

MR. CHAIRMAN AND DISTINGUISHED COMMISSION MEMBERS

GOOD MORNING, I AM JERRY GROSWOLD. I AM A LAWYER AND A RETIRED SKI RESORT EXECUTIVE. I WAS PRESIDENT AND CEO OF THE WINTER PARK RESORT FOR 22 YEARS. I AM A PAST CHAIRMAN OF CLUB 20. I APPRECIATE THE OPPORTUNITY TO APPEAR BEFORE THE COMMISSION.

I HAVE SPENT THE LAST SEVERAL YEARS LEARNING ABOUT AND WORRYING OVER THE FUTURE OF COLORADO AND ITS FISCAL STABILITY. I SHARE THE OPINION THAT WE ARE ABOUT TO SEE WHAT CHARLIE BROWN, THE EXECUTIVE DIRECTOR OF THE CENTER FOR COLORADO'S ECONOMIC FUTURE AT THE UNIVERSITY OF DENVER, CALLS A BUDGETARY TSUNAMI. I WORRY ABOUT THE KIND OF LEGACY WE ARE LEAVING FOR MY GRANDCHILDREN.

I AM THE CHAIR OF THE BOARD OF ADVISORS FOR THE UNIVERSITY OF DENVER'S CENTER. I WAS A MEMBER OF THE COLORADO ECONOMIC FUTURES PANEL OF THE UNIVERSITY OF DENVER AND WAS ALSO A MEMBER OF THE UNIVERSITY'S STRATEGIC ISSUES PANEL ON THE COLORADO CONSTITUTION.

IT IS IMPORTANT TO UNDERSTAND THE DIFFERENCE BETWEEN THE CENTER FOR COLORADO'S ECONOMIC FUTURE AND THE STRATEGIC ISSUES PROGRAM. BOTH HAVE BEEN CREATED BY AND ARE A PART OF THE UNIVERSITY OF DENVER AND ITS ONGOING COMMITMENT TO THE PUBLIC GOOD. THE STRATEGIC ISSUES PROGRAM IS HEADED BY DR. JIM GRIESEMER AND ADDRESSES A SINGLE MAJOR SUBJECT AT A TIME WITH A DIVERSE, NON-PARTISAN PANEL OF COLORADO CITIZENS WHO ARE INTERESTED IN AND KNOWLEDGEABLE ON THE PARTICULAR SUBJECT. TO DATE, THE PROGRAM HAS ADDRESSED WATER, COLORADO'S ECONOMIC FUTURE, THE FUTURE OF THE COLORADO CONSTITUTION AND IS CURRENTLY ADDRESSING IMMIGRATION.

THE CENTER IS HEADED BY CHARLIE BROWN, IS SEPARATE FROM THE PROGRAM AND DOES INDEPENDENT RESEARCH ON MATTERS RELATED TO COLORADO'S ECONOMIC FUTURE. BOTH ARE IMPORTANT FOR YOUR PURPOSES, BUT THE DISTINCTION SHOULD BE NOTED.

IN EACH OF THE PANELS I HAVE BEEN A MEMBER OF A GROUP OF COLORADO CITIZENS LEARNING ABOUT AND HEARING EXPERTS ON THE

STATE OF COLORADO'S CONSTITUTION AND THE MESS WE HAVE MADE OF BOTH THE CONSTITUTION AND THE WAY IN WHICH WE ATTEMPT TO FINANCE SERVICES TO BE PROVIDED TO OUR CITIZENS. EACH OF THESE GROUPS ISSUED REPORTS THAT HAVE BEEN VERY POPULAR AND ARE NOW IN SHORT SUPPLY. WE HAVE, HOWEVER, BEEN ABLE TO OBTAIN A COPY OF EACH OF THE FINAL REPORTS FOR EACH OF YOU THROUGH THE GENEROSITY OF THE UNIVERSITY OF DENVER STRATEGIC ISSUES PROGRAM AND ITS DIRECTOR, DR. JIM GRIESEMER, WHO CHAIRED BOTH PANELS AND DRAFTED THE REPORTS. I AM ALSO PROVIDING YOU WITH A LIST OF THE APPLICABLE INTERNET ADDRESSES FOR ALL OF THE REPORTS. ALL OF THIS HAS BEEN GIVEN TO THE STAFF FOR DISTRIBUTION TO YOU.

IN RECENT YEARS WE HAVE, THROUGH THE USE OF THE INITIATIVE PROCESS OF AMENDING OUR CONSTITUTION, FINE TUNED THE LAW OF UNINTENDED CONSEQUENCES BEYOND THE POINT THAT ANY ONE COULD HAVE IMAGINED. AND WE HAVE ADDED USELESS AND CONFLICTING PROVISIONS TO THE DOCUMENT THAT IS SO BASIC TO OUR FORM OF GOVERNMENT.

TWO REPORTS WERE ISSUED BY THE UNIVERSITY OF DENVER'S COLORADO ECONOMIC FUTURES PANEL (CEFP). THE PRELIMINARY REPORT WAS ENTITLED "PROMISE IN PERIL" AND THE FINAL REPORT WAS ENTITLED "PRINCIPLES FOR PROGRESS". THE TITLES ARE SIGNIFICANT. I SHOULD MENTION THAT WE HAVE PROVIDED YOU WITH JUST THE FINAL REPORT OF THE FUTURES PANEL. THE PRELIMINARY REPORT IS AVAILABLE ON-LINE, SHOULD YOU BE INTERESTED.

THE CEFP EXAMINED IN DETAIL THE FISCAL AND ECONOMIC CHARACTERISTICS OF THE STATE AS A WHOLE. AS THE PANEL STUDIED A BROAD RANGE OF ISSUES AFFECTED BY ECONOMIC POLICY, IT BECAME APPARENT THAT REBUILDING PUBLIC TRUST AND IMPROVING THE PROCESS FOR PUBLIC DECISION-MAKING AND GOVERNANCE ARE FUNDAMENTAL TO THE LONG-TERM SUCCESS AND FISCAL STABILITY OF THE STATE.

THE FINAL REPORT CONTAINS A SERIES OF 12 RECOMMENDATIONS TO ADDRESS THE DISMAL PROSPECT FOR COLORADO'S ECONOMIC FUTURE. THE CREATION OF THE CENTER AT THE UNIVERSITY IS ONE OF THOSE RECOMMENDATIONS.

THE STRATEGIC ISSUES PANEL ON THE CONSTITUTION ISSUED ITS REPORT IN JANUARY, 2008. THAT REPORT "THE FUTURE OF COLORADO'S CONSTITUTION" CONCLUDES THAT THE MOST SERIOUS CONSTITUTIONAL ISSUES FACING COLORADO INVOLVE CONFLICTING PROVISIONS, THE UNINTENDED CONSEQUENCES OF AMENDMENTS AND UNCHANGEABLE POLICIES FROZEN WITHIN THE CONSTITUTION. EACH OF THESE CONDITIONS FRUSTRATES THE ABILITY OF POLICY MAKERS TO RESPOND TO CHANGING TIMES AND TO MEET THE DIVERSE NEEDS OF COLORADO'S CITIZENS, BUSINESSES AND OTHERS. WE HAVE EFFECTIVELY REMOVED THE DECISION MAKING ABILITY FROM OUR ELECTED OFFICIALS. AND WE HAVE, AT LEAST TO SOME EXTENT, LIMITED THE SCOPE OF THEIR HORIZON IN CONSIDERING ISSUES FOR THE FUTURE THROUGH TERM LIMITS.

IT IS IMPORTANT TO RECOGNIZE THAT WE ARE A REPRESENTATIVE FORM OF GOVERNMENT. THE PROCESS OF USING AMENDMENTS TO THE CONSTITUTION TO GOVERN IS IN FACT DIRECT DEMOCRACY. THAT IS A PROCESS THAT ONLY WORKS WITH A WELL INFORMED ELECTORATE.

IN COLORADO WE HAVE FALLEN PREY TO BUMPER STICKER POLITICS WHERE DECISIONS BY THE ELECTORATE ARE OFTEN BASED ON SHORT CATCHY PHRASES LIKE "ETHICS IN GOVERNMENT" AND 20 SECOND SOUND BITES, OFTEN FUNDED BY OUT OF STATE INTERESTS THAT DO NOT HAVE COLORADO'S BEST INTERESTS AT HEART.

I BELIEVE THAT OUR VOTERS SINCERELY WANT TO DO THE RIGHT THING , THAT THEY ARE EMOTIONAL ABOUT THEIR VOTING AND WHILE VERY WELL INTENTIONED, THEY LARGELY ARE UN-INFORMED OR MISINFORMED WHEN THEY GO TO THE BALLOT BOX ON ANY CONSTITUTIONAL AMENDMENT, PARTICULARLY IF IT CONTAINS A FISCAL ISSUE.

I HOPE THAT EACH OF YOU HAVE ALSO REVIEWED THE ISSUE BRIEF OF THE D. U. CENTER, JUST RECENTLY RELEASED, AND ENTITLED "COLORADO'S STATE BUDGET TSUNAMI". I BELIEVE THAT CHARLIE BROWN MADE A PRESENTATION TO YOU IN ONE OF YOUR EARLIER MEETINGS. ITS MESSAGE IS VERY SIMPLE. JUST THREE PROGRAMS - EDUCATION, PRISONS AND HEALTHCARE CONSUMED 54 CENTS OF EVERY GENERAL FUND DOLLAR A DECADE AGO, CURRENTLY CONSUME 76 CENTS OF EVERY

GENERAL FUND DOLLAR AND IF AVERAGE GROWTH OCCURS WILL CONSUME 91 CENTS OF EVERY GENERAL FUND DOLLAR IN 5 YEARS.

THE ISSUE BRIEF CALLS FOR A STUDY OF OUR FISCAL SITUATION, WHICH WOULD INCLUDE A ROADMAP FOR UNTANGLING THE STATE'S FISCAL GORDIAN KNOT. OUR TAX STRUCTURE RESULTS IN VOLATILITY, DOES NOT MATCH OUR ECONOMY AND ISN'T PRODUCING REVENUE ADEQUATE TO KEEP UP WITH THE COST OF SERVICES THAT WE EXPECT FROM GOVERNMENT. SUCH A STUDY SHOULD BE OF A SCOPE EQUAL TO THE 1959 MCNICHOL'S STUDY AND SHOULD SPELL OUT A SERIES OF NECESSARY CHANGES TO PROVIDE FISCAL STABILITY. OUR TAX LAWS AND FISCAL PROCEDURES ARE SO CONVOLUTED AND COMPLEX THAT IT WILL TAKE SERIOUS ANALYSIS AND DELIBERATION BY KNOWLEDGEABLE EXPERTS TO DETERMINE HOW TO STRAIGHTEN THINGS OUT IN A PLAN THAT IS STRATEGICALLY ORIENTED TOWARD COLORADO'S FISCAL STABILITY AND ITS ECONOMIC FUTURE

NOW IS THE TIME TO ACT. THE TSUNAMI ISSUE BRIEF OF THE CENTER, THE ECONOMIC FUTURES PANEL REPORTS AND THE REPORT OF THE COLORADO CONSTITUTION STRATEGIC ISSUE PANEL ALL CALL FOR AN INDEPENDENT IN-DEPTH ANALYSIS OF OUR CONSTITUTION AND THE WAY WE PAY FOR THE COST OF GOVERNMENT.

THIS COMMISSION HAS THE OPPORTUNITY TO PROPOSE LEGISLATION FOR THE UPCOMING SESSION AND I WOULD ENCOURAGE YOU TO CONCENTRATE YOUR EFFORTS ON AN INDEPENDENT REVIEW PATTERNED AFTER THE MCNICHOL'S STUDY IN 1959 AND THE CREATION OF A CONSTITUTIONAL REVISION COMMISSION.

A CONSTITUTION REVISION COMMISSION SHOULD BE CREATED THROUGH A REFERRED CONSTITUTIONAL AMENDMENT AS RECOMMENDED BY THE STRATEGIC ISSUES PANEL. THE REVISION COMMISSION SHOULD BE FULLY FUNDED AND STAFFED AND BE CONVENED ON A REGULAR BASIS.

A SPECIFIC APPROACH IS SET FORTH IN THE REPORT OF THE STRATEGIC ISSUES PANEL ON PAGES 18 THROUGH 21 AND INCLUDES THE SUGGESTED MAKEUP OF THE COMMISSION, ITS STAFFING AND FUNDING, THE PROCEDURES IT WOULD FOLLOW, AND HOW IT WOULD MAKE RECOMMENDATIONS DIRECTLY TO THE VOTERS IN CLEAR, CONCISE AND READILY UNDERSTANDABLE LANGUAGE.

WE CANNOT AFFORD TO CONTINUE TO ADDRESS THESE IMPORTANT ISSUES IN ONE SMALL BITE AT A TIME. THE DEFINITION OF INSANITY IS DOING THE SAME THING OVER AND OVER ANTICIPATING A DIFFERENT RESULT. WE NEED TO RECOGNIZE AND FIX THE SIGNIFICANT PROBLEMS NOW. THAT IS WHAT THIS COMMISSION CAN DO.

REALIZE EARLY ON THAT THERE WILL NEVER BE ENOUGH TIME, AS SOME WILL CONTEND. BUT REMEMBER - IF YOU DON'T HAVE TIME TO DO IT RIGHT THE FIRST TIME, YOU WILL NEVER FIND TIME TO FIX IT.

I APPRECIATE THIS TIME THIS MORNING AND I WISH YOU GREAT SUCCESS IN YOUR DELIBERATIONS. I URGE YOU TO MAKE GOOD USE OF THE SIGNIFICANT WORK THAT HAS BEEN DONE BY THE UNIVERSITY OF DENVER THROUGH ITS PANELS AND CENTER. I HONESTLY BELIEVE THAT WHAT YOU ARE DOING IS OF CRITICAL IMPORTANCE TO COLORADO AND ITS FUTURE.

THANK YOU.

