

*Colorado Legislative Council Staff Fiscal Note*  
**STATE and LOCAL**  
**CONDITIONAL FISCAL IMPACT**

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<b>Drafting Number:</b> LLS 10-0942	<b>Date:</b> March 30, 2010
<b>Prime Sponsor(s):</b> Rep. Benefield Sen. Williams; Romer	<b>Bill Status:</b> House Education
	<b>Fiscal Analyst:</b> Marc Carey (303-866-4102)

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**TITLE:** SUBMITTING TO THE REGISTERED ELECTORS OF THE STATE OF COLORADO AN AMENDMENT TO ARTICLE IX OF THE CONSTITUTION OF THE STATE OF COLORADO, CONCERNING THE AUTHORITY OF THE GENERAL ASSEMBLY TO GENERATE ADDITIONAL STATE REVENUES FOR FUNDING PRESCHOOL THROUGH POSTSECONDARY PUBLIC EDUCATION WITHOUT PRIOR VOTER APPROVAL, AND, IN CONNECTION THEREWITH, NOTWITHSTANDING THE PRIOR VOTER APPROVAL REQUIREMENT OF SECTION 20 (4) (A) OF ARTICLE X OF THE STATE CONSTITUTION, ALLOWING THE GENERAL ASSEMBLY TO ENACT STATUTES THAT RESULT IN ADDITIONAL STATE REVENUES TO BE USED TO FUND PRESCHOOL THROUGH POSTSECONDARY PUBLIC EDUCATION AND EXEMPTING ANY ADDITIONAL STATE REVENUES RAISED FOR THIS PURPOSE FROM THE CONSTITUTIONAL LIMITATIONS ON FISCAL YEAR SPENDING.

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
<b>State Revenue</b>		
General Fund	unknown increase	
Cash Funds		
State Education Fund	unknown increase	
<b>State Expenditures</b>		
General Fund	unknown increase	
Cash Funds		
State Education Fund	unknown increase	
<b>FTE Position Change</b>	0.0 FTE	0.0 FTE
<b>Effective Date:</b> Upon approval by a majority of voters in November, 2010.		
<b>Appropriation Summary for FY 2010-2011:</b> None required.		
<b>Local Government Impact:</b> See School District Impact section.		

**Summary of Legislation**

This concurrent resolution refers a measure to the voters at the 2010 general election to amend the state constitution to authorize the General Assembly to raise additional state revenue without prior voter approval if the resulting revenue is used to fund preschool through postsecondary education. This additional revenue would not be subject to the constitutional limitation on fiscal year spending.

### **State Revenue**

Passage of this resolution would result in the General Assembly being authorized to enact laws to raise additional revenue without prior voter approval, as long as the additional revenue was only used to fund education. This fiscal note assumes that any additional revenue raised would be credited to either the General Fund or the State Education Fund. The additional revenue is conditional on the resolution being passed by the voters and the specific revenue raising mechanisms adopted by the General Assembly.

### **State Expenditures**

Any additional revenue collected as a result of the authorization contained in this resolution is required to be spent on preschool through post secondary education. Specifically, the resolution requires that this revenue be used to:

- expand the availability of preschool, full-day kindergarten, or family literacy programs;
- implement accountable education reform and programs to meet academic standards;
- reduce class size;
- expand the use of technology in education;
- improve teacher effectiveness;
- address public school building needs; or
- improve the accessibility, quality, and affordability of career and technical educational opportunities or post secondary educational opportunities.

This revenue would be part of the state aid that is allocated to school districts through the annual school finance act, or the state support of higher education, including stipends and fee-for-service contracts. Additional expenditures would come from either the General Fund, the State Education Fund, or both. These are conditional on the resolution being passed by the voters and have not been quantified.

### **School District Impact**

School districts would receive additional state aid through the annual school finance act. Allocation of the funds would likely occur through existing allocation formulas.

### **Election Expenditure Impacts (For Informational Purposes Only)**

The bill refers a measure to the voters at the November 2010 general election. This measure will be published in newspapers and an analysis of the measure will be included in the Blue Book mailed to all registered voter households prior to the election. Under current law, costs for these functions will be paid through a General Fund line item in the Long Appropriations Bill. Table 1 below identifies the anticipated costs for the 2010 Blue Book.

<b>Table 1. Cost to Produce and Distribute the 2010 Blue Book to All Registered Voter Households</b>	
Printing	\$400,000
Postage	\$450,000
Translation	\$20,000
Newspaper Publication (English & Spanish)	\$700,000
<b>Total Cost (14 issues)</b>	<b>\$1,570,000</b>
<b>Average Cost per Issue</b>	<b>\$112,143</b>

**Departments Contacted**

Education