



“Voice of the Western Slope since 1953”
A coalition of counties, communities, businesses & individuals

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BALANCING FISCAL CONSTRAINTS & FLEXIBILITY FOR GOVERNMENT

WHEREAS without restrictions, the cost of governments can grow faster than their relative economies, thus placing an increasing tax burden on the citizenry; and

WHEREAS it is necessary to balance restrictions on government growth with the flexibility necessary for elected officials to respond to taxpayer needs in times of fluctuating economic conditions; and

WHEREAS the “Taxpayer’s Bill of Rights” (TABOR) Amendment to the Colorado constitution (adopted in 1992) was well-founded in its intent to limit the continual growth of state government and thus vest more power in the people whom that government serves; and

WHEREAS a basic tenet of the “Taxpayer’s Bill of Rights” (TABOR) was to allow a vote by the people on all revenue or taxing issues, TABOR in actuality has taken away that right by its prohibitions on alternative revenue sources, including but not limited to severance taxes and Real Estate Transfer Taxes (RETT); and

WHEREAS as a result of complicating factors with the previously existing Arveschoug-Bird legislative spending restriction and the “ratcheting” effect on the base in times of economic declines, TABOR currently places excessive restrictions on the budgets of all governmental entities in the form of an ever-decreasing revenue base; and

WHEREAS TABOR has been interpreted to impact any and all proposed tax increases including levies, assessments and fees from any governmental entity;

THEREFORE BE IT RESOLVED that CLUB 20:

- supports maintaining limits on the growth of government,
- supports retaining the opportunity for voters to approve proposed tax increases and to elect to exempt certain taxing districts from the TABOR requirement to return back to the citizens tax surpluses in excess of the established revenue limit (“de-Brucing”),
- believes that government at all levels should be required to operate on a balanced budget,
- believes that fiscal limits should be statutory in nature; supports removing such existing limitations from the constitution and relocating them within statute; supports restrictions

- on the ability of the legislature to amend or modify taxpayer initiated statutes; and opposes the placement of additional fiscal limitations within the state constitution,
- supports efforts to amend TABOR to eliminate the "ratchet effect" (whereby the established spending "base" is reduced to ever lower levels during economic declines) and to eliminate the "weakening provision" (which effectively constitutionalized the earlier Arveschoug-Bird legislative amendment, thus preventing the legislature from further amending it) and to eliminate TABOR's prohibitions on alternative revenue sources,
 - supports responsible tax policy which encourages efficiency in government, and balances the goals of minimizing the tax burden on citizens and providing adequate revenues to support the public infrastructure necessary to provide a high quality of life and make Colorado economically competitive, and
 - recognizes the need to encumber future revenues against debt in order to provide funding for infrastructure projects and to therefore spread the burden of repayment for those projects amongst both current and future beneficiaries during the life of those long-term investments.

Adopted 9/5/03
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