUDENT ENROLLMENTS, AND 22% FOR LOCAL GAMING IMPACTS IN GILPIN AND TELLER COUNTIES AND THE CITIES OF CENTRAL CITY, BLACK HAWK, AND CRIPPLE CREEK ACCORDING TO THE PROPORTION OF INCREASED TAX REVENUE FROM VOTER-APPROVED REVISIONS IN EACH CITY OR COUNTY; AND REQUIRING ANY INCREASE IN GAMING TAXES FROM THE LEVELS IMPOSED AS OF JULY 1, 2008 TO BE APPROVED AT A STATEWIDE ELECTION, IF LOCAL VOTERS IN ONE OR MORE CITIES HAVE APPROVED ANY REVISION TO LIMITED GAMING?

Text of Measure:

Be it enacted by the People of the State of Colorado:

SECTION 1. Section 9 (3) (d), (4) (b), and (5) (a), and (5) (b) (II) of article XVIII of the constitution of the state of Colorado are amended to read:

Section 9. Limited gaming permitted. (3) Limited gaming shall be subject to the following:

(d) Limited gaming operations shall be prohibited between the hours of 2:00 o'clock a.m. and 8:00 o'clock a.m., UNLESS SUCH HOURS ARE REVISED AS PROVIDED IN SUBSECTION (7) OF THIS SECTION.

(4) As certain terms are used in regards to limited gaming:

(b) "Limited gaming" means the use of slot machines and the card games of blackjack and poker, each game having a maximum single bet of five dollars, UNLESS SUCH GAMES OR SINGLE BETS ARE REVISED AS PROVIDED IN SUBSECTION (7) OF THIS SECTION.

(5) (a) Up to a maximum of forty percent of the adjusted gross proceeds of limited gaming shall be paid by each licensee, in addition to any applicable license fees, for the privilege of conducting limited gaming. SUBJECT TO SUBSECTION (7) OF THIS SECTION, SUCH percentage shall be established annually by the commission according to the criteria established by the general assembly in the implementing legislation to be enacted pursuant to paragraph (c) of this subsection (5). Such payments shall be made into a limited gaming fund that is hereby created in the state treasury.

(II) At the end of each state fiscal year, the state treasurer shall distribute the balance remaining in the limited gaming fund, except for an amount equal to all expenses of the administration of this section 9 for the preceding two-month period, according to the following guidelines AND SUBJECT TO THE DISTRIBUTION CRITERIA PROVIDED IN SUBSECTION (7) OF THIS SECTION: fifty percent shall be transferred to the state general fund or such other fund as the general assembly shall provide; twenty-eight percent shall be transferred to the state historical fund, which fund is hereby created in the state treasury; twelve percent shall be distributed to the governing bodies of Gilpin county and Teller county in proportion to the gaming revenues generated in each county; the remaining ten percent shall be distributed to the governing bodies of the cities of: the City of Central, the City of Black Hawk, and the City of Cripple Creek in proportion to the gaming revenues generated in each respective city.

SECTION 2. Section 9 of article XVIII of the constitution of the state of Colorado is amended BY THE ADDITION OF A NEW SUBSECTION to read:

(7) Local elections to revise limits applicable to gaming - statewide elections to increase gaming taxes. (a) THROUGH LOCAL ELECTIONS, THE VOTERS OF THE CITIES OF CENTRAL, BLACK HAWK, AND CRIPPLE CREEK ARE AUTHORIZED TO REVISE LIMITS ON GAMING THAT APPLY TO LICENSEES OPERATING IN THEIR CITY'S GAMING DISTRICT TO EXTEND:

- (I) HOURS OF LIMITED GAMING OPERATION;
- (II) APPROVED GAMES TO INCLUDE ROULETTE OR CRAPS, OR BOTH; AND
- (III) SINGLE BETS UP TO ONE HUNDRED DOLLARS.

(b) LIMITED GAMING TAX REVENUES ATTRIBUTABLE TO THE OPERATION OF THIS SUBSECTION (7) SHALL BE DEPOSITED IN THE LIMITED GAMING FUND. THE COMMISSION SHALL ANNUALLY DETERMINE THE AMOUNT OF SUCH REVENUES GENERATED IN EACH CITY.

(c) FROM GAMING TAX REVENUES ATTRIBUTABLE TO THE OPERATION OF THIS SUBSECTION (7), THE TREASURER SHALL PAY:

(I) THOSE ONGOING EXPENSES OF THE COMMISSION AND OTHER STATE AGENCIES THAT ARE RELATED TO THE ADMINISTRATION OF THIS SUBSECTION (7);

(II) ANNUAL ADJUSTMENTS, IN CONNECTION WITH DISTRIBUTIONS TO LIMITED GAMING FUND RECIPIENTS LISTED IN SUBSECTION (5)(b)(II) OF THIS SECTION, TO REFLECT THE LESSER OF SIX PERCENT OF, OR THE ACTUAL PERCENTAGE OF, ANNUAL GROWTH IN GAMING TAX REVENUES ATTRIBUTABLE TO THIS SUBSECTION (7); AND

(III) OF THE REMAINING GAMING TAX REVENUES, DISTRIBUTIONS IN THE FOLLOWING PROPORTIONS:

(A) SEVENTY-EIGHT PERCENT TO THE STATE'S PUBLIC COMMUNITY COLLEGES, JUNIOR COLLEGES, AND LOCAL DISTRICT COLLEGES TO SUPPLEMENT EXISTING STATE FUNDING FOR STUDENT FINANCIAL AID PROGRAMS AND CLASSROOM INSTRUCTION PROGRAMS; PROVIDED THAT SUCH REVENUE SHALL BE DISTRIBUTED TO INSTITUTIONS THAT WERE OPERATING ON AND AFTER JANUARY 1, 2008, IN PROPORTION TO THEIR RESPECTIVE FULL-TIME EQUIVALENT STUDENT ENROLLMENTS IN THE PREVIOUS FISCAL YEAR;

(B) TEN PERCENT TO THE GOVERNING BODIES OF THE CITIES OF CENTRAL, BLACK HAWK, AND CRIPPLE CREEK TO ADDRESS LOCAL GAMING IMPACTS; PROVIDED THAT SUCH REVENUE SHALL BE DISTRIBUTED BASED ON THE PROPORTION OF GAMING TAX REVENUES, ATTRIBUTABLE TO THE OPERATION OF THIS SUBSECTION (7), THAT ARE PAID BY LICENSEES OPERATING IN EACH CITY; AND

(C) TWELVE PERCENT TO THE GOVERNING BODIES OF GILPIN AND TELLER COUNTIES TO ADDRESS LOCAL GAMING IMPACTS; PROVIDED THAT SUCH REVENUE SHALL BE DISTRIBUTED BASED ON THE PROPORTION OF GAMING TAX REVENUES, ATTRIBUTABLE TO THE OPERATION OF THIS SUBSECTION (7), THAT ARE PAID BY LICENSEES OPERATING IN EACH COUNTY.

(d) AFTER JULY 1, 2009, THE COMMISSION SHALL IMPLEMENT REVISIONS TO LIMITS ON GAMING AS APPROVED BY VOTERS IN THE CITIES OF CENTRAL, BLACK HAWK, OR CRIPPLE CREEK. THE GENERAL ASSEMBLY IS ALSO AUTHORIZED TO ENACT, AS NECESSARY, LEGISLATION THAT WILL FACILITATE THE OPERATION OF THIS SUBSECTION (7).

(e) IF LOCAL VOTERS IN ONE OR MORE CITIES REVISE ANY LIMITS ON GAMING AS PROVIDED IN PARAGRAPH (a) OF THIS SUBSECTION (7), ANY COMMISSION ACTION PURSUANT TO SUBSECTION (5) OF THIS SECTION THAT INCREASES GAMING TAXES FROM THE LEVELS IMPOSED AS OF JULY 1, 2008, SHALL BE EFFECTIVE ONLY IF APPROVED BY VOTERS AT A STATEWIDE ELECTION HELD UNDER SECTION 20(4)(a) OF ARTICLE X OF THIS CONSTITUTION.

(f) GAMING TAX REVENUES ATTRIBUTABLE TO THE OPERATION OF THIS SUBSECTION (7) SHALL BE COLLECTED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE WITHOUT REGARD TO ANY LIMITATION CONTAINED IN SECTION 20 OF ARTICLE X OF THIS CONSTITUTION OR ANY OTHER LAW.

Amendment 51
State Sales Tax Increase for Services for People
with Developmental Disabilities
(Statutory Amendment)

Ballot Title: SHALL STATE TAXES BE INCREASED \$186.1 MILLION ANNUALLY AFTER FULL IMPLEMENTATION BY AN AMENDMENT TO THE COLORADO REVISED STATUTES CONCERNING AN INCREASE IN THE STATE SALES AND USE TAX TO PROVIDE FUNDING FOR LONG-TERM SERVICES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND, IN CONNECTION THEREWITH, INCREASING THE RATE OF THE STATE SALES AND USE TAX BEGINNING ON JULY 1, 2009, BY ONE-TENTH OF ONE PERCENT IN EACH OF THE NEXT TWO FISCAL YEARS; PERMITTING THE STATE TO RETAIN AND SPEND ALL REVENUES FROM THE NEW TAX, NOTWITHSTANDING THE STATE SPENDING LIMIT; REQUIRING AN AMOUNT EQUAL TO THE NET REVENUE FROM THE NEW TAX TO BE DEPOSITED IN THE NEWLY CREATED DEVELOPMENTAL DISABILITIES LONG-TERM SERVICES CASH FUND; REQUIRING THE MONEY IN THE FUND TO BE USED TO PROVIDE LONG-TERM SERVICES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES; AND PROHIBITING REDUCTIONS IN THE LEVEL OF STATE APPROPRIATIONS IN THE ANNUAL GENERAL APPROPRIATION BILL EXISTING ON THE EFFECTIVE DATE OF THIS MEASURE FOR LONG-TERM SERVICES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES?

Text of Measure:

Be it Enacted by the People of the State of Colorado:

SECTION 1. Statement of Intent. (1) It is the intent of the People of the State of Colorado in enacting this initiative to eliminate the waiting lists for the continuum of long-term services for persons who, through no fault of their own, have developmental disabilities, including Autism, Cerebral Palsy, Down Syndrome and Mental Retardation. Long term health care services and supports at a minimum could include a place to live, help with daily living tasks, early intervention care, nursing services, training and employment. Providing funding to end Colorado's waiting lists for children and adults with developmental disabilities will enable them to receive the necessary supports to live with dignity and be fully included in community life.

(2) As of November 2007 more than twelve thousand children and adults who have developmental disabilities were on waiting lists for long-term health care services and supports. Many of these children and adults wait more than ten years before receiving care. Many individuals need almost constant guidance and assistance due to behavioral or mental health problems, a lack of adaptive skills, major medical issues, and absence of family support. Further, many need assistance to eat, dress, bathe or use the bathroom. Some cannot speak or read and are seriously limited in their ability to express their needs. Still others are young children with autism who cannot access early intervention services that are so desperately needed and proven to be effective. Many of these children and adults and the families who care for them are at the point of an acute crisis due to their unfulfilled needs. The state does not provide back-up options for those in crisis, leaving many with no help at all.

(3) The People find the current circumstances unacceptable and do hereby enact a slight increase in the rate of the state sales and use tax – an amount equal to one or two pennies on a ten dollar purchase – to be phased in over a two-year period. The People acknowledge that current system infrastructure is insufficient to address the needs of all those on the waiting lists. A phased-in increase of revenue will allow time to build capacity in the current system to better serve those in need. It is the intent of the People that the revenues generated by this initiative be used to serve additional persons with developmental disabilities except in the event of a declaration of a state fiscal emergency as provided herein.

SECTION 2. Article 10.5 of title 27, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

PART 8
DEVELOPMENTAL DISABILITIES LONG-TERM SERVICES CASH FUND

27-10.5-801. Definitions. AS USED IN THIS PART 8, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "EXEMPT NET REVENUE" SHALL HAVE THE SAME MEANING AS SET FORTH IN SECTION 39-26-123 (1) (a), C.R.S.

(2) "DEVELOPMENTAL DISABILITIES" INCLUDE BUT ARE NOT LIMITED TO CONDITIONS DEFINED IN SECTION 27-10.5-102 (11) (a), AUTISM, CEREBRAL PALSY, DOWN SYNDROME, AND MENTAL RETARDATION.

(3) "FUND" MEANS THE DEVELOPMENTAL DISABILITIES LONG-TERM SERVICES CASH FUND CREATED IN SECTION 27-10.5-802.

(4) (a) "LONG-TERM SERVICES" MEANS LONG-TERM SERVICES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES PURSUANT TO THIS ARTICLE OR PARTS 4 OR 8 OF ARTICLE 6 OF TITLE 25.5, C.R.S. "LONG-TERM SERVICES" INCLUDES BUT IS NOT LIMITED TO THE FOLLOWING SERVICES AS THOSE SERVICES WERE KNOWN OR DEFINED AS OF THE EFFECTIVE DATE OF THIS PART 8:

- (I) COMPREHENSIVE SERVICES;
- (II) SUPPORTED LIVING SERVICES;
- (III) CHILDREN EXTENSIVE SERVICES;
- (IV) FAMILY SUPPORT SERVICES AS DEFINED IN SECTION 27-10.5-406;
- (V) EARLY INTERVENTION SERVICES AS DEFINED IN SECTION 27-10.5-702 (5); AND
- (VI) HOME- AND COMMUNITY-BASED SERVICES AS DEFINED IN SECTION 25.5-6-804 (1), C.R.S., FOR CHILDREN AGE BIRTH TO SIX YEARS WITH A DIAGNOSIS OF AUTISM.

(b) "LONG-TERM SERVICES" SHALL NOT INCLUDE STATE PROGRAM ADMINISTRATION.

(5) "OLD AGE PENSION FUND" MEANS THE OLD AGE PENSION FUND CREATED IN SECTION 1 OF ARTICLE XXIV OF THE STATE CONSTITUTION.

27-10.5-802. Developmental disabilities long-term services cash fund - creation - transfers from general fund - specified uses - accountability report. (1) (a) THERE IS HEREBY CREATED IN THE STATE TREASURY THE DEVELOPMENTAL DISABILITIES LONG-TERM SERVICES CASH FUND. FOR EACH STATE FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2009, THE GENERAL ASSEMBLY SHALL APPROPRIATE FROM THE STATE GENERAL FUND TO THE FUND AN AMOUNT EQUAL TO THE AMOUNT OF THE EXEMPT NET REVENUE THAT IS CREDITED TO THE OLD AGE PENSION FUND PURSUANT TO SECTION 39-26-123 (6), C.R.S., FOR THE SAME STATE FISCAL YEAR.

(b) THE APPROPRIATIONS TO THE FUND FROM THE GENERAL FUND PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (1) SHALL BE EXEMPT FROM THE LIMITATION ON THE LEVEL OF STATE GENERAL FUND APPROPRIATIONS SET FORTH IN SECTION 24-75-201.1 (1) (a) (II), C.R.S., BY OPERATION OF SECTION 24-75-201.1 (1) (a) (III) (C), C.R.S.

(2) EXCEPT AS SET FORTH IN SUBSECTION (3) OF THIS SECTION, MONEYS IN THE FUND SHALL BE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY SOLELY FOR THE PURPOSE OF PROVIDING LONG-TERM SERVICES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES PURSUANT TO THIS ARTICLE OR PARTS 4 OR 8 OF ARTICLE 6 OF TITLE 25.5, C.R.S., EXCLUDING STATE PROGRAM ADMINISTRATION. APPROPRIATIONS FROM THE FUND SHALL BE MADE IN A BILL SEPARATE FROM THE ANNUAL GENERAL APPROPRIATION BILL.

(3) IN ORDER TO ENSURE THAT THERE IS ADEQUATE FUNDING EACH YEAR FOR LONG-TERM SERVICES NOTWITHSTANDING THE VARIABILITY OF THE EXEMPT NET REVENUE, THERE SHALL BE A RESERVE ACCOUNT WITHIN THE FUND. THE RESERVE SHALL CONSIST OF MONEYS THAT ARE NOT EXPENDED OR ENCUMBERED BEFORE THE CLOSE OF THE STATE FISCAL YEAR IN WHICH THEY ARE APPROPRIATED TO THE FUND FROM THE GENERAL FUND AND ANY INTEREST EARNED PURSUANT TO SUBSECTION (6) OF THIS SECTION. THE GENERAL ASSEMBLY MAY APPROPRIATE MONEYS IN THE RESERVE IN ORDER TO PROVIDE ADEQUATE FUNDING FOR LONG-TERM SERVICES, BUT ANY APPROPRIATION FROM THE RESERVE SHALL SUPPLEMENT THE APPROPRIATION MADE PURSUANT TO SUBSECTION (2) OF THIS SECTION AND SHALL BE MADE IN A BILL SEPARATE FROM THE ANNUAL GENERAL APPROPRIATION BILL. MONEYS IN THE RESERVE SHALL REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND. NOTHING IN THIS SUBSECTION (3) SHALL PREVENT THE GENERAL ASSEMBLY FROM REDUCING THE ANNUAL APPROPRIATION TO THE FUND IN A SUPPLEMENTAL APPROPRIATION BILL TO THE EXTENT THAT SUCH BILL IS NECESSARY TO AVOID APPROPRIATING MORE MONEYS TO THE FUND THAN ARE PERMITTED PURSUANT TO SUBSECTION (1) OF THIS SECTION.

(4) (a) ALL MONEYS IN THE FUND SHALL BE USED TO SUPPLEMENT THE LEVEL OF STATE APPROPRIATIONS IN THE ANNUAL GENERAL APPROPRIATION BILL FOR THE PURPOSE OF PROVIDING LONG-TERM SERVICES WITH THE GOAL OF ELIMINATING ANY WAIT LIST FOR SERVICES.

(b) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, THE GENERAL ASSEMBLY MAY USE THE MONEYS IN THE FUND FOR ANY PURPOSE RELATED TO SERVICES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, INCLUDING BUT NOT LIMITED TO SUPPLANTING THE LEVEL OF STATE APPROPRIATIONS FOR LONG-TERM SERVICES THAT EXISTED AS OF THE EFFECTIVE DATE OF THIS PART 8, IF SUCH APPROPRIATION IS PRECEDED BY A DECLARATION OF A STATE FISCAL EMERGENCY, WHICH SHALL BE ADOPTED BY JOINT RESOLUTION APPROVED BY A TWO-THIRDS SUPERMAJORITY OF ALL MEMBERS ELECTED TO EACH HOUSE OF THE GENERAL ASSEMBLY AND SIGNED BY THE GOVERNOR. ANY RESOLUTION DECLARING A STATE FISCAL EMERGENCY SHALL APPLY ONLY TO A SINGLE FISCAL YEAR.

(5) (a) ON OR BEFORE DECEMBER 1, 2011, AND ON OR BEFORE EACH DECEMBER 1 THEREAFTER, THE DEPARTMENT SHALL SUBMIT AN ACCOUNTABILITY REPORT TO THE JOINT BUDGET COMMITTEE AND THE HEALTH AND HUMAN SERVICES COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR COMMITTEES, REGARDING THE APPROPRIATIONS MADE FROM THE FUND PURSUANT TO THIS SECTION FOR THE PRECEDING STATE FISCAL YEAR. THE ACCOUNTABILITY REPORT SHALL DESCRIBE THE TYPE OF LONG-TERM SERVICES PROVIDED FROM THE APPROPRIATED MONEYS AND SHALL STATE WHETHER THE APPROPRIATIONS WERE SUFFICIENT TO AVOID A WAIT LIST TO RECEIVE LONG-TERM SERVICES. THE ACCOUNTABILITY REPORT SHALL INCLUDE DESCRIPTIONS OF ANY OUTCOME-BASED QUALITY ASSURANCE MEASURES ADOPTED BY THE DEPARTMENT TOGETHER WITH AN ANALYSIS OF CRITICAL INCIDENT DATA. AT THE TIME THE ACCOUNTABILITY REPORT IS SUBMITTED TO THE RESPECTIVE COMMITTEES, A COPY OF THE ACCOUNTABILITY REPORT SHALL ALSO BE MADE AVAILABLE TO THE PUBLIC ON THE WEBSITE MAINTAINED BY THE DEPARTMENT.

(b) THIS SUBSECTION (5) IS EXEMPT FROM THE PROVISIONS OF SECTION 24-1-136 (11), C.R.S., AND THE PERIODIC REPORTING REQUIREMENT OF THIS SECTION SHALL REMAIN IN EFFECT UNTIL CHANGED BY THE GENERAL ASSEMBLY ACTING BY BILL.

(6) ANY UNEXPENDED MONEYS IN THE FUND, INCLUDING THE RESERVE ACCOUNT, MAY BE INVESTED BY THE STATE TREASURER AS PROVIDED BY LAW. ALL INTEREST AND INCOME DERIVED FROM THE INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND SHALL BE CREDITED TO THE RESERVE.

27-10.5-803. Maintenance of effort - no supplanting existing appropriations - exception. (1) NO REDUCTION IN THE LEVEL OF STATE APPROPRIATIONS IN THE ANNUAL GENERAL APPROPRIATION BILL FOR LONG-TERM SERVICES AS OF THE EFFECTIVE DATE OF THIS PART 8 SHALL BE PERMITTED.

(2) EXCEPT AS PROVIDED IN SECTION 27-10.5-802 (4) (b), MONEYS IN THE FUND SHALL NOT BE USED TO SUPPLANT ANY STATE APPROPRIATION IN THE ANNUAL GENERAL APPROPRIATION BILL FOR LONG-TERM SERVICES THAT EXISTED AS OF THE EFFECTIVE DATE OF THIS PART 8.

SECTION 3. 24-75-402 (5), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

24-75-402. Cash funds - limit on uncommitted reserves - reduction in amount of fees - exclusions.

(5) Notwithstanding any provision of this section to the contrary, the following cash funds are excluded from the limitations specified in this section:

(t) THE DEVELOPMENTAL DISABILITIES LONG-TERM SERVICES CASH FUND CREATED IN SECTION 27-10.5-802, C.R.S.

SECTION 4. 24-77-103.6 (6) (c), Colorado Revised Statutes, is amended to read:

24-77-103.6. Retention of excess state revenues - general fund exempt account - required uses - excess state revenues legislative report. (6) As used in this section:

(c) "State revenues" means state revenues not excluded from state fiscal year spending, as defined in section 24-77-102 (17); EXCEPT THAT "STATE REVENUES" SHALL NOT INCLUDE ANY EXEMPT NET REVENUES, AS DEFINED IN SECTION 39-26-123 (1) (a), C.R.S., THAT THE STATE IS AUTHORIZED TO RETAIN AND SPEND PURSUANT TO SECTION 39-26-106 (4), C.R.S.

SECTION 5. 29-2-108 (3), Colorado Revised Statutes, is amended to read:

29-2-108. Limitation on amount. (3) A tax imposed pursuant to section 24-90-110.7 (3) (f), 29-1-204.5 (3) (f.1), 29-2-103.7, 29-2-103.8, 29-2-103.9, 29-25-112, 30-11-107.5, 30-11-107.7, 30-11-107.9, 32-18-107, ~~or 37-50-110, C.R.S.~~ 37-50-110, 39-26-106 (1) (c), 39-26-202 (1) (b.3) OR 39-26-202 (1) (b.5), C.R.S., and the additional tax authorized by section 30-20-604.5, C.R.S., if imposed, shall be exempt from the six and ninety one-hundredths percent limitation imposed by subsection (1) of this section.

SECTION 6. 39-26-105 (1) (a) and (1) (e), Colorado Revised Statutes, are amended to read:

39-26-105. Vendor liable for tax. (1) (a) Except as provided in paragraphs (d) and (e) of this subsection (1), every retailer, also in this part 1 called "vendor", shall, irrespective of the provisions of section 39-26-106, be liable and responsible for the payment of an amount equivalent to three percent of all sales made prior to January 1, 2001, ~~and~~ two and ninety one-hundredths percent of all sales made on or after January 1, 2001, BUT PRIOR TO JULY 1, 2009, THREE PERCENT ON ALL SALES MADE ON OR AFTER JULY 1, 2009, BUT PRIOR TO JULY 1, 2010, AND THREE AND TEN ONE-HUNDREDTHS

PERCENT ON ALL SALES MADE ON OR AFTER JULY 1, 2010, by the vendor of commodities or services as specified in section 39-26-104 and shall, before the twentieth day of each month, make a return to the executive director of the department of revenue for the preceding calendar month and remit an amount equivalent to said percentage on such sales to said executive director, less three and one-third percent of the sum so remitted for sales occurring prior to July 1, 2003, or on or after July 1, 2005, and less two and one-third percent of the sum so remitted for sales occurring on or after July 1, 2003, but before July 1, 2005, to cover the vendor's expense in the collection and remittance of said tax; but, if any vendor is delinquent in remitting said tax, other than in unusual circumstances shown to the satisfaction of the executive director, the vendor shall not be allowed to retain any amounts to cover such vendor's expense in collecting and remitting said tax, and an amount equivalent to the said percentage, plus the amount of any local vendor expense that may be allowed by the local government to the vendor, shall be remitted to the executive director by any such delinquent vendor. Such returns of the taxpayer or the taxpayer's duly authorized agent shall contain such information and be made in such manner and upon such forms as the executive director shall prescribe. Any local vendor expense remitted to the executive director shall be deposited to the state general fund.

(e) For any state fiscal year commencing on or after July 1, 2000, BUT PRIOR TO JULY 1, 2009, every retailer or vendor who sells items upon which a sales tax is imposed at a rate of one one-hundredth of one percent pursuant to section 39-26-106 (3) (a) shall be liable and responsible for the payment of an amount equivalent to the amount of sales tax imposed on such items less three and one-third percent for sales occurring prior to July 1, 2003, or on or after July 1, 2005, and less two and one-third percent for sales occurring on or after July 1, 2003, but before July 1, 2005. EVERY RETAILER OR VENDOR WHO SELLS ITEMS UPON WHICH A SALES TAX IS IMPOSED AT A RATE OF ONE-TENTH OF ONE PERCENT PURSUANT TO SECTION 39-26-106 (1) (c) (I) AND (3) (a), OR TWO-TENTHS OF ONE PERCENT PURSUANT TO SECTION 39-26-106 (1) (c) (II) AND (3) (a), SHALL BE LIABLE AND RESPONSIBLE FOR THE PAYMENT OF AN AMOUNT EQUIVALENT TO THE AMOUNT OF SALES TAX IMPOSED ON SUCH ITEMS LESS THREE AND ONE-THIRD PERCENT FOR SALES OCCURRING ON OR AFTER JULY 1, 2009.

SECTION 7. 39-26-106 (1) and (3) (a), Colorado Revised Statutes, are amended, and the said 39-26-106 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

39-26-106. Schedule of sales tax. (1) (a) (I) ~~Except as otherwise provided in subparagraph (II) of this paragraph (a) and in subsection (3) of this section, there is imposed upon all sales of commodities and services specified in section 39-26-104 a tax at the rate of three percent of the amount of the sale, to be computed in accordance with schedules or systems approved by the executive director of the department of revenue. Said schedules or systems shall be designed so that no such tax is charged on any sale of seventeen cents or less.~~

(II) On and after January 1, 2001, there is imposed upon all sales of commodities and services specified in section 39-26-104 a tax at the rate of two and ninety one-hundredths percent of the amount of the sale to be computed in accordance with schedules or systems approved by the executive director of the department of revenue. ~~Said~~ THE schedules or systems shall be designed so that no such tax is charged on any sale of seventeen cents or less.

(b) ~~Notwithstanding the three percent rate provisions of paragraph (a) of this subsection (1), for the period May 1, 1983, through July 31, 1984, the rate of the tax imposed pursuant to this subsection (1) shall be three and one-half percent.~~

(c) (I) ON AND AFTER JULY 1, 2009, BUT PRIOR TO JULY 1, 2010, THERE IS IMPOSED UPON ALL SALES OF COMMODITIES AND SERVICES SPECIFIED IN SECTION 39-26-104, A TAX AT THE RATE OF ONE-TENTH OF ONE PERCENT OF THE AMOUNT OF THE SALE TO BE COMPUTED IN ACCORDANCE WITH SCHEDULES OR SYSTEMS APPROVED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE. THE SCHEDULES OR SYSTEMS SHALL BE DESIGNED SO THAT THE TAX IS ONLY CHARGED ON A SALE THAT IS SUBJECT TO THE TAX SET FORTH IN SUBPARAGRAPH (II) OF PARAGRAPH (a) OF THIS SUBSECTION (1). THIS TAX SHALL BE IN ADDITION TO THE TAX IMPOSED PURSUANT TO SUBPARAGRAPH (II) OF PARAGRAPH (a) OF THIS SUBSECTION (1) AND SHALL BE A TAX RATE INCREASE OF THE STATE SALES TAX FOR PURPOSES OF SECTION 20 (4) (a) OF ARTICLE X OF THE STATE CONSTITUTION.

(II) ON AND AFTER JULY 1, 2010, THERE IS IMPOSED UPON ALL SALES OF COMMODITIES AND SERVICES SPECIFIED IN SECTION 39-26-104, A TAX AT THE RATE OF TWO-TENTHS OF ONE PERCENT OF THE AMOUNT OF THE SALE TO BE COMPUTED IN ACCORDANCE WITH SCHEDULES OR SYSTEMS APPROVED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE. THE SCHEDULES OR SYSTEMS SHALL BE DESIGNED SO THAT THE TAX IS ONLY CHARGED ON A SALE THAT IS SUBJECT TO THE TAX SET FORTH IN SUBPARAGRAPH (II) OF PARAGRAPH (a) OF THIS SUBSECTION (1). THIS TAX SHALL BE IN ADDITION TO THE TAX IMPOSED PURSUANT TO SUBPARAGRAPH (II) OF PARAGRAPH (a) OF THIS SUBSECTION (1) AND SHALL BE A TAX RATE INCREASE OF THE STATE SALES TAX FOR PURPOSES OF SECTION 20 (4) (a) OF ARTICLE X OF THE STATE CONSTITUTION.

(3) (a) Notwithstanding the rate provisions of paragraph (a) of subsection (1) of this section, for any fiscal year commencing on or after July 1, 2000, if the revenue estimate prepared by the staff of the legislative council in March of the calendar year in which that fiscal year ends indicates that the aggregate amount of state revenues for that fiscal year will exceed the limitation on state fiscal year spending imposed by section 20 (7) (a) of article X of the state constitution for that fiscal year by three hundred fifty million dollars or more, as adjusted during such fiscal year pursuant to paragraph (b) of this subsection (3), and, prior to the end of such fiscal year, voters statewide either have not authorized the state to retain and spend all of the excess state revenues or have authorized the state to retain and spend only a portion of the excess state revenues for that fiscal year, the tax imposed pursuant to SUBPARAGRAPH (II) OF PARAGRAPH (a) OF subsection (1) of this section shall be imposed upon any sale of a new or used commercial truck, truck tractor, tractor, semitrailer, or vehicle used in combination therewith that has a gross vehicle weight rating in excess of twenty-six thousand pounds for the period commencing on July 1 of the calendar year in which that fiscal year ends through June 30 of the immediately subsequent calendar year, at a rate of one one-hundredth of one percent. THIS SUBSECTION (3) SHALL NOT AFFECT THE TAX IMPOSED PURSUANT TO PARAGRAPH (C) OF SUBSECTION (1) OF THIS SECTION.

(4) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE STATE SHALL BE AUTHORIZED TO RETAIN AND SPEND ALL REVENUES FROM THE TAXES SET FORTH IN PARAGRAPH (C) OF SUBSECTION (1) OF THIS SECTION AND SECTION 39-26-202 (1) (b.3) OR (1) (b.5), AS A VOTER-APPROVED REVENUE CHANGE TO THE LIMITATION ON STATE FISCAL YEAR SPENDING IN ACCORDANCE WITH THE PROVISIONS OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION.

SECTION 8. 39-26-112, Colorado Revised Statutes, is amended to read:

39-26-112. Excess tax - remittance. If any vendor, during any reporting period, collects as a tax an amount in excess of three percent of all taxable sales made prior to January 1, 2001, and two and ninety one-hundredths percent of all taxable sales made on or after January 1, 2001, BUT PRIOR TO JULY 1, 2009, AND THREE PERCENT OF ALL TAXABLE SALES MADE ON OR AFTER JULY 1, 2009, BUT PRIOR TO JULY 1, 2010, AND THREE AND TEN ONE-HUNDREDTHS PERCENT OF ALL TAXABLE SALES MADE ON OR AFTER JULY 1, 2010, such vendor shall remit to the executive director of the department of revenue the full net amount of the tax imposed in this part 1 and also such excess. The retention by the retailer or vendor of any excess of tax collections over the said percentage of the total taxable sales of such retailer or vendor or the intentional failure to remit punctually to the executive director the full amount required to be remitted by the provisions of this part 1 is declared to be unlawful and constitutes a misdemeanor.

SECTION 9. 39-26-123 (1) (a), Colorado Revised Statutes, is amended, and the said 39-26-123 (1) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

39-26-123. Receipts - disposition - transfers of general fund surplus - exempt net revenues - sales and use tax holding fund - creation - definitions. (1) As used in this section, unless the context otherwise requires:

(a) ~~"Net revenue" means the gross amount of sales and use tax receipts collected under the provisions of this article, less a fee retained by vendors for the collection and remittance of the tax pursuant to section 39-26-105 (1) and less refunds and adjustments made by the department of revenue in conjunction with its collection and enforcement duties under this article.~~ "EXEMPT NET REVENUE" MEANS THE GROSS AMOUNT OF SALES AND USE TAX RECEIPTS COLLECTED UNDER THE PROVISIONS OF THIS ARTICLE FOR THE TAXES IMPOSED PURSUANT TO SECTIONS 39-26-106 (1) (c) AND 39-26-202 (1) (b.3) OR (1) (b.5), LESS A FEE RETAINED BY VENDORS FOR THE COLLECTION AND REMITTANCE OF THE TAX PURSUANT TO SECTION 39-26-105 (1), AND LESS REFUNDS AND ADJUSTMENTS MADE BY THE DEPARTMENT OF REVENUE IN CONJUNCTION WITH ITS COLLECTION AND ENFORCEMENT DUTIES UNDER THIS ARTICLE. FOR PURPOSES OF THIS PARAGRAPH (a), THE FEE RETAINED BY VENDORS AND THE REFUNDS AND ADJUSTMENTS MADE BY THE DEPARTMENT SHALL BE PROPORTIONAL TO THE TAX LEVIED PURSUANT TO SECTIONS 39-26-106 (1) (c) AND 39-26-202 (1) (b.3) OR (1) (b.5).

(a.5) "NET REVENUE" MEANS THE GROSS AMOUNT OF SALES AND USE TAX RECEIPTS COLLECTED UNDER THE PROVISIONS OF THIS ARTICLE, LESS A FEE RETAINED BY VENDORS FOR THE COLLECTION AND REMITTANCE OF THE TAX PURSUANT TO SECTION 39-26-105 (1), AND LESS REFUNDS AND ADJUSTMENTS MADE BY THE DEPARTMENT OF REVENUE IN CONJUNCTION WITH ITS COLLECTION AND ENFORCEMENT DUTIES UNDER THIS ARTICLE; EXCEPT THAT "NET REVENUE" SHALL NOT INCLUDE ANY EXEMPT NET REVENUE.

SECTION 10. 39-26-123, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

39-26-123. Receipts - disposition - transfers of general fund surplus - exempt net revenues - sales and use tax holding fund - creation - definitions. (6) ON AND AFTER JULY 1, 2009, EXEMPT NET REVENUE SHALL BE CREDITED

TO THE OLD AGE PENSION FUND CREATED IN SECTION 1 OF ARTICLE XXIV OF THE STATE CONSTITUTION IN ACCORDANCE WITH PARAGRAPHS (a) AND (f) OF SECTION 2 OF ARTICLE XXIV OF THE STATE CONSTITUTION.

SECTION 11. 39-26-202 (1), (2), and (3) (a), Colorado Revised Statutes, are amended to read:

39-26-202. Authorization of tax. ~~(1) (a) Except as otherwise provided in paragraph (b) of this subsection (1) and in subsection (3) of this section, there is imposed and shall be collected from every person in this state a tax or excise at the rate of three percent of storage or acquisition charges or costs for the privilege of storing, using, or consuming in this state any articles of tangible personal property purchased at retail.~~

(b) On and after January 1, 2001, there is imposed and shall be collected from every person in this state a tax or excise at the rate of two and ninety one-hundredths percent of storage or acquisition charges or costs for the privilege of storing, using, or consuming in this state any articles of tangible personal property purchased at retail.

(b.3) (I) ON AND AFTER JULY 1, 2009, BUT PRIOR TO JULY 1, 2010, THERE IS IMPOSED AND SHALL BE COLLECTED FROM EVERY PERSON IN THIS STATE A TAX OR EXCISE AT THE RATE OF ONE-TENTH OF ONE PERCENT OF STORAGE OR ACQUISITION CHARGES OR COSTS FOR THE PRIVILEGE OF STORING, USING, OR CONSUMING IN THIS STATE ANY ARTICLES OF TANGIBLE PERSONAL PROPERTY PURCHASED AT RETAIL. THE TAX SET FORTH IN THIS PARAGRAPH (b.3) SHALL BE IN ADDITION TO THE TAX SET FORTH IN PARAGRAPH (b) OF THIS SUBSECTION (1) AND SHALL BE A TAX RATE INCREASE OF THE STATE USE TAX FOR PURPOSES OF SECTION 20 (4) (a) OF ARTICLE X OF THE STATE CONSTITUTION.

(II) THIS PARAGRAPH (b.3) IS REPEALED EFFECTIVE JULY 1, 2010.

(b.5) ON AND AFTER JULY 1, 2010, THERE IS IMPOSED AND SHALL BE COLLECTED FROM EVERY PERSON IN THIS STATE A TAX OR EXCISE AT THE RATE OF TWO-TENTHS OF ONE PERCENT OF STORAGE OR ACQUISITION CHARGES OR COSTS FOR THE PRIVILEGE OF STORING, USING, OR CONSUMING IN THIS STATE ANY ARTICLES OF TANGIBLE PERSONAL PROPERTY PURCHASED AT RETAIL. THE TAX SET FORTH IN THIS PARAGRAPH (b.5) SHALL BE IN ADDITION TO THE TAX SET FORTH IN PARAGRAPH (b) OF THIS SUBSECTION (1) AND SHALL BE A TAX RATE INCREASE OF THE STATE USE TAX FOR PURPOSES OF SECTION 20 (4) (a) OF ARTICLE X OF THE STATE CONSTITUTION.

(c) Such tax shall be payable to and shall be collected by the executive director of the department of revenue and shall be computed in accordance with schedules or systems approved by said executive director. The transfer of wireless telecommunication equipment as an inducement to enter into or continue a contract for telecommunication services that are taxable pursuant to part 1 of this article shall not be construed to be storage, use, or consumption of such equipment by the transferor.

~~(2) Notwithstanding the three percent rate provisions of subsection (1) of this section, for the period May 1, 1983, through July 31, 1984, the rate of the tax imposed pursuant to this section shall be three and one-half percent.~~

(3) (a) Notwithstanding the rate provisions of ~~paragraphs (a) and~~ PARAGRAPH (b) of subsection (1) of this section, for any fiscal year commencing on or after July 1, 2000, if the revenue estimate prepared by the staff of the legislative council in June of the calendar year in which that fiscal year ends indicates that the aggregate amount of state revenues will exceed the limitation on state fiscal year spending imposed by section 20 (7) (a) of article X of the state constitution for that fiscal year by three hundred fifty million dollars or more, as adjusted pursuant to paragraph (b) of this subsection (3), and voters statewide either have not authorized the state to retain and spend all of the excess state revenues or have authorized the state to retain and spend only a portion of the excess state revenues for that fiscal year, the tax imposed pursuant to PARAGRAPH (b) OF subsection (1) of this section shall be imposed upon any sale of a new or used commercial truck, truck tractor, tractor, semitrailer, or vehicle used in combination therewith that has a gross vehicle weight rating in excess of twenty-six thousand pounds for the period commencing on July 1 of the calendar year in which that fiscal year ends through June 30 of the immediately subsequent calendar year, at a rate of one one-hundredth of one percent. THIS SUBSECTION (3) SHALL NOT AFFECT THE TAX IMPOSED PURSUANT TO PARAGRAPHS (b.3) OR (b.5) OF SUBSECTION (1) OF THIS SECTION.

SECTION 12. 39-26-402 (1), Colorado Revised Statutes, is amended to read:

39-26-402. Refund of state sales and use tax - application requirements and procedures. (1) For the calendar year commencing January 1, 1999, and for each calendar year thereafter, each qualified taxpayer shall be allowed to claim a refund of all state sales and use tax paid by the qualified taxpayer, pursuant to parts 1 and 2 of this article, on the sale, storage, use, or consumption of tangible personal property to be used in Colorado directly and predominately in research and development of biotechnology during that calendar year; EXCEPT THAT A REFUND MAY

NOT BE CLAIMED FOR THE STATE SALES AND USE TAX PAID PURSUANT TO SECTIONS 39-26-106 (1) (c) AND 39-26-202 (1) (b.3) OR (1) (b.5).

SECTION 13. Conforming amendments. The People hereby direct the general assembly to promptly adopt during the first regular session of the 67th general assembly any further conforming amendments to the Colorado Revised Statutes necessary for the implementation of this initiative so that the intent of the People in approving this measure is given full effect.

SECTION 14. Effective date. If approved by a majority of votes cast thereon, this initiative shall take effect upon proclamation of the governor; except that section 5 of this initiative shall not take effect if Senate Bill 08-128 is enacted by the General Assembly and becomes law.

Amendment 52
Use of Severance Tax Revenue for Highways
(Constitutional Amendment)

Ballot Title: Shall there be an amendment to the Colorado constitution concerning the allocation of revenues from the state severance tax imposed on minerals and mineral fuels other than oil shale that are extracted in the state, and, in connection therewith, for fiscal years commencing on or after July 1, 2008, requiring half of the revenues to be credited to the local government severance tax fund and the remaining revenues to be credited first to the severance tax trust fund until an annually calculated limit is reached and then to a new Colorado transportation trust fund, which may be used only to fund the construction, maintenance, and supervision of public highways in the state, giving first priority to reducing congestion on the Interstate 70 corridor?

Text of Measure:

Be it Enacted by the People of the State of Colorado:

Article X of the constitution of the state of Colorado is amended BY THE ADDITION OF A NEW SECTION to read:

Section 22. Concerning the allocation of severance tax revenues - Colorado transportation trust fund. (1) BEGINNING JULY 1, 2008, OF THE TOTAL GROSS RECEIPTS REALIZED FROM THE SEVERANCE TAXES IMPOSED ON MINERALS AND MINERAL FUELS UNDER THE PROVISIONS OF ARTICLE 29 OF TITLE 39, COLORADO REVISED STATUTES, OR ANY SUCCESSOR ARTICLE OR SECTION, EXCLUDING THOSE SEVERANCE TAXES FROM OIL SHALE PRODUCTION PURSUANT TO SECTION 39-29-107, COLORADO REVISED STATUTES, OR ANY SUCCESSOR SECTION CONCERNING SEVERANCE TAXES FROM OIL SHALE PRODUCTION, FIFTY PERCENT SHALL BE CREDITED TO THE LOCAL GOVERNMENT SEVERANCE TAX FUND CREATED BY SECTION 39-29-110, COLORADO REVISED STATUTES, OR ANY SUCCESSOR SECTION, OR SUCCESSOR FUND. THE REMAINING FIFTY PERCENT SHALL BE CREDITED TO THE SEVERANCE TAX TRUST FUND CREATED BY SECTION 39-29-109, COLORADO REVISED STATUTES, OR ANY SUCCESSOR SECTION OR SUCCESSOR FUND. BEGINNING JULY 1, 2008 AND IN EACH SUCCEEDING STATE FISCAL YEAR, AND NOTWITHSTANDING THE FOREGOING PROVISIONS OF THIS SUBSECTION, ANY MONEYS CREDITED TO THE SEVERANCE TAX TRUST FUND CREATED BY SECTION 39-29-109, COLORADO REVISED STATUTES, OR ANY SUCCESSOR SECTION OR SUCCESSOR FUND, SHALL NOT EXCEED THE AMOUNT CREDITED TO THE SEVERANCE TAX TRUST FUND IN THE PRIOR STATE FISCAL YEAR PLUS AN ANNUAL ADJUSTMENT FOR INFLATION EQUAL TO THE PERCENTAGE CHANGE IN THE UNITED STATES BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX FOR DENVER-BOULDER-GREELEY, ALL ITEMS, ALL CONSUMERS, OR ITS SUCCESSOR INDEX, ROUNDED TO THE NEAREST LOWEST ONE THOUSAND DOLLARS, OR THE AMOUNT EQUAL TO THE HIGHEST AMOUNT CREDITED TO THE SEVERANCE TAX TRUST FUND IN ANY STATE FISCAL YEAR BEGINNING JULY 1, 2007, WHICHEVER AMOUNT IS GREATER, AND ALL REMAINING MONEYS SHALL BE CREDITED TO THE COLORADO TRANSPORTATION TRUST FUND, CREATED BY SUBSECTION (2) OF THIS SECTION.

(2) THE COLORADO TRANSPORTATION TRUST FUND IS HEREBY CREATED IN THE STATE TREASURY. THE GENERAL ASSEMBLY MAY APPROPRIATE REVENUE, PRINCIPAL AND INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEYS IN THE FUND FOR THE PURPOSES ALLOWED UNDER SECTION 18 OF ARTICLE X OF THIS CONSTITUTION, GIVING FIRST PRIORITY TO RELIEVING CONGESTION ON THE INTERSTATE 70 CORRIDOR. ANY MONEYS CREDITED TO THE COLORADO TRANSPORTATION TRUST FUND AND UNEXPENDED AT THE END OF ANY GIVEN STATE FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT REVERT TO THE GENERAL FUND.

TITLES AND TEXT

Amendment 53
Criminal Accountability of Business Executives
(Statutory Amendment)

Ballot Title: Shall there be an amendment to the Colorado Revised Statutes extending the criminal liability of a business entity to its executive officials for the entity's failure to perform a specific duty imposed by law, and, in connection therewith, conditioning an executive official's liability upon his or her knowledge of the duty imposed by law and of the business entity's failure to perform such duty; and allowing an executive official who discloses to the attorney general all facts known to the official concerning a business's criminal conduct to use that disclosure as an affirmative defense to criminal charges?

Text of Measure:

Be it enacted by the People of the State of Colorado:

SECTION 1. Section 18-1-606, Colorado Revised Statutes, is amended to read:

18-1-606. Criminal liability of business entities and their executive officials.

(1) A business entity is guilty of an offense if:

(a) The conduct constituting the offense consists of an omission to discharge a specific duty of affirmative performance imposed on the business entity by law; or

(b) The conduct constituting the offense is engaged in, authorized, solicited, requested, commanded, or knowingly tolerated by the governing body or individual authorized to manage the affairs of the business entity or by a "high managerial agent" acting within the scope of his or her employment or in behalf of the business entity.

(1.5) AN EXECUTIVE OFFICIAL IS GUILTY OF AN OFFENSE IF THE CONDUCT CONSTITUTING THE OFFENSE CONSISTS OF AN OMISSION TO DISCHARGE A SPECIFIC DUTY OF AFFIRMATIVE PERFORMANCE IMPOSED ON THE BUSINESS ENTITY BY LAW AND THE EXECUTIVE OFFICIAL KNEW OF THE SPECIFIC DUTY TO BE PERFORMED AND KNEW THAT THE BUSINESS ENTITY FAILED TO PERFORM THAT DUTY.

(2) As used in this section:

(a) "Agent" means any director, officer, or employee of a business entity, or any other person who is authorized to act in behalf of the business entity, and "high managerial agent" means an officer of a business entity or any other agent in a position of comparable authority with respect to the formulation of the business entity's policy or the supervision in a managerial capacity of subordinate employees.

(b) "Business entity" means a corporation or other entity that is subject to the provisions of title 7, C.R.S.; foreign corporations qualified to do business in this state pursuant to article 115 of title 7, C.R.S., specifically including federally chartered or authorized financial institutions; a corporation or other entity that is subject to the provisions of title 11, C.R.S.; or a sole proprietorship or other association or group of individuals doing business in the state.

(c) "EXECUTIVE OFFICIAL" MEANS ANY NATURAL PERSON WHO IS AN OFFICER, DIRECTOR, MANAGING PARTNER, MANAGING MEMBER, OR SOLE PROPRIETOR OF A BUSINESS ENTITY.

(3) Every offense committed by a corporation prior to July 1, 1985, which would be a felony if committed by an individual shall subject the corporation to the payment of a fine of not less than one thousand dollars nor more than fifteen thousand dollars. For such offenses committed on or after July 1, 1985, the corporation shall be subject to the payment of a fine within the presumptive ranges authorized by section 18-1.3-401 (1) (a) (III). Every offense committed by a corporation which would be a misdemeanor or petty offense if committed by an individual shall subject the corporation to the payment of a fine within the minimum and maximum fines authorized by sections 18-1.3-501 and 18-1.3-503 for the particular offense of which the corporation is convicted. For an offense committed on or after July 1, 2003, a business entity shall be subject to the payment of a fine within the presumptive ranges authorized by section 18-1.3-401 (1) (a) (III). An offense committed by a business entity that would be a misdemeanor or petty offense if committed by an individual shall subject the business entity to the payment of a fine within the minimum and maximum fines authorized by sections 18-1.3-501 and 18-1.3-503 for the particular offense of which the business entity is convicted. FOR AN OFFENSE

COMMITTED ON OR AFTER FEBRUARY 1, 2009, AN EXECUTIVE OFFICIAL SHALL BE SUBJECT TO THE PAYMENT OF A FINE WITHIN THE PRESUMPTIVE RANGES AUTHORIZED BY SECTION 18-1.3-401 (1) (a) (III) OR A TERM OF IMPRISONMENT WITHIN THE PRESUMPTIVE RANGES AUTHORIZED BY SECTION 18-1.3-401(1) (a) (V), OR BOTH. AN OFFENSE COMMITTED BY AN EXECUTIVE OFFICIAL THAT WOULD BE A MISDEMEANOR OR PETTY OFFENSE SHALL SUBJECT THE EXECUTIVE OFFICIAL TO THE PAYMENT OF A FINE WITHIN THE MINIMUM AND MAXIMUM FINES AUTHORIZED BY SECTIONS 18-1.3-501 AND 18-1.3-503 OR A TERM OF IMPRISONMENT WITHIN THE RANGES AUTHORIZED BY SECTIONS 18-1.3-501 AND 18-1.3-503, OR BOTH, FOR THE PARTICULAR OFFENSE OF WHICH THE EXECUTIVE OFFICIAL IS CONVICTED.

(4) IT SHALL BE A COMPLETE AFFIRMATIVE DEFENSE FOR ANY EXECUTIVE OFFICIAL CHARGED UNDER SUBSECTION (1.5) OF THIS SECTION THAT, PRIOR TO BEING CHARGED, HE OR SHE REPORTED TO THE OFFICE OF THE ATTORNEY GENERAL ALL FACTS OF WHICH HE OR SHE WAS AWARE CONCERNING THE BUSINESS ENTITY'S CONDUCT THAT MET THE CRITERIA SET FORTH IN SUBSECTION (1)(a) OF THIS SECTION.

Amendment 54
Campaign Contributions from Certain Government Contractors
(Constitutional Amendment)

Ballot Title: Shall there be an amendment to the Colorado constitution concerning restrictions on campaign contributions, and, in connection therewith, prohibiting the holder of contracts totaling \$100,000 or more, as indexed for inflation, awarded by state or local governments without competitive bidding ("sole source government contracts"), including certain collective bargaining agreements, from making a contribution for the benefit of a political party or candidate for elective office during the term of the contracts and for 2 years thereafter; disqualifying a person who makes a contribution in a ballot issue election from entering into a sole source government contract related to the ballot issue; and imposing liability and penalties on contract holders, certain of their owners, officers and directors, and government officials for violations of the amendment?

Text of Measure:

Be it enacted by the people of the state of Colorado an amendment to the Colorado constitution article XXVIII by the addition of the following new sections:

Section 15: Because of a presumption of impropriety between contributions to any campaign and sole source government contracts, contract holders shall contractually agree, for the duration of the contract and for two years thereafter, to cease making, causing to be made, or inducing by any means, a contribution, directly or indirectly, on behalf of the contract holder or on behalf of his or her immediate family member and for the benefit of any political party or for the benefit of any candidate for any elected office of the state or any of its political subdivisions.

Section 16: To aid in enforcement of this measure concerning sole source contracts, the executive director of the department of personnel shall promptly publish and maintain a summary of each sole source government contract issued. Any contract holder of a sole source government contract shall promptly prepare and deliver to the executive director of the department of personnel a true and correct "Government Contract Summary," in digital format as prescribed by that office, which shall identify the names and addresses of the contract holders and all other parties to the government contract, briefly describe the nature of the contract and goods or services performed, disclose the start and end date of the contract, disclose the contract's estimated amount or rate of payment, disclose the sources of payment, and disclose other information as determined by the executive director of the department of personnel which is not in violation of federal law, trade secrets or intellectual property rights. The executive director of the department of personnel is hereby given authority to promulgate rules to facilitate this section.

Section 17: (1) Every sole source government contract by the state or any of its political subdivisions shall incorporate article XXVIII, section 15, into the contract. Any person who intentionally accepts contributions on behalf of a candidate committee, political committee, small donor committee, political party, or other entity, in violation of section 15 has engaged in corrupt misconduct and shall pay restitution to the general treasury of the contracting governmental entity to compensate the governmental entity for all costs and expenses associated with the breach, including costs and losses involved in securing a new contract if that becomes necessary. If a person responsible for the bookkeeping of an entity that has a sole source contract with a governmental entity, or if a person acting on behalf of the governmental entity, obtains knowledge of a contribution made or accepted in violation of section 15, and that person intentionally fails to notify the secretary of state or appropriate government officer about the violation in writing

TITLES AND TEXT

within ten business days of learning of such contribution, then that person may be contractually liable in an amount up to the above restitution.

(2) Any person who makes or causes to be made any contribution intended to promote or influence the result of an election on a ballot issue shall not be qualified to enter into a sole source government contract relating to that particular ballot issue.

(3) The parties shall agree that if a contract holder intentionally violates section 15 or section 17 (2), as contractual damages that contract holder shall be ineligible to hold any sole source government contract, or public employment with the state or any of its political subdivisions, for three years. The governor may temporarily suspend any remedy under this section during a declared state of emergency.

(4) Knowing violation of section 15 or section 17 (2) by an elected or appointed official is grounds for removal from office and disqualification to hold any office of honor, trust or profit in the state, and shall constitute misconduct or malfeasance.

(5) A registered voter of the state may enforce section 15 or section 17 (2) by filing a complaint for injunctive or declaratory relief or for civil damages and remedies, if appropriate, in the district court.

[The following to replace article XXVIII, section 13]

Section 13: APPLICABILITY AND EFFECTIVE DATE. The provisions of this article shall take effect on December 6, 2002, and be applicable for all elections thereafter, EXCEPT THAT THE PROVISIONS OF THIS ARTICLE CONCERNING SOLE SOURCE GOVERNMENT CONTRACTS SHALL TAKE EFFECT ON DECEMBER 31, 2008. Legislation may be enacted to facilitate its operation, but in no way limiting or restricting the provisions of this article or the powers herein granted.

Section 2 of article XXVIII of the constitution of the state of Colorado is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

(4.5) "Contract holder" means any non-governmental party to a sole source government contract, including persons that control ten percent or more shares or interest in that party; or that party's officers, directors or trustees; or, in the case of collective bargaining agreements, the labor organization and any political committees created or controlled by the labor organization;

(8.5) "Immediate family member" means any spouse, child, spouse's child, son-in-law, daughter-in-law, parent, sibling, grandparent, grandchild, stepbrother, stepsister, stepparent, parent-in-law, brother-in-law, sister-in-law, aunt, niece, nephew, guardian, or domestic partner;

(14.4) "Sole source government contract" means any government contract that does not use a public and competitive bidding process soliciting at least three bids prior to awarding the contract. This provision applies only to government contracts awarded by the state or any of its political subdivisions for amounts greater than one hundred thousand dollars indexed for inflation per the United States bureau of labor statistics consumer price index for Denver-Boulder-Greeley after the year 2012, adjusted every four years, beginning January 1, 2012, to the nearest lowest twenty five dollars. This amount is cumulative and includes all sole source government contracts with any and all governmental entities involving the contract holder during a calendar year. A sole source government contract includes collective bargaining agreements with a labor organization representing employees, but not employment contracts with individual employees. Collective bargaining agreements qualify as sole source government contracts if the contract confers an exclusive representative status to bind all employees to accept the terms and conditions of the contract;

(14.6) "State or any of its political subdivisions" means the state of Colorado and its agencies or departments, as well as the political subdivisions within this state including counties, municipalities, school districts, special districts, and any public or quasi-public body that receives a majority of its funding from the taxpayers of the state of Colorado.

Amendment 55
Allowable Reasons for Employee Discharge or Suspension
(Constitutional Amendment)

Ballot Title: Shall there be an amendment to the Colorado constitution concerning cause for employee discharge or suspension, and, in connection therewith, requiring an employer to establish and document just cause for the discharge or suspension of a full-time employee; defining "just cause" to mean specified types of employee misconduct and substandard job performance, the filing of bankruptcy by the employer, or documented economic circumstances that directly and adversely affect the employer; exempting from the just cause requirement business entities that employ fewer than twenty employees, nonprofit organizations that employ fewer than one thousand employees, governmental entities, and employees who are covered by a collective bargaining agreement that requires just cause for discharge or suspension; allowing an employee who believes he or she was discharged or suspended without just cause to file a civil action in state district court; allowing a court that finds an employee's discharge or suspension to be in violation of this amendment to award reinstatement in the employee's former job, back wages, damages, or any combination thereof; and allowing the court to award attorneys fees to the prevailing party?

Text of Measure:

Be it enacted by the People of the State of Colorado:

SECTION 1. Article XVIII of the constitution of the state of Colorado is amended BY THE ADDITION OF A NEW SECTION to read:

Section 13. Just cause for employee discharge or suspension. (1) AN EMPLOYEE MAY BE DISCHARGED OR SUSPENDED ONLY IF HIS OR HER EMPLOYER HAS FIRST ESTABLISHED JUST CAUSE FOR THE DISCHARGE OR SUSPENSION.

(2) FOR PURPOSES OF THIS SECTION:

(a) "JUST CAUSE" MEANS:

- (I) INCOMPETENCE;
- (II) SUBSTANDARD PERFORMANCE OF ASSIGNED JOB DUTIES;
- (III) NEGLIGENCE OF ASSIGNED JOB DUTIES;
- (IV) REPEATED VIOLATIONS OF THE EMPLOYER'S WRITTEN POLICIES AND PROCEDURES RELATING TO JOB PERFORMANCE;
- (V) GROSS INSUBORDINATION THAT AFFECTS JOB PERFORMANCE;
- (VI) WILLFUL MISCONDUCT THAT AFFECTS JOB PERFORMANCE;
- (VII) CONVICTION OF A CRIME INVOLVING MORAL TURPITUDE;
- (VIII) FILING OF BANKRUPTCY BY THE EMPLOYER; OR
- (IX) DISCHARGE OR SUSPENSION DUE TO SPECIFIC ECONOMIC CIRCUMSTANCES THAT DIRECTLY AND ADVERSELY AFFECT THE EMPLOYER AND ARE DOCUMENTED BY THE EMPLOYER, PURSUANT TO SUBSECTION (3) OF THIS SECTION.

(b) "EMPLOYEE" MEANS ANY NATURAL PERSON WHO:

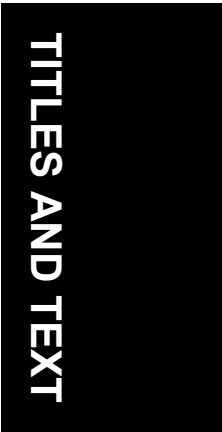
(I) HAS WORKED AS A FULL-TIME EMPLOYEE FOR AT LEAST SIX CONSECUTIVE MONTHS FOR A PRIVATE SECTOR EMPLOYER; AND

(II) IS NOT COVERED BY A BONA FIDE COLLECTIVE BARGAINING AGREEMENT WHICH CONTAINS A PROVISION THAT REQUIRES JUST CAUSE FOR DISCHARGE AND SUSPENSION FROM EMPLOYMENT.

(c) "EMPLOYER" MEANS ANY BUSINESS ENTITY THAT EMPLOYS AT LEAST TWENTY FULL-TIME EMPLOYEES IN COLORADO. "EMPLOYER" EXCLUDES:

(I) ANY GOVERNMENTAL ENTITY; OR

(II) ANY NONPROFIT UNINCORPORATED ASSOCIATION OR ANY NONPROFIT CORPORATION, INCLUDING ANY CHARITABLE ORGANIZATION OR FOUNDATION EXEMPT FROM FEDERAL TAXATION UNDER SECTION 501(C) OF THE "INTERNAL REVENUE CODE OF 1986", AS AMENDED, THAT EMPLOYES LESS THAN ONE THOUSAND EMPLOYEES.



(d) "GOVERNMENTAL ENTITY" MEANS ANY AGENCY OR DEPARTMENT OF FEDERAL, STATE, OR LOCAL GOVERNMENT, INCLUDING BUT NOT LIMITED TO ANY BOARD, COMMISSION, BUREAU, COMMITTEE, COUNCIL, AUTHORITY, INSTITUTION OF HIGHER EDUCATION, POLITICAL SUBDIVISION, OR OTHER UNIT OF THE EXECUTIVE, LEGISLATIVE, OR JUDICIAL BRANCHES OF THE STATE; ANY CITY, COUNTY, CITY AND COUNTY, TOWN, OR OTHER UNIT OF THE EXECUTIVE, LEGISLATIVE, OR JUDICIAL BRANCHES THEREOF; ANY SPECIAL DISTRICT, SCHOOL DISTRICT, LOCAL IMPROVEMENT DISTRICT, OR SPECIAL TAXING DISTRICT AT THE STATE OR LOCAL LEVELS OF GOVERNMENT; ANY "ENTERPRISE" AS DEFINED IN SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION; OR ANY OTHER KIND OF MUNICIPAL, PUBLIC, OR QUASI-PUBLIC CORPORATION.

(3) AN EMPLOYER SHALL PROVIDE AN EMPLOYEE WHO HAS BEEN DISCHARGED OR SUSPENDED WITH THE EMPLOYER'S WRITTEN DOCUMENTATION OF THE JUST CAUSE USED TO JUSTIFY SUCH DISCHARGE OR SUSPENSION.

(4) (a) ANY EMPLOYEE WHO BELIEVES HE OR SHE WAS DISCHARGED OR SUSPENDED WITHOUT JUST CAUSE MAY, WITHIN ONE HUNDRED EIGHTY DAYS AFTER NOTIFICATION OF THE DISCHARGE OR SUSPENSION, FILE A CIVIL ACTION IN STATE DISTRICT COURT. IF THE DISCHARGE OR SUSPENSION IS HELD TO HAVE BEEN WRONGFUL UNDER THE PROVISIONS OF THIS SECTION, THE COURT SHALL, AT ITS DISCRETION, AWARD THE EMPLOYEE REINSTATEMENT IN HIS OR HER FORMER JOB, BACK WAGES, DAMAGES, OR ANY COMBINATION THEREOF.

(b) IN ADDITION TO ANY AWARD MADE PURSUANT TO THIS SUBSECTION (4), THE COURT MAY ALSO AWARD ATTORNEY FEES TO THE PREVAILING PARTY.

(c) THE DECISION OF THE DISTRICT COURT MAY BE APPEALED TO THE COLORADO COURT OF APPEALS AND THE COLORADO SUPREME COURT AS PERMITTED UNDER THE COLORADO RULES OF CIVIL PROCEDURE.

(5) THE GENERAL ASSEMBLY MAY ENACT LEGISLATION TO FACILITATE THE PURPOSES OF THIS SECTION.

(6) THIS SECTION SHALL BECOME EFFECTIVE UPON PROCLAMATION OF THE GOVERNOR REGARDING THE VOTES CAST ON THIS AMENDMENT.

Amendment 56
Employer Responsibility for Health Insurance
(Constitutional Amendment)

Ballot Title: Shall there be an amendment to the Colorado Constitution concerning health care coverage for employees, and, in connection therewith, requiring employers that regularly employ twenty or more employees to provide major medical health care coverage to their employees; excluding the state and its political subdivisions from the definition of "employer"; allowing an employer to provide such health care coverage either directly through a carrier, company, or organization or acting as a self-insurer, or indirectly by paying premiums to a health insurance authority to be created pursuant to this measure that will contract with health insurance carriers, companies, and organizations to provide coverage to employees; providing that employees shall not be required to pay more than twenty percent of the premium for such coverage for themselves and more than thirty percent of such coverage for the employees' dependents; financing the costs of administering the health insurance authority and health care coverage provided through the authority with premiums paid by employers to the authority and, if necessary, such revenue sources other than the state general fund as determined by the general assembly; directing the general assembly to enact such laws as are necessary to implement the measure; and setting the effective date of the measure to be no later than November 1, 2009?

Text of Measure:

Be it Enacted by the People of the State of Colorado:

Article XVIII of the constitution of the state of Colorado is amended BY THE ADDITION OF A NEW SECTION to read:

Section 16. Employers to provide health care coverage. (1) EVERY EMPLOYER IN THE STATE OF COLORADO THAT EMPLOYS TWENTY OR MORE EMPLOYEES SHALL PROVIDE, DIRECTLY OR INDIRECTLY, MAJOR MEDICAL HEALTH CARE COVERAGE, REFERRED TO IN THIS SECTION AS "HEALTH CARE COVERAGE," FOR ITS EMPLOYEES AND THEIR DEPENDENTS.

(2) THE STATE OF COLORADO SHALL ESTABLISH A HEALTH INSURANCE AUTHORITY, REFERRED TO IN THIS SECTION AS THE "AUTHORITY," TO ADMINISTER THE PROVISION OF SUCH HEALTH CARE COVERAGE. EMPLOYERS THAT DO NOT DIRECTLY PROVIDE HEALTH CARE COVERAGE FOR EMPLOYEES AND THEIR DEPENDENTS SHALL PAY PREMIUMS TO THE AUTHORITY, WHICH SHALL

NOT PROVIDE SUCH HEALTH CARE COVERAGE ITSELF BUT SHALL HAVE THE POWER TO CONTRACT WITH HEALTH INSURANCE CARRIERS, COMPANIES, AND ORGANIZATIONS TO PROVIDE HEALTH CARE COVERAGE.

(3) THE GENERAL ASSEMBLY SHALL NOT APPROPRIATE MONEYS FROM THE GENERAL FUND TO PAY COSTS OF ADMINISTERING THE AUTHORITY OR COSTS OF THE HEALTH CARE COVERAGE MANDATED BY THIS SECTION. THE AUTHORITY SHALL BE FUNDED BY THE PREMIUMS PAID TO IT BY EMPLOYERS WHO DO NOT PROVIDE HEALTH CARE COVERAGE DIRECTLY, AS DEFINED IN THIS SECTION. THE GENERAL ASSEMBLY SHALL NOT BE PRECLUDED FROM USING OTHER SOURCES OF REVENUE, IF NECESSARY, TO PAY FOR THE COSTS OF ADMINISTERING THE AUTHORITY OR PROVIDING THE HEALTH CARE COVERAGE MANDATED BY THIS SECTION.

(4) AN EMPLOYER SHALL BE DEEMED TO PROVIDE HEALTH CARE COVERAGE "DIRECTLY" BY OFFERING HEALTH CARE COVERAGE IN COMPLIANCE WITH THIS SECTION TO ITS EMPLOYEES THROUGH A HEALTH INSURANCE CARRIER, COMPANY, OR ORGANIZATION OR BY ACTING AS A SELF-INSURER. TO COMPLY WITH THIS SECTION, THE HEALTH CARE COVERAGE OFFERED OR PROVIDED BY THE EMPLOYER SHALL NOT REQUIRE THE EMPLOYEE TO PAY MORE THAN TWENTY PERCENT OF THE PREMIUM COST OF SUCH COVERAGE FOR THE EMPLOYEE AND SHALL NOT REQUIRE THE EMPLOYEE TO PAY MORE THAN THIRTY PERCENT OF THE PREMIUM COST OF COVERAGE FOR DEPENDENTS OF THE EMPLOYEE. IN THE ALTERNATIVE, AN EMPLOYER SHALL PROVIDE HEALTH CARE COVERAGE "INDIRECTLY" BY PAYING PREMIUMS TO THE AUTHORITY IN SUCH AMOUNTS AS ARE DETERMINED BY THE AUTHORITY TO FULFILL THE REQUIREMENTS OF THIS SECTION.

(5) AS USED IN THIS SECTION, "EMPLOYER" MEANS ANY INDIVIDUAL, PERSON, FIRM, PARTNERSHIP, ASSOCIATION, CORPORATION, LIMITED LIABILITY COMPANY, COMPANY, OR OTHER ENTITY THAT REGULARLY EMPLOYS TWENTY OR MORE EMPLOYEES IN THE STATE OF COLORADO, INCLUDING A RECEIVER OR OTHER PERSON ACTING ON BEHALF OF THE EMPLOYER. THE TERM DOES NOT INCLUDE THE STATE OR ANY POLITICAL SUBDIVISION THEREOF.

(6) THE GENERAL ASSEMBLY SHALL ENACT SUCH LAWS AS ARE NECESSARY TO IMPLEMENT THE REQUIREMENT FOR HEALTH CARE COVERAGE PROVIDED IN THIS SECTION; TO DEFINE TERMS THAT ARE NOT DEFINED IN THIS SECTION, INCLUDING THE REQUIRED COMPONENTS OF HEALTH CARE COVERAGE; AND TO PROVIDE FOR THE ADMINISTRATION OF THE AUTHORITY.

(7) THE EFFECTIVE DATE OF THIS SECTION SHALL BE DELAYED UNTIL THE GENERAL ASSEMBLY HAS AN OPPORTUNITY TO ENACT APPROPRIATE LEGISLATION TO IMPLEMENT THE REQUIREMENTS OF THIS SECTION. THE EFFECTIVE DATE, IN ANY EVENT, SHALL NOT BE DELAYED BEYOND NOVEMBER 1, 2009.

TITLES AND TEXT

Amendment 57
Additional Remedies for Injured Employees
(Statutory Amendment)

Ballot Title: Shall there be an amendment to the Colorado Revised Statutes concerning a safe workplace for employees, and, in connection therewith, requiring employers to provide safe and healthy workplaces for their employees; restricting such requirement to employers regularly employing ten or more employees in the state; and enabling employees who are injured because of an employer's violation of this requirement to file suit in district court, with the right to a jury trial, to recover compensatory and exemplary damages, actual past or future pecuniary losses, and noneconomic losses including pain and suffering, emotional distress, inconvenience, mental anguish, and loss of enjoyment of life, but prohibiting injured employees from recovering any damages for which the employee already received compensation pursuant to the "Workers' Compensation Act of Colorado"?

Text of Measure:

Be it Enacted by the People of the State of Colorado:

Part 1 of article 2 of title 8, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

8-2-124. Safe workplace. (1) IT IS THE POLICY OF THIS STATE THAT EVERY EMPLOYEE SHOULD WORK IN A SAFE AND HEALTHY WORK ENVIRONMENT.

(2) EVERY EMPLOYER IN THIS STATE SHALL PROVIDE A SAFE AND HEALTHY WORKPLACE FOR ITS EMPLOYEES.

(3) FAILURE OF AN EMPLOYER TO COMPLY WITH ITS OBLIGATIONS UNDER THIS SECTION SHALL BE ACTIONABLE BY AN INJURED EMPLOYEE IN DISTRICT COURT IN ADDITION TO ANY RIGHTS THE EMPLOYEE MAY HAVE UNDER THE WORKERS'

COMPENSATION ACT OF COLORADO, ARTICLES 40 TO 47 OF THIS TITLE. THE INJURED EMPLOYEE SHALL HAVE A RIGHT TO A JURY TRIAL ON ALL ISSUES OF FACT, IF DEMANDED IN ACCORDANCE WITH THE COLORADO RULES OF CIVIL PROCEDURE. THE COURT OR JURY MAY AWARD THE INJURED EMPLOYEE COMPENSATORY AND EXEMPLARY DAMAGES, INCLUDING DAMAGES FOR PAST AND FUTURE PECUNIARY LOSSES, PAIN AND SUFFERING, EMOTIONAL DISTRESS, INCONVENIENCE, MENTAL ANGUISH, LOSS OF ENJOYMENT OF LIFE, AND OTHER NONPECUNIARY LOSSES, PROVIDED THAT THE EMPLOYEE SHALL NOT BE ENTITLED TO A DOUBLE RECOVERY FOR THE SAME LOSSES FOR WHICH THE EMPLOYEE HAS ALREADY BEEN COMPENSATED UNDER THE WORKERS' COMPENSATION ACT.

(4) "EMPLOYER" AND "EMPLOYEE" SHALL HAVE THE MEANINGS SET FORTH IN SECTION 8-4-101, EXCEPT THAT THIS SECTION SHALL APPLY ONLY TO EMPLOYERS THAT REGULARLY EMPLOY TEN OR MORE EMPLOYEES IN THE STATE OF COLORADO.

Amendment 58
Severance Taxes on the Oil and Natural Gas Industry
(Statutory Amendment)

Ballot Title: SHALL STATE TAXES BE INCREASED \$321.4 MILLION ANNUALLY BY AN AMENDMENT TO THE COLORADO REVISED STATUTES CONCERNING THE SEVERANCE TAX ON OIL AND GAS EXTRACTED IN THE STATE, AND, IN CONNECTION THEREWITH, FOR TAXABLE YEARS COMMENCING ON OR AFTER JANUARY 1, 2009, CHANGING THE TAX TO 5% OF TOTAL GROSS INCOME FROM THE SALE OF OIL AND GAS EXTRACTED IN THE STATE WHEN THE AMOUNT OF ANNUAL GROSS INCOME IS AT LEAST \$300,000; ELIMINATING A CREDIT AGAINST THE SEVERANCE TAX FOR PROPERTY TAXES PAID BY OIL AND GAS PRODUCERS AND INTEREST OWNERS; REDUCING THE LEVEL OF PRODUCTION THAT QUALIFIES WELLS FOR AN EXEMPTION FROM THE TAX; EXEMPTING REVENUES FROM THE TAX AND RELATED INVESTMENT INCOME FROM STATE AND LOCAL GOVERNMENT SPENDING LIMITS; AND REQUIRING THE TAX REVENUES TO BE CREDITED AS FOLLOWS: (A) 22% TO THE SEVERANCE TAX TRUST FUND, (B) 22% TO THE LOCAL GOVERNMENT SEVERANCE TAX FUND, AND (C) 56% TO A NEW SEVERANCE TAX STABILIZATION TRUST FUND, OF WHICH 60% IS USED TO FUND SCHOLARSHIPS FOR COLORADO RESIDENTS ATTENDING STATE COLLEGES AND UNIVERSITIES, 15% TO FUND THE PRESERVATION OF NATIVE WILDLIFE HABITAT, 10% TO FUND RENEWABLE ENERGY AND ENERGY EFFICIENCY PROGRAMS, 10% TO FUND TRANSPORTATION PROJECTS IN COUNTIES AND MUNICIPALITIES IMPACTED BY THE SEVERANCE OF OIL AND GAS, AND 5% TO FUND COMMUNITY DRINKING WATER AND WASTEWATER TREATMENT GRANTS?

Text of Measure:

Be it Enacted by the People of the State of Colorado:

SECTION 1. 39-29-101, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

39-29-101. Legislative declaration. (4) IT IS THE INTENT OF THE PEOPLE OF THIS STATE THAT THE ADDITIONAL REVENUE GENERATED BY ELIMINATING THE TAX CREDIT GIVEN TO OIL AND GAS PRODUCERS AND INTEREST OWNERS FOR PROPERTY TAXES PAID AND CHANGING THE SEVERANCE TAX STRUCTURE AS APPROVED BY A VOTE OF THE PEOPLE AT THE 2008 GENERAL ELECTION SHALL SUPPLEMENT, RATHER THAN SUPPLANT, CURRENT APPROPRIATIONS TO THE FOLLOWING ENUMERATED PURPOSES AND SHALL BE USED TO PROVIDE FUNDING FOR THE FOLLOWING PUBLIC PURPOSES: SCHOLARSHIPS FOR STUDENTS ATTENDING STATE COLLEGES AND UNIVERSITIES; THE PRESERVATION OF WILDLIFE HABITAT; RENEWABLE AND CLEAN ENERGY PROJECTS; TRANSPORTATION PROJECTS IN COMMUNITIES IMPACTED BY OIL AND GAS PRODUCTION; AND COMMUNITY DRINKING WATER AND WASTEWATER TREATMENT GRANTS. IT IS THE FURTHER INTENT OF THE PEOPLE OF THE STATE THAT THE PROGRAMS CURRENTLY FUNDED BY THE SEVERANCE TAX NOT BE ADVERSELY IMPACTED BY THE DISTRIBUTION OF THE ADDITIONAL REVENUE GENERATED BY THE CHANGES TO THE SEVERANCE TAX APPROVED BY A VOTE OF THE PEOPLE AT THE 2008 GENERAL ELECTION, WHICH IS REFLECTED IN THE DISTRIBUTION SET FORTH IN SECTION 39-29-108 (2.3).

SECTION 2. 39-29-105 (1) (b), Colorado Revised Statutes, is amended, and the said 39-29-105 (1) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

39-29-105. Tax on severance of oil and gas. (1) (b) In addition to any other tax, there shall be levied, collected, and paid for each taxable year commencing on or after January 1, 2000, BUT PRIOR TO JANUARY 1, 2009, a tax upon the gross income attributable to the sale of oil and gas severed from the earth in this state; except that oil produced from any wells that produce fifteen barrels per day or less of oil and gas produced from wells that produce ninety thousand cubic feet or less of gas per day for the average of all producing days for such oil or gas production during the taxable year shall be exempt from the tax. Nothing in this paragraph (b) shall exempt a producer of oil and gas from submitting a production employee report as required by section 39-29-110 (1) (d) (I). The tax for oil and gas shall be at the following rates of the gross income:

Under \$25,000	2%
\$25,000 and under \$100,000	3%
\$100,000 and under \$300,000	4%
\$300,000 and over	5%

(c) IN ADDITION TO ANY OTHER TAX, THERE SHALL BE LEVIED, COLLECTED, AND PAID FOR EACH TAXABLE YEAR COMMENCING ON AND AFTER JANUARY 1, 2009, A TAX UPON THE GROSS INCOME ATTRIBUTABLE TO THE SALE OF OIL AND GAS SEVERED FROM THE EARTH IN THIS STATE; EXCEPT THAT OIL PRODUCED FROM ANY WELLS THAT PRODUCE SEVEN AND ONE HALF BARRELS OR LESS OF OIL PER DAY AND GAS PRODUCED FROM WELLS THAT PRODUCE FORTY-FIVE THOUSAND CUBIC FEET OR LESS OF GAS PER DAY, FOR THE AVERAGE OF ALL PRODUCING DAYS FOR SUCH OIL AND GAS PRODUCTION DURING THE TAXABLE YEAR SHALL BE EXEMPT FROM THE TAX. NOTHING IN THIS PARAGRAPH (c) SHALL EXEMPT A PRODUCER OF OIL AND GAS FROM SUBMITTING A PRODUCTION EMPLOYEE REPORT AS REQUIRED BY SECTION 39- 29-110 (1) (d) (I). THE TAX FOR OIL AND GAS PROVIDED FOR IN THIS PARAGRAPH (c) SHALL BE AT THE FOLLOWING RATE OF GROSS INCOME:

\$300,000 AND OVER 5% OF TOTAL GROSS INCOME

SECTION 3. 39-29-105, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

39-29-105. Tax on severance of oil and gas. (3) THE PROCEEDS OF THIS TAX RECEIVED IN ACCORDANCE WITH THE PROVISIONS OF PARAGRAPH (c) OF SUBSECTION (1) OF THIS SECTION AND INVESTMENT INCOME THEREON SHALL BE COLLECTED AND SPENT BY THE STATE AS A VOTER-APPROVED REVENUE CHANGE WITHOUT REGARD TO ANY SPENDING LIMITATION CONTAINED WITHIN SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION, OR ANY OTHER LAW, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUE THAT MAY BE COLLECTED AND SPENT BY THE STATE OR ANY DISTRICT.

SECTION 4. The introductory portion to 39-29-108 (1) and 39-29-108 (2), Colorado Revised Statutes, are amended, and the said 39-29-108 is amended BY THE ADDITION OF A NEW SUBSECTION, to read:

39-29-108. Allocation of severance tax revenues-definitions-repeal. (1) Except as provided in ~~subsections (2) and (3)~~ SUBSECTIONS (2), (2.3), AND (3) of this section, the total gross receipts realized from the severance taxes imposed on minerals and mineral fuels under the provisions of this article shall be credited as follows:

(2) Of the total gross receipts realized from the severance taxes imposed on minerals and mineral fuels under the provisions of this article after June 30, 1981, EXCEPTING THOSE REVENUES LEVIED, COLLECTED, AND PAID BY OPERATION OF SECTION 39-29-105 (1) (c), fifty percent shall be credited to the ~~state~~ severance tax trust fund created by section 39-29-109, and fifty percent shall be credited to the local government severance tax fund created by section 39-29-110.

(2.3) OF THE TOTAL REVENUES LEVIED, COLLECTED, AND PAID BY OPERATION OF SECTION 39-29-105 (1) (c), TWENTY-TWO PERCENT SHALL BE CREDITED TO THE SEVERANCE TAX TRUST FUND CREATED BY SECTION 39-29-109, TWENTY-TWO PERCENT SHALL BE CREDITED TO THE LOCAL GOVERNMENT SEVERANCE TAX FUND CREATED BY SECTION 39-29-110, AND THE REMAINING FIFTY-SIX PERCENT SHALL BE CREDITED TO THE SEVERANCE TAX STABILIZATION TRUST FUND CREATED BY SECTION 39-29-110.5.

SECTION 5. Article 29 of Title 39, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

39-29-110.5. Severance tax stabilization trust fund-creation-administration. (1) (a) THERE IS HEREBY CREATED IN THE OFFICE OF THE STATE TREASURER THE SEVERANCE TAX STABILIZATION TRUST FUND. ALL INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF THE MONEYS IN THE SEVERANCE TAX STABILIZATION TRUST FUND SHALL BE CREDITED TO THE SEVERANCE TAX STABILIZATION TRUST FUND. AT THE END OF ANY FISCAL YEAR, ALL UNEXPENDED AND UNENCUMBERED MONEYS IN THE FUND SHALL REMAIN THEREIN AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND. ALL MONEYS IN THE OPERATIONAL ACCOUNT OF THE SEVERANCE TAX STABILIZATION TRUST FUND SHALL BE DISTRIBUTED BY THE GENERAL ASSEMBLY FOR THE PURPOSES AND IN THE PROPORTION SET FORTH IN SUBSECTION (2) OF THIS SECTION.

(b) THE MONEYS IN THE SEVERANCE TAX STABILIZATION TRUST FUND SHALL BE HELD IN TWO ACCOUNTS, AS FOLLOWS:

(l) **The perpetual base account.** TEN PERCENT OF THE SEVERANCE TAX RECEIPTS CREDITED TO THE SEVERANCE TAX STABILIZATION TRUST FUND AND THE INTEREST GENERATED THEREON SHALL BE RETAINED IN THE PERPETUAL BASE ACCOUNT. THE MAXIMUM BALANCE IN THE PERPETUAL BASE ACCOUNT SHALL BE ONE HUNDRED AND TWENTY-FIVE PERCENT OF THE PREVIOUS FISCAL YEAR'S REVENUE CREDITED TO THE SEVERANCE TAX STABILIZATION TRUST FUND PURSUANT TO SECTION 39-29-108 (2.3). IN ANY YEAR IN WHICH THE BALANCE OF THE PERPETUAL BASE ACCOUNT EXCEEDS ONE HUNDRED AND TWENTY-FIVE PERCENT OF

TITLES AND TEXT

THE PREVIOUS FISCAL YEAR'S REVENUE TO THE SEVERANCE TAX STABILIZATION TRUST FUND, THE INTEREST GENERATED BY THE PERPETUAL BASE ACCOUNT AND MONEYS IN EXCESS OF ONE HUNDRED AND TWENTY-FIVE PERCENT OF THE PREVIOUS FISCAL YEAR'S REVENUE TO THE SEVERANCE TAX STABILIZATION TRUST FUND SHALL BE CREDITED TO THE OPERATIONAL ACCOUNT OF THE SEVERANCE TAX STABILIZATION TRUST FUND.

(II) **The operational account.** NINETY PERCENT OF THE SEVERANCE TAX RECEIPTS CREDITED TO THE SEVERANCE TAX STABILIZATION TRUST FUND, PLUS ANY MONEYS REQUIRED TO BE TRANSFERRED TO THE OPERATIONAL ACCOUNT PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (b) SHALL BE CREDITED TO THE OPERATIONAL ACCOUNT OF THE SEVERANCE TAX STABILIZATION TRUST FUND.

(2) EACH YEAR THE MONEYS IN THE OPERATIONAL ACCOUNT OF THE SEVERANCE TAX STABILIZATION TRUST FUND SHALL BE DISTRIBUTED AS FOLLOWS:

(a) SIXTY PERCENT SHALL BE APPROPRIATED FOR THE EXCLUSIVE PURPOSE OF SCHOLARSHIPS, TO BE KNOWN AS COLORADO PROMISE SCHOLARSHIPS, FOR COLORADO RESIDENTS ATTENDING STATE INSTITUTIONS OF HIGHER EDUCATION, AS DEFINED BY SECTION 23-18-102 (10) (a), C.R.S., AND LOCAL DISTRICT COLLEGES AS DESCRIBED BY SECTION 23-72-121.5, C.R.S., AND SHALL BE DIRECTED TOWARDS MAKING HIGHER EDUCATION AFFORDABLE FOR COLORADO RESIDENTS FROM LOWER AND MIDDLE INCOME FAMILIES. THE COLORADO COMMISSION ON HIGHER EDUCATION SHALL ESTABLISH GUIDELINES AND POLICIES SETTING FORTH THE ELIGIBILITY CRITERIA FOR SCHOLARSHIPS FUNDED BY THIS PARAGRAPH (a), TO INCLUDE CONSIDERATION OF SUCH FACTORS AS HOUSEHOLD INCOME, FAMILY SIZE, ELIGIBILITY FOR OTHER SOURCES OF FINANCIAL ASSISTANCE, AND THE INSTITUTION THE STUDENT ATTENDS. THE COMMISSION SHALL ESTABLISH ACADEMIC PERFORMANCE CRITERIA FOR OBTAINING AND MAINTAINING A COLORADO PROMISE SCHOLARSHIP.

(b) FIFTEEN PERCENT SHALL BE DEDICATED FOR THE EXCLUSIVE PURPOSE OF MAKING COMPETITIVE GRANTS TO COUNTIES, MUNICIPALITIES, OTHER POLITICAL SUBDIVISIONS OF THE STATE, THE COLORADO DIVISION OF WILDLIFE, THE COLORADO DIVISION OF PARKS AND OUTDOOR RECREATION, AND NONPROFIT CONSERVATION ORGANIZATIONS, FOR ACQUISITION OF REAL PROPERTY OR INTERESTS THEREIN THAT WILL PRESERVE NATIVE WILDLIFE HABITAT ASSOCIATED WITH NATURAL AREAS, WORKING FARMS OR RANCHES, AND RIVERS AND STREAMS; AND TO THE EXTENT ACQUIRED WITH SUCH MONEYS, TO ASSIST WITH STEWARDSHIP OF REAL PROPERTY OR INTERESTS THEREIN. SUCH MONEYS SHALL BE ADMINISTERED AND OVERSEEN BY THE STATE BOARD OF THE GREAT OUTDOORS COLORADO TRUST FUND CREATED PURSUANT TO SECTION 6 OF ARTICLE XXVII OF THE STATE CONSTITUTION, BUT SUCH MONEYS SHALL NOT BE SUBJECT TO THE LIMITATIONS AND RESTRICTIONS MADE APPLICABLE TO THE GREAT OUTDOORS COLORADO TRUST FUND BY ARTICLE XXVII OF THE STATE CONSTITUTION. FURTHER, IN ADMINISTERING AND OVERSEEING THESE MONEYS, THE STATE BOARD OF THE GREAT OUTDOORS COLORADO TRUST FUND SHALL HAVE THE DISCRETION TO DIRECT THAT ANY PORTION OF THE AVAILABLE REVENUES BE USED FOR EXPENSES OF ADMINISTERING THESE MONEYS OR REINVESTED AND NOT EXPENDED IN ANY PARTICULAR YEAR.

(c) TEN PERCENT SHALL BE CREDITED TO THE CLEAN ENERGY FUND CREATED IN SECTION 24-75-1201, C.R.S.;

(d) TEN PERCENT SHALL BE APPROPRIATED TO THE COLORADO DEPARTMENT OF TRANSPORTATION TO FUND TRANSPORTATION PROJECTS IN COUNTIES AND MUNICIPALITIES OF THE STATE THAT ARE IMPACTED BY THE DEVELOPMENT, PROCESSING, OR ENERGY CONVERSION OF OIL AND GAS SUBJECT TO TAXATION UNDER THIS ARTICLE, WHICH FUNDING INCLUDES MAKING GRANTS FOR TRANSPORTATION PURPOSES TO THOSE IMPACTED COMMUNITIES; AND

(e) FIVE PERCENT SHALL BE APPROPRIATED TO THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, WATER QUALITY CONTROL DIVISION, FOR THE EXCLUSIVE PURPOSE OF MAKING SMALL COMMUNITY DRINKING WATER GRANTS AND DOMESTIC WASTEWATER TREATMENT GRANTS. THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT SHALL HAVE THE DISCRETION TO DIRECT THAT ANY PORTION OF THE AVAILABLE REVENUES BE REINVESTED AND NOT EXPENDED IN ANY PARTICULAR YEAR.

SECTION 6. 24-75-1201(1) (a), Colorado Revised Statutes, is amended to read:

24-75-1201. Clean energy fund – creation – use of fund – definitions. (1) (a) The clean energy fund is hereby created in the state treasury. The principal of the fund shall consist of moneys transferred to the fund at the end of the 2006-07 state fiscal year and at the end of each succeeding state fiscal year from the limited gaming fund created in section 12-47.1-701 (1), C.R.S., in accordance with section 12-47.1-701 (5), C.R.S., and from moneys received by the governor's energy office pursuant to section 39-29-109 (1.5), C.R.S., in accordance with section 39-29-109 (1.5) (h) (VII), C.R.S., AND FROM MONEYS RECEIVED PURSUANT TO SECTION 39-29-110.5 (2) (c), C.R.S. Interest and income earned on the deposit and investment of moneys in the clean energy fund shall be credited to the fund. Moneys in the fund at the end of any state fiscal year shall remain in the fund and shall not be credited to the state general fund or any other fund.

SECTION 7. 33-60-107, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

33-60-107. State board of the great outdoors Colorado trust fund. (4) IN ADDITION TO ITS OTHER POWERS UNDER ARTICLE XXVII OF THE COLORADO CONSTITUTION AND THIS ARTICLE, THE TRUST FUND BOARD SHALL HAVE THE POWER TO ADMINISTER AND OVERSEE MONEYS APPROPRIATED PURSUANT TO SECTION 39-29-110.5 (2) (b), C.R.S.

Amendment 59
Education Funding and TABOR Rebates
(Constitutional Amendment)

TITLES AND TEXT

Ballot Title: SHALL THERE BE AN AMENDMENT TO THE COLORADO CONSTITUTION CONCERNING THE MANNER IN WHICH THE STATE FUNDS PUBLIC EDUCATION FROM PRESCHOOL THROUGH THE TWELFTH GRADE, AND, IN CONNECTION THEREWITH, FOR THE 2010-11 STATE FISCAL YEAR AND EACH STATE FISCAL YEAR THEREAFTER, REQUIRING THAT ANY REVENUE THAT THE STATE WOULD OTHERWISE BE REQUIRED TO REFUND PURSUANT TO THE CONSTITUTIONAL LIMIT ON STATE FISCAL YEAR SPENDING BE TRANSFERRED INSTEAD TO THE STATE EDUCATION FUND; ELIMINATING THE REQUIREMENT THAT, FOR THE 2011-12 STATE FISCAL YEAR AND EACH STATE FISCAL YEAR THEREAFTER, THE STATEWIDE BASE PER PUPIL FUNDING FOR PUBLIC EDUCATION FROM PRESCHOOL THROUGH THE TWELFTH GRADE AND THE TOTAL STATE FUNDING FOR ALL CATEGORICAL PROGRAMS INCREASE ANNUALLY BY AT LEAST THE RATE OF INFLATION; CREATING A SAVINGS ACCOUNT IN THE STATE EDUCATION FUND; REQUIRING THAT A PORTION OF THE STATE INCOME TAX REVENUE THAT IS DEPOSITED IN THE STATE EDUCATION FUND BE CREDITED TO THE SAVINGS ACCOUNT IN CERTAIN CIRCUMSTANCES; REQUIRING EITHER A TWO-THIRDS MAJORITY VOTE OF EACH HOUSE OF THE GENERAL ASSEMBLY OR, IN ANY STATE FISCAL YEAR IN WHICH COLORADO PERSONAL INCOME GROWS LESS THAN SIX PERCENT BETWEEN THE TWO PREVIOUS CALENDAR YEARS, A SIMPLE MAJORITY VOTE OF THE GENERAL ASSEMBLY TO USE THE MONEYS IN THE SAVINGS ACCOUNT; ESTABLISHING THE PURPOSES FOR WHICH MONEYS IN THE SAVINGS ACCOUNT MAY BE SPENT; ESTABLISHING A MAXIMUM AMOUNT THAT MAY BE IN THE SAVINGS ACCOUNT IN ANY STATE FISCAL YEAR; AND ALLOWING THE GENERAL ASSEMBLY TO TRANSFER MONEYS FROM THE GENERAL FUND TO THE STATE EDUCATION FUND, SO LONG AS CERTAIN OBLIGATIONS FOR TRANSPORTATION FUNDING ARE MET?

Text of Measure:

Be it Enacted by the People of the State of Colorado:

SECTION 1. Section 17 (1) and (4) of article IX of the constitution of the state of Colorado are amended, and the said section 17 is further amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to read:

Section 17. Education - funding. (1) **Purpose.** In state fiscal year 2001-2002 through state fiscal year 2010-2011, the statewide base per pupil funding, as defined by the Public School Finance Act of 1994, article 54 of title 22, Colorado Revised Statutes, on the effective date of this section, for public education from preschool through the twelfth grade and total state funding for all categorical programs shall grow annually at least by the rate of inflation plus an additional one percentage point. ~~In state fiscal year 2011-2012, and each fiscal year thereafter, the statewide base per pupil funding for public education from preschool through the twelfth grade and total state funding for all categorical programs shall grow annually at a rate set by the general assembly that is at least equal to the rate of inflation.~~

(4) **State education fund created.** (a) There is hereby created in the department of the treasury the state education fund. Beginning on the effective date of this measure, all state revenues collected from a tax of one third of one percent on federal taxable income, as modified by law, of every individual, estate, trust and corporation, as defined in law, shall be deposited in the state education fund. Revenues generated from a tax of one third of one percent on federal taxable income, as modified by law, of every individual, estate, trust and corporation, as defined in law, shall not be subject to the limitation on fiscal year spending set forth in article X, section 20 of the Colorado constitution. All interest earned on monies in the state education fund shall be deposited in the state education fund and shall be used before any principal is depleted. Monies remaining in the state education fund at the end of any fiscal year shall remain in the fund and not revert to the general fund.

(b) In state fiscal year 2001-2002, and each fiscal year thereafter, the general assembly may annually appropriate monies from the state education fund. Monies in the state education fund may only be used ~~to comply with subsection (1) of this section and~~ FOR PUBLIC EDUCATION FROM PRESCHOOL THROUGH THE TWELFTH GRADE, FOR CATEGORICAL PROGRAMS, for accountable education reform, for accountable programs to meet state academic standards, for class size reduction, for expanding technology education, for improving student safety, for expanding the availability of preschool and kindergarten programs, for performance incentives for teachers, for accountability reporting, or for public school building capital construction.

(c) IN ADDITION TO THE AMOUNT DEPOSITED INTO THE STATE EDUCATION FUND PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (4), FOR THE 2010-11 STATE FISCAL YEAR AND EACH STATE FISCAL YEAR THEREAFTER, THE FUND SHALL CONSIST OF REVENUES SPECIFIED IN SECTION 20 (10) OF ARTICLE X OF THIS CONSTITUTION.

(6) State education fund savings account created. (a) THERE IS HEREBY CREATED IN THE STATE EDUCATION FUND THE STATE EDUCATION FUND SAVINGS ACCOUNT. THE ACCOUNT SHALL CONSIST OF THE MONEYS CREDITED TO THE ACCOUNT PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (6). THE MONEYS IN THE ACCOUNT SHALL BE USED ONLY AS SPECIFIED IN PARAGRAPH (c) OF THIS SUBSECTION (6). ALL INTEREST EARNED ON MONEYS IN THE ACCOUNT SHALL BE DEPOSITED IN THE ACCOUNT. MONEYS REMAINING IN THE ACCOUNT AT THE END OF ANY STATE FISCAL YEAR SHALL REMAIN IN THE ACCOUNT AND SHALL NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND.

(b) FOR THE 2009-10 STATE FISCAL YEAR AND EACH STATE FISCAL YEAR THEREAFTER, EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (d) OF THIS SUBSECTION (6), TEN PERCENT OF THE TOTAL AMOUNT THAT IS DEPOSITED IN THE STATE EDUCATION FUND PURSUANT TO PARAGRAPH (a) OF SUBSECTION (4) OF THIS SECTION SHALL BE CREDITED TO THE STATE EDUCATION FUND SAVINGS ACCOUNT.

(c) THE GENERAL ASSEMBLY SHALL ONLY APPROPRIATE MONEYS FROM THE STATE EDUCATION FUND SAVINGS ACCOUNT BY THE ENACTMENT OF A BILL APPROVED BY A TWO-THIRDS MAJORITY VOTE OF ALL THE MEMBERS ELECTED TO EACH HOUSE OF THE GENERAL ASSEMBLY, OR BY A SIMPLE MAJORITY VOTE IN ANY STATE FISCAL YEAR IN WHICH COLORADO PERSONAL INCOME GROWS LESS THAN SIX PERCENT BETWEEN THE TWO PREVIOUS CALENDAR YEARS. THE MONEYS IN THE ACCOUNT MAY BE APPROPRIATED FOR THE SAME PURPOSES FOR WHICH THE MONEYS IN THE STATE EDUCATION FUND MAY BE APPROPRIATED PURSUANT TO PARAGRAPH (b) OF SUBSECTION (4) OF THIS SECTION AND SHALL NOT BE APPROPRIATED FOR ANY OTHER PURPOSE.

(d) IF MONEYS THAT WOULD OTHERWISE BE CREDITED TO THE STATE EDUCATION FUND SAVINGS ACCOUNT PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (6) WOULD CAUSE THE BALANCE OF MONEYS IN THE ACCOUNT TO EXCEED AN AMOUNT EQUAL TO EIGHT PERCENT OF THE TOTAL AMOUNT APPROPRIATED IN THE PREVIOUS STATE FISCAL YEAR BY THE GENERAL ASSEMBLY FROM THE GENERAL FUND AND FROM THE STATE EDUCATION FUND, THE MONEYS SHALL NOT BE CREDITED TO THE ACCOUNT. MONEYS THAT WOULD OTHERWISE BE CREDITED TO THE ACCOUNT FROM THE STATE EDUCATION FUND SHALL REMAIN IN THE STATE EDUCATION FUND.

(7) Transfers from the general fund. (a) SUBJECT TO THE LIMITATIONS SPECIFIED IN PARAGRAPH (b) OF THIS SUBSECTION (7), FOR THE 2009-10 STATE FISCAL YEAR AND EACH STATE FISCAL YEAR THEREAFTER, THE GENERAL ASSEMBLY MAY TRANSFER MONEYS FROM THE GENERAL FUND TO THE STATE EDUCATION FUND. TRANSFERS OF MONEYS FROM THE GENERAL FUND TO THE STATE EDUCATION FUND PURSUANT TO THIS SUBSECTION (7) SHALL NOT BE SUBJECT TO ANY STATUTORY LIMITATION ON GENERAL FUND APPROPRIATIONS GROWTH OR OTHERWISE AFFECT SUCH LIMITATION.

(b) THE GENERAL ASSEMBLY MAY MAKE A TRANSFER PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (7) ONLY IF, FOR THE APPLICABLE STATE FISCAL YEAR, THE MAXIMUM PERCENTAGE OF STATE SALES AND USE TAXES CONSTITUTING SALES AND USE TAXES ATTRIBUTABLE TO SALES OR USE OF VEHICLES AND RELATED ITEMS THAT IS REQUIRED, PURSUANT TO LAW, TO BE TRANSFERRED ANNUALLY TO THE HIGHWAY USERS TAX FUND, CREDITED TO THE STATE HIGHWAY FUND, AND EXPENDED BY THE DEPARTMENT OF TRANSPORTATION FOR THE IMPLEMENTATION OF THE STRATEGIC TRANSPORTATION PROJECT INVESTMENT PROGRAM IS SO TRANSFERRED, CREDITED, AND EXPENDED.

SECTION 2. Section 20 of article X of the constitution of the state of Colorado is amended BY THE ADDITION OF A NEW SUBSECTION to read:

Section 20. The Taxpayer's Bill of Rights. (10) State revenue for public education exception. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, FOR THE 2010-11 STATE FISCAL YEAR AND EACH STATE FISCAL YEAR THEREAFTER, ANY REVENUE THAT THE STATE WOULD OTHERWISE BE REQUIRED TO REFUND PURSUANT TO THE PROVISIONS OF THIS SECTION SHALL BE TRANSFERRED INSTEAD TO THE STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF THIS CONSTITUTION. SUCH TRANSFERS SHALL BE FROM ANY FUNDS SPECIFIED BY LAW.

Referendum L
Qualifications for Serving in the State Legislature
(Constitutional Amendment)

Ballot Title: An amendment to section 4 of article V of the constitution of the state of Colorado, concerning the ability of an elector of the state of Colorado who has attained the age of twenty-one years to serve as a member of the Colorado general assembly.

Text of Measure:

Be It Resolved by the House of Representatives of the Sixty-sixth General Assembly of the State of Colorado, the Senate concurring herein:

SECTION 1. At the next election at which such question may be submitted, there shall be submitted to the registered electors of the state of Colorado, for their approval or rejection, the following amendment to the constitution of the state of Colorado, to wit:

Section 4 of article V of the constitution of the state of Colorado is amended to read:

Section 4. Qualifications of members. No person shall be a representative or senator who shall not ~~have attained the age of twenty-five years~~ BE AN ELECTOR OF THE STATE OF COLORADO AS PROVIDED BY LAW WHO HAS ATTAINED THE AGE OF TWENTY-ONE YEARS, who shall not be a citizen of the United States, and who shall not for at least twelve months next preceding his election, have resided within the territory included in the limits of the district in which he shall be chosen.

SECTION 2. Each elector voting at said election and desirous of voting for or against said amendment shall cast a vote as provided by law either "Yes" or "No" on the proposition: "AN AMENDMENT TO SECTION 4 OF ARTICLE V OF THE CONSTITUTION OF THE STATE OF COLORADO, CONCERNING THE ABILITY OF AN ELECTOR OF THE STATE OF COLORADO WHO HAS ATTAINED THE AGE OF TWENTY-ONE YEARS TO SERVE AS A MEMBER OF THE COLORADO GENERAL ASSEMBLY."

SECTION 3. The votes cast for the adoption or rejection of said amendment shall be canvassed and the result determined in the manner provided by law for the canvassing of votes for representatives in Congress, and if a majority of the electors voting on the question shall have voted "Yes", the said amendment shall become a part of the state constitution.

TITLES AND TEXT

Referendum M
Obsolete Constitutional Provision Relating to Land Value Increases
(Constitutional Amendment)

Ballot Title: Shall section 7 of article XVIII of the state constitution concerning outdated, obsolete provisions regarding land value increase be repealed?

Text of Measure:

Be It Resolved by the House of Representatives of the Sixty-sixth General Assembly of the State of Colorado, the Senate concurring herein:

SECTION 1. At the next election at which such question may be submitted, there shall be submitted to the registered electors of the state of Colorado, for their approval or rejection, the following amendment to the constitution of the state of Colorado, to wit:

Section 7 of article XVIII of the constitution of the state of Colorado is repealed as follows:

~~**Section 7. Land value increase – arboreal planting exempt.** The general assembly may provide that the increase in the value of private lands caused by the planting of hedges, orchards and forests thereon, shall not, for a limited time to be fixed by law, be taken into account in assessing such lands for taxation.~~

SECTION 2. Each elector voting at said election and desirous of voting for or against said amendment shall cast a vote as provided by law either "Yes" or "No" on the proposition: "SHALL SECTION 7 OF ARTICLE XVIII OF THE STATE CONSTITUTION CONCERNING OUTDATED, OBSOLETE PROVISIONS REGARDING LAND VALUE INCREASE BE REPEALED?"

SECTION 3. The votes cast for the adoption or rejection of said amendment shall be canvassed and the result determined in the manner provided by law for the canvassing of votes for representatives in Congress, and if a majority of the electors voting on the question shall have voted "Yes", the said amendment shall become a part of the state constitution.

Referendum N
Obsolete Constitutional Provisions Relating to Alcohol Beverages
(Constitutional Amendment)

Ballot Title: Shall there be a repeal of section 5 of article XVIII and article XXII of the state constitution, concerning the elimination of outdated obsolete provisions of the state constitution?

Text of Measure:

Be It Resolved by the House of Representatives of the Sixty-sixth General Assembly of the State of Colorado, the Senate concurring herein:

SECTION 1. At the next election at which such question may be submitted, there shall be submitted to the registered electors of the state of Colorado, for their approval or rejection, the following amendment to the constitution of the state of Colorado, to wit:

Section 5 of article XVIII of the constitution of the state of Colorado is repealed as follows:

~~**Section 5. Spurious and drugged liquors – laws concerning.** The general assembly shall prohibit by law the importation into this state, for the purpose of sale, of any spurious, poisonous or drugged spirituous liquors, or spirituous liquors adulterated with any poisonous or deleterious substance, mixture, or compound; and shall prohibit the compounding or manufacture within this state, except for chemical or mechanical purposes, of any of said liquors, whether they be denominated spirituous, vinous, malt or otherwise; and shall also prohibit the sale of any such liquors to be used as a beverage, and any violation of either of said prohibitions shall be punished by fine and imprisonment. The general assembly shall provide by law for the condemnation and destruction of all spurious, poisonous or drugged liquors herein prohibited.~~

Article XXII of the constitution of the state of Colorado is repealed as follows:

ARTICLE XXII
Intoxicating Liquors

~~**Section 1. Repeal of intoxicating liquor laws.** The manufacture, sale and distribution of all intoxicating liquors, wholly within the state of Colorado, shall, subject to the constitution and laws of the United States, be performed exclusively by or through such agencies and under such regulations as may hereafter be provided by statutory laws of the state of Colorado; but no such laws shall ever authorize the establishment or maintenance of any saloon.~~

SECTION 2. Each elector voting at said election and desirous of voting for or against said amendment shall cast a vote as provided by law either "Yes" or "No" on the proposition: "SHALL THERE BE A REPEAL OF SECTION 5 OF ARTICLE XVIII AND ARTICLE XXII OF THE STATE CONSTITUTION, CONCERNING THE ELIMINATION OF OUTDATED OBSOLETE PROVISIONS OF THE STATE CONSTITUTION?"

SECTION 3. The votes cast for the adoption or rejection of said amendment shall be canvassed and the result determined in the manner provided by law for the canvassing of votes for representatives in Congress, and if a majority of the electors voting on the question shall have voted "Yes", the said amendment shall become a part of the state constitution.

TITLES AND TEXT

Referendum O
Citizen-Initiated State Laws
(Constitutional Amendment)

Ballot Title: Shall there be an amendment to the Colorado constitution concerning ballot initiatives, and, in connection therewith, increasing the number of signatures required for a proposed initiative to amend the state constitution; reducing the number of signatures required for a proposed statutory initiative; requiring a minimum number of signatures for a proposed initiative to amend the state constitution to be gathered from residents of each congressional district in the state; increasing the time allowed to gather signatures for a proposed statutory initiative; modifying the review of initiative petitions; establishing a filing deadline for proposed initiatives to amend the state constitution; and requiring a two-thirds vote of all members elected to each house of the general assembly to amend, repeal, or supersede any law enacted by an initiative for a period of five years after the law becomes effective?

Text of Measure:

Be It Resolved by the Senate of the Sixty-sixth General Assembly of the State of Colorado, the House of Representatives concurring herein:

SECTION 1. At the next election at which such question may be submitted, there shall be submitted to the registered electors of the state of Colorado, for their approval or rejection, the following amendment to the constitution of the state of Colorado, to wit:

Section 1 (2), (4), and (5) of article V of the constitution of the state of Colorado are amended to read:

Section 1. General assembly - initiative and referendum. (2) The first power hereby reserved by the people is the initiative. ~~and~~ Signatures by registered electors in an amount equal to at least ~~five~~ FOUR percent of the total number of votes cast for all candidates for the office of ~~secretary of state~~ GOVERNOR at the previous general election shall be required to propose ~~any measure by petition, and~~ AN INITIATIVE PETITION FOR STATE LEGISLATION. SIGNATURES BY REGISTERED ELECTORS IN AN AMOUNT EQUAL TO AT LEAST SIX PERCENT OF THE TOTAL NUMBER OF VOTES CAST FOR ALL CANDIDATES FOR THE OFFICE OF GOVERNOR AT THE PREVIOUS GENERAL ELECTION SHALL BE REQUIRED TO PROPOSE AN INITIATIVE PETITION FOR AN AMENDMENT TO THE CONSTITUTION. FOR AN INITIATIVE PETITION FOR AN AMENDMENT TO THE CONSTITUTION, THE MINIMUM NUMBER OF SIGNATURES BY REGISTERED ELECTORS WHO RESIDE IN EACH UNITED STATES CONGRESSIONAL DISTRICT IN COLORADO SHALL BE AN AMOUNT EQUAL TO EIGHT PERCENT OF THE MINIMUM NUMBER OF THE TOTAL SIGNATURES REQUIRED FOR SUCH PETITION. Every ~~such~~ petition shall include the full text of the measure so proposed. Initiative petitions for state legislation and amendments to the constitution, in such form as may be prescribed pursuant to law, shall be addressed to and filed with the secretary of state at least three months before the general election at which they are to be voted upon. WITHIN THIS DEADLINE, AN INITIATIVE PETITION FOR STATE LEGISLATION SHALL BE FILED WITHIN NINE MONTHS FROM THE DATE THAT ITS BALLOT TITLE IS FINALLY SET.

(4) The veto power of the governor shall not extend to measures initiated by or referred to the people. All elections on measures initiated by or referred to the people of the state shall be held at the biennial regular general election, and all such measures shall become the law or a part of the constitution, when approved by a majority of the votes cast thereon, and not otherwise, and shall take effect from and after the date of the official declaration of the vote thereon by proclamation of the governor, but not later than thirty days after the vote has been canvassed. This section shall not be construed to deprive the general assembly of the power to enact any measure; EXCEPT THAT THE GENERAL ASSEMBLY SHALL NOT AMEND, REPEAL, OR SUPERSEDE ANY LAW ENACTED BY AN INITIATIVE FOR A PERIOD OF FIVE YEARS AFTER THE LAW BECOMES EFFECTIVE UNLESS APPROVED BY A VOTE OF TWO-THIRDS OF ALL THE MEMBERS ELECTED TO EACH HOUSE.

(5) (a) The original draft of the text of proposed initiated constitutional amendments and initiated laws shall be submitted to the legislative research and drafting offices of the general assembly for review and comment. NO LATER THAN TWO WEEKS AFTER SUBMISSION OF THE ORIGINAL DRAFT OF ANY PROPOSED MEASURE, UNLESS WITHDRAWN BY THE PROPONENTS, THE LEGISLATIVE RESEARCH AND DRAFTING OFFICES OF THE GENERAL ASSEMBLY SHALL PREPARE A MEMORANDUM THAT INCLUDES THEIR COMMENTS ON THE PETITION AND TRANSMIT THE MEMORANDUM TO THE PROPONENTS. No later than ~~two~~ THREE weeks after submission of the original draft, unless withdrawn by the proponents, the legislative research and drafting offices of the general assembly shall render their comments to the proponents of the proposed measure at a meeting open to the public, which shall be held only after full and timely notice to the public. ~~Such~~ PRIOR TO THE MEETING, THE LEGISLATIVE RESEARCH AND DRAFTING OFFICES OF THE GENERAL ASSEMBLY SHALL MAKE THE MEMORANDUM AND ORIGINAL DRAFT OF THE PROPOSED MEASURE PUBLICLY AVAILABLE. AT THE MEETING, MEMBERS OF THE PUBLIC SHALL BE GIVEN AN OPPORTUNITY TO PROVIDE COMMENT ON THE PROPOSED MEASURE AND THE ISSUES RAISED IN THE MEMORANDUM. MEMBERS OF THE GENERAL ASSEMBLY MAY ALSO PROVIDE COMMENT AT THE MEETING. THE meeting shall be held prior to the fixing of a ballot title. Neither the general assembly nor its committees or agencies shall have

any power to require the amendment, modification, or other alteration of the text of any such proposed measure or to establish deadlines for the submission of the original draft of the text of any proposed measure.

(b) IN THE CASE OF A PROPOSED INITIATED CONSTITUTIONAL AMENDMENT, THE ORIGINAL DRAFT OF THE PROPOSED MEASURE SHALL BE SUBMITTED TO THE LEGISLATIVE RESEARCH AND DRAFTING OFFICES OF THE GENERAL ASSEMBLY NO LATER THAN THE SIXTIETH DAY OF THE LEGISLATIVE SESSION PRIOR TO THE ELECTION AT WHICH THE MEASURE IS TO BE VOTED UPON. THE GENERAL ASSEMBLY MAY CONDUCT HEARINGS TO REVIEW A PROPOSED INITIATED CONSTITUTIONAL AMENDMENT. SUCH HEARINGS SHALL BE OPEN TO THE PUBLIC AND SHALL INCLUDE AN OPPORTUNITY FOR PUBLIC TESTIMONY.

SECTION 2. Each elector voting at said election and desirous of voting for or against said amendment shall cast a vote as provided by law either "Yes" or "No" on the proposition: "SHALL THERE BE AN AMENDMENT TO THE COLORADO CONSTITUTION CONCERNING BALLOT INITIATIVES, AND, IN CONNECTION THEREWITH, INCREASING THE NUMBER OF SIGNATURES REQUIRED FOR A PROPOSED INITIATIVE TO AMEND THE STATE CONSTITUTION; REDUCING THE NUMBER OF SIGNATURES REQUIRED FOR A PROPOSED STATUTORY INITIATIVE; REQUIRING A MINIMUM NUMBER OF SIGNATURES FOR A PROPOSED INITIATIVE TO AMEND THE STATE CONSTITUTION TO BE GATHERED FROM RESIDENTS OF EACH CONGRESSIONAL DISTRICT IN THE STATE; INCREASING THE TIME ALLOWED TO GATHER SIGNATURES FOR A PROPOSED STATUTORY INITIATIVE; MODIFYING THE REVIEW OF INITIATIVE PETITIONS; ESTABLISHING A FILING DEADLINE FOR PROPOSED INITIATIVES TO AMEND THE STATE CONSTITUTION; AND REQUIRING A TWO-THIRDS VOTE OF ALL MEMBERS ELECTED TO EACH HOUSE OF THE GENERAL ASSEMBLY TO AMEND, REPEAL, OR SUPERSEDE ANY LAW ENACTED BY AN INITIATIVE FOR A PERIOD OF FIVE YEARS AFTER THE LAW BECOMES EFFECTIVE?"

SECTION 3. The votes cast for the adoption or rejection of said amendment shall be canvassed and the result determined in the manner provided by law for the canvassing of votes for representatives in Congress, and if a majority of the electors voting on the question shall have voted "Yes", the said amendment shall become a part of the state constitution.

TITLES AND TEXT

LOCAL ELECTION OFFICES

Adams	1865 West 121 st Avenue, Westminster, CO 80234	(303) 920-7850
Alamosa	402 Edison Ave., Alamosa, CO 81101	(719) 589-6681
Arapahoe	5334 S. Prince St., Littleton, CO 80166	(303) 795-4511
Archuleta	449 San Juan, Pagosa Springs, CO 81147	(970) 264-8350
Baca	741 Main St., Springfield, CO 81073	(719) 523-4372
Bent	725 Bent Ave., Las Animas, CO 81054	(719) 456-2009
Boulder	1750 33 rd St. #200, Boulder, CO 80301	(303) 413-7740
Broomfield	1 DesCombes Drive, Broomfield, CO 80020	(303) 464-5857
Chaffee	104 Crestone Ave., Salida, CO 81201	(719) 539-4004
Cheyenne	51 S. 1 st St., Cheyenne Wells, CO 80810	(719) 767-5685
Clear Creek	405 Argentine St., Georgetown, CO 80444	(303) 679-2339
Conejos	6683 County Road 13, Conejos, CO 81129	(719) 376-5422
Costilla	400 Gasper St., San Luis, CO 81152	(719) 672-3301
Crowley	631 Main St., Suite 102, Ordway, CO 81063	(719) 267-5225
Custer	205 S. 6 th St., Westcliffe, CO 81252	(719) 783-2441
Delta	501 Palmer #211, Delta, CO 81416	(970) 874-2150
Denver	3888 E. Mexico Ave., Denver, CO 80210	(720) 913-8683
Dolores	409 N. Main St., Dove Creek, CO 81324	(970) 677-2381
Douglas	301 N. Wilcox St., Castle Rock, CO 80104	(303) 660-7444
Eagle	500 Broadway, Eagle, CO 81631	(970) 328-8728
Elbert	215 Comanche St., Kiowa, CO 80117	(303) 621-3127
El Paso	200 S. Cascade, Colorado Springs, CO 80901	(719) 575-8683
Fremont	615 Macon Ave. #102, Canon City, CO 81212	(719) 276-7332
Garfield	109 Eighth St. #200, Glenwood Spgs, CO 81601	(970) 945-2377, ext. 1770
Gilpin	203 Eureka St., Central City, CO 80427	(303) 582-5321
Grand	308 Byers Ave., Hot Sulphur Springs, CO 80451	(970) 725-3347
Gunnison	221 N. Wisconsin, Suite C, Gunnison, CO 81230	(970) 641-7927 or 970-641-7638
Hinsdale	317 N. Henson St., Lake City, CO 81235	(970) 944-2228
Huerfano	401 Main St., Suite 204, Walsenburg, CO 81089	(719) 738-2380
Jackson	396 La Fever St., Walden, CO 80480	(970) 723-4334
Jefferson	100 Jefferson Cty. Pkwy. #2560, Golden, CO 80419	(303) 271-8111
Kiowa	1305 Goff St., Eads, CO 81036	(719) 438-5421
Kit Carson	251 16th St., Burlington, CO 80807	(719) 346-8638
Lake	505 Harrison Ave., Leadville, CO 80461	(719) 486-1410
La Plata	1060 Second Ave., #134, Durango, CO 81301	(970) 382-6297
Larimer	200 W. Oak St., Ft. Collins, CO 80522	(970) 498-7820
Las Animas	200 E. First St., Room 205, Trinidad, CO 81082	(719) 846-3314
Lincoln	103 Third Ave., Hugo, CO 80821	(719) 743-2444
Logan	315 Main St., Suite 3, Sterling, CO 80751	(970) 522-1544
Mesa	544 Rood Ave., Suite 301, Grand Junction, CO 81502	(970) 244-1662
Mineral	1201 N. Main St., Creede, CO 81130	(719) 658-2440
Moffat	221 W. Victory Way #200, Craig, CO 81625	(970) 824-9120
Montezuma	109 W. Main St., Room 108, Cortez, CO 81321	(970) 565-3728
Montrose	320 S. First St., Montrose, CO 81401	(970) 249-3362 ext. 3
Morgan	231 Ensign, Ft. Morgan, CO 80701	(970) 542-3521
Otero	13 W. Third St., Room 210, La Junta, CO 81050	(719) 383-3020
Ouray	541 Fourth St., Ouray, CO 81427	(970) 325-4961
Park	501 Main St., Fairplay, CO 80440	(719) 836-4333
Phillips	221 S. Interocean Ave., Holyoke, CO 80734	(970) 854-3131
Pitkin	530 E. Main St. #101, Aspen, CO 81611	(970) 429-2713
Prowers	301 S. Main St. #210, Lamar, CO 81052	(719) 336-8011
Pueblo	215 W. 10th St., Pueblo, CO 81003	(719) 583-6620
Rio Blanco	555 Main St., Meeker, CO 81641	(970) 878-9460
Rio Grande	965 Sixth St., Del Norte, CO 81132	(719) 657-3334
Routt	522 Lincoln Ave. Steamboat Springs, CO 80487	(970) 870-5556
Saguache	501 Fourth St., Saguache, CO 81149	(719) 655-2512
San Juan	1557 Green St., Silverton, CO 81433	(970) 387-5671
San Miguel	305 W. Colorado Ave., Telluride, CO 81435	(970) 728-3954
Sedgwick	315 Cedar St., Julesburg, CO 80737	(970) 474-3346
Summit	208 E. Lincoln Ave., Breckenridge, CO 80424	(970) 453-3479
Teller	101 W. Bennett Ave., Cripple Creek, CO 80813	(719) 689-2951 ext. 5
Washington	150 Ash, Akron, CO 80720	(970) 345-6565
Weld	1402 N. 17th Ave., Greeley, CO 80632	(970) 304-6530 ext. 4
Yuma	310 Ash St., Suite F, Wray, CO 80758	(970) 332-5809