

**Amendment 59**  
**Education Funding and TABOR Rebates**

1 **Ballot Title:** An amendment to the Colorado constitution concerning the manner in  
2 which the state funds public education from preschool through the twelfth grade, and,  
3 in connection therewith, for the 2010-11 state fiscal year and each state fiscal year  
4 thereafter, requiring that any revenue that the state would otherwise be required to  
5 refund pursuant to the constitutional limit on state fiscal year spending be transferred  
6 instead to the state education fund; eliminating the requirement that, for the 2011-12  
7 state fiscal year and each state fiscal year thereafter, the statewide base per pupil funding  
8 for public education from preschool through the twelfth grade and the total state funding  
9 for all categorical programs increase annually by at least the rate of inflation; creating  
10 a savings account in the state education fund; requiring that a portion of the state income  
11 tax revenue that is deposited in the state education fund be credited to the savings  
12 account in certain circumstances; requiring either a two-thirds majority vote of each  
13 house of the general assembly or, in any state fiscal year in which Colorado personal  
14 income grows less than six percent between the two previous calendar years, a simple  
15 majority vote of the general assembly to use the moneys in the savings account;  
16 establishing the purposes for which moneys in the savings account may be spent;  
17 establishing a maximum amount that may be in the savings account in any state fiscal  
18 year; and allowing the general assembly to transfer moneys from the general fund to the  
19 state education fund, so long as certain obligations for transportation funding are met.

20 **Text of Proposal:**

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

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

25 **Section 17. Education - funding.** (1) **Purpose.** In state fiscal year 2001-2002  
26 through state fiscal year 2010-2011, the statewide base per pupil funding, as defined by  
27 the Public School Finance Act of 1994, article 54 of title 22, Colorado Revised Statutes,  
28 on the effective date of this section, for public education from preschool through the  
29 twelfth grade and total state funding for all categorical programs shall grow annually at  
30 least by the rate of inflation plus an additional one percentage point. ~~In state fiscal year~~  
31 ~~2011-2012, and each fiscal year thereafter, the statewide base per pupil funding for~~  
32 ~~public education from preschool through the twelfth grade and total state funding for all~~  
33 ~~categorical programs shall grow annually at a rate set by the general assembly that is at~~  
34 ~~least equal to the rate of inflation.~~

35 (4) **State education fund created.** (a) There is hereby created in the department  
36 of the treasury the state education fund. Beginning on the effective date of this measure,  
37 all state revenues collected from a tax of one third of one percent on federal taxable

1 income, as modified by law, of every individual, estate, trust and corporation, as defined  
2 in law, shall be deposited in the state education fund. Revenues generated from a tax  
3 of one third of one percent on federal taxable income, as modified by law, of every  
4 individual, estate, trust and corporation, as defined in law, shall not be subject to the  
5 limitation on fiscal year spending set forth in article X, section 20 of the Colorado  
6 constitution. All interest earned on monies in the state education fund shall be deposited  
7 in the state education fund and shall be used before any principal is depleted. Monies  
8 remaining in the state education fund at the end of any fiscal year shall remain in the  
9 fund and not revert to the general fund.

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

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

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

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

37 (c) THE GENERAL ASSEMBLY SHALL ONLY APPROPRIATE MONEYS FROM THE STATE  
38 EDUCATION FUND SAVINGS ACCOUNT BY THE ENACTMENT OF A BILL APPROVED BY A  
39 TWO-THIRDS MAJORITY VOTE OF ALL THE MEMBERS ELECTED TO EACH HOUSE OF THE  
40 GENERAL ASSEMBLY, OR BY A SIMPLE MAJORITY VOTE IN ANY STATE FISCAL YEAR IN  
41 WHICH COLORADO PERSONAL INCOME GROWS LESS THAN SIX PERCENT BETWEEN THE

1 TWO PREVIOUS CALENDAR YEARS. THE MONEYS IN THE ACCOUNT MAY BE  
2 APPROPRIATED FOR THE SAME PURPOSES FOR WHICH THE MONEYS IN THE STATE  
3 EDUCATION FUND MAY BE APPROPRIATED PURSUANT TO PARAGRAPH (b) OF SUBSECTION  
4 (4) OF THIS SECTION AND SHALL NOT BE APPROPRIATED FOR ANY OTHER PURPOSE.

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

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

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

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

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