

## 2010 Ballot Measures: Proposition 101, Amendment 60, and Amendment 61

What would they mean for education in Colorado?

**Background Information:** In 2007, Colorado ranked 40<sup>th</sup> in the nation in K-12 education funding, spending \$1,397 per student below the national average. And in 2008, Colorado was 48<sup>th</sup> in the nation for our higher education spending per capita. Since then, school districts have endured cuts averaging over \$400 per student, with worse yet to come. Meanwhile, colleges and universities anticipate cuts of at least \$56 million in state aid and rising tuition rates by up to 9% each year through 2015-16.

This is the context in which Colorado faces the following three ballot initiatives – each designed to reduce spending for public services, including education.

# **Proposition 101**

A statutory provision that would reduce several state and local government revenue sources including car registration, license fees, the income tax rate, and phone bill taxes. If passed, the measure would:

- Cut the state income tax rate over time down to 3.5% from the current 4.63%.
- Cut over \$250 million from schools, and severely reduce the primary state revenue stream for higher ed – the state income tax
- Reduce several car ownership taxes and fees, including:
  - Cutting "specific ownership" taxes back to 1919 levels \$2 for new cars and \$1 for used cars a 98% cut from 2009 levels.
  - Resulting in a funding cut of \$250 million for K-12 education, which in Pueblo County
     School District, for example, would mean \$158 less per student.
  - Reducing license fees to a \$10 flat rate, cutting support for transportation
- Eliminate all state and local telecommunications charges except for 911

SUMMARY: If Proposition 101 passed on top of the already deep state budget cuts to public services, our state and local governments would lose over \$2 billion per year by the time the measure was fully implemented.

### **Amendment 60**

A constitutional amendment that would cut local property taxes in half and void local "de-brucing" elections, without providing any mechanism for replacing those funds. If passed, Amendment 60 would:

Cut local property taxes for schools in half by 2020 – reducing local funding by \$1.22 billion –
and would require the state budget to replace lost local revenue. However, after \$3 billion in
budget cuts from 2008-10, the state government has no source of funds to replace the lost local
revenues.

- Reverse local "de-Brucing" elections in the 98% of Colorado school districts, where voters have
  chosen to let schools keep revenue above the constitutional "TABOR" limit. Allow citizens to put
  mill levy reductions on the ballot by petition.
- Require many colleges and universities to pay property tax for the first time.
- Allow individuals to initiate local ballot measures to *cut* mill levies. This means that public school supporters would have to fight efforts to *cut* local support for education.

*SUMMARY:* If passed in November, Amendment 60 would overturn the will of local voters, and lead to massive cuts and fees for our public schools, colleges, and universities.

#### Amendment 61

A constitutional amendment that would prohibit state debt or loans of any kind, and would make it more difficult for local districts to bond to build, repair or improve school buildings. If passed, Amendment 61 would:

- Make Colorado the only state in the nation that is prohibited from using debt to finance capital
  projects, including schools, higher education buildings and roads. (This is the equivalent of
  prohibiting families from purchasing a house until they could pay the whole price upfront,
  without a mortgage).
- End the <u>"Build Excellent Schools Today" program</u> which has so far financed 63 projects to address critical health and safety needs in schools around the state.
- Prevent higher education construction for projects like the Anschutz Medical Center, and the recent modernization of the Auraria Campus which generates jobs and local economic activity.
- End the state's interest-free, short-term loan program for school districts. Those loans ease
  cash flow problems that result from the timing of property tax payments. The end of the loan
  program could result in a March November school year in some school districts, causing
  massive disruptions to Advanced Placement courses and fall sports programs.
- Puts stringent restrictions on the ability of school districts to bond.

*SUMMARY:* If passed by Colorado voters, Amendment 61 would eliminate the state's ability to address the health and safety of Colorado students, to invest in higher ed and transportation infrastructure, or to compete with other states for businesses and the jobs they create.

#### **TOTAL IMPACT**

If passed by Colorado voters, Amendment 60 and 61 or Proposition 101 would slash our state and local government services by at least \$2.5 billion. This would result in even deeper cuts to education from preschool through higher education (and all other public services), causing a rapid acceleration in the current trend toward increased class sizes, elimination of educational opportunities such as classroom technology and textbooks, sports, summer school, after-school enrichment programs, and professional development for teachers. Click here to find out how much would be lost in your local school district if Amendment 60, Amendment 61, and Proposition 101 pass on the November 2010 ballot (Source: www.lookingforwardcolorado.com). For more information, go to <a href="www.greateducation.org">www.greateducation.org</a>, call 303-722-5901, or e-mail casey@greateducation.org.