

Building a Better
Colorado

Presentation to
Colorado School Finance Project
10/02/15



WHO are we?



Who is “Building a Better Colorado”?

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A non-partisan group of civic leaders statewide who’ve come together with a shared concern for our state’s future.

Norma Anderson

frmr State Senator

Hank Brown

frmr U.S. Senator

Gigi Dennis

frmr Secretary of State

Michael Hancock

Mayor of Denver

John Hickenlooper

Governor of Colorado

Rebecca Kourlis

frmr Supreme Court Justice

Phyllis Norris

Mayor of Grand Junction

Gale Norton

frmr U.S. Sec of the Interior

Tom Norton

frmr State Senator

Federico Pena

frmr Mayor of Denver

Bill Ritter

frmr Governor of Colorado

Roy Romer

frmr Governor of CO

Ken Salazar

frmr U.S. Sec of the Interior

Gail Schwartz

frmr State Senator

John Suthers

Mayor of Colorado Springs

Wellington Webb

frmr Mayor of Denver

WHAT are we doing?



WHAT are we doing?

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- **We're teeing up a conversation.**
We're concerned about what we see as a growing disconnect between citizens and their government, as evidenced by:
 - the increasing number of amendments to our constitution
 - the decreasing number of citizens who participate in our election process
 - the decreasing ability of our state government to meet the expectations of it's citizens
- **We're engaging Coloradans in this conversation.**
We believe the pathway to a better Colorado lies in engaging citizens statewide in a constructive conversation about what **THEY** want their state to be.
- **We're taking action.**
We are committed to supporting implementation of consensus policy recommendations.

WHAT are we NOT doing?

- **We are NOT advocating for any particular policy recommendation. We want to hear YOUR opinion.**

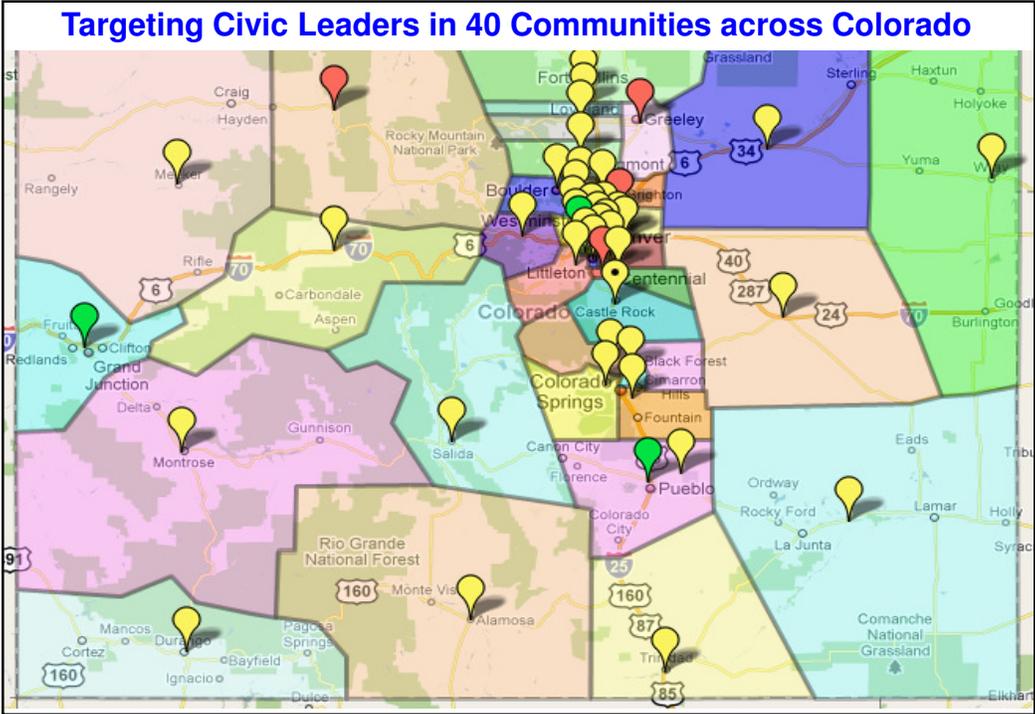
HOW are we going to “engage citizens”?



Engaging Coloradans in 3 Ways

Building A Better Colorado





WHY these three issues?

WHAT is the problem?



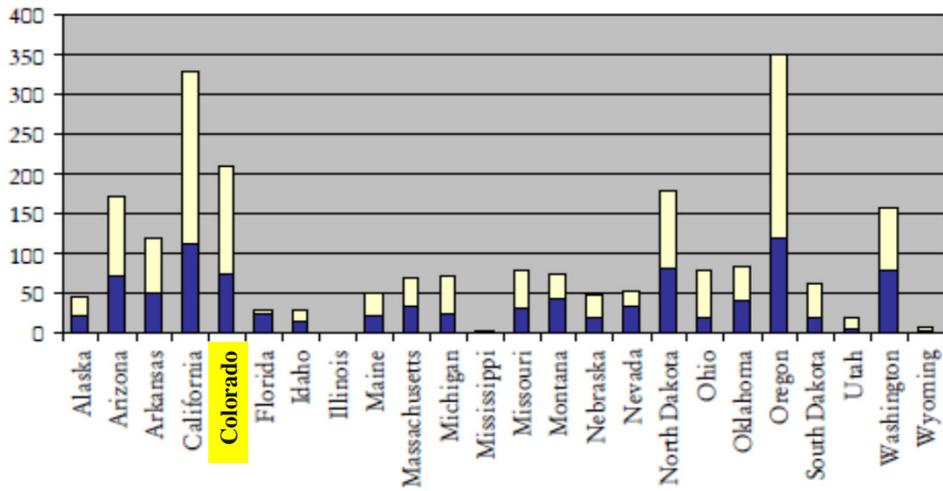
What's the problem with our INITIATIVE PROCESS?

Colorado has one of the most easily-amended state constitutions, and therefore we've seen more citizen initiatives than any state except CA and OR.



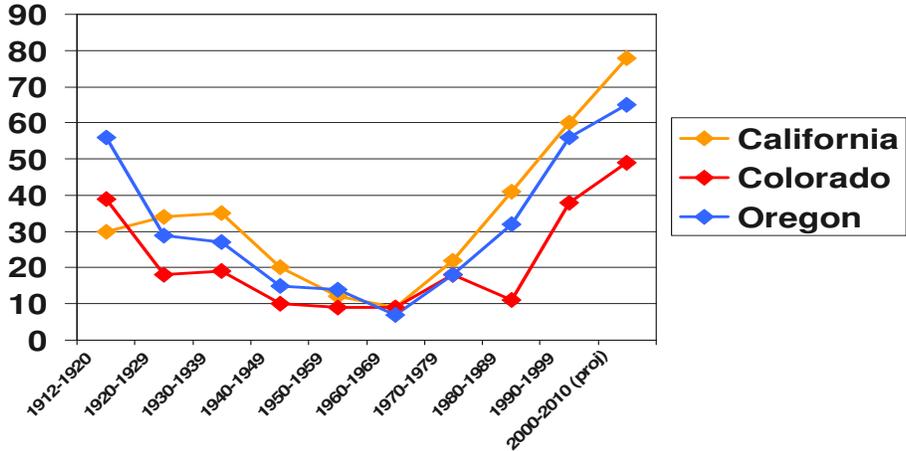
Number of Initiatives to Date by State

(Shaded areas of each bar denotes number of measures approved.)



Source: Initiative & Referendum Institute

State Initiative Trends



NOTE: These are NOT cumulative values.

Easy Initiative Process = Cluttered Constitution

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Because it's just as easy for citizens to amend our state CONSTITUTION as it is to amend state LAWS, and

Because amendments to the constitution are much harder to change in the future than are amendments to state law (fixing problems in the constitution requires another vote of the people, whereas our elected legislature can fix problems in state law),

Initiative proponents (many of whom are out-of-state interests) are incentivized to pursue amendments to our CONSTITUTION rather than state LAWS, and this is creating an increasingly inflexible and conflicted framework for our state.

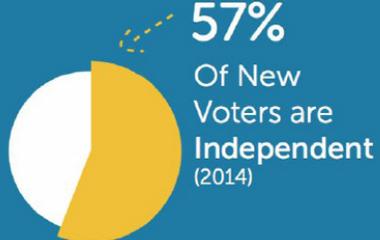
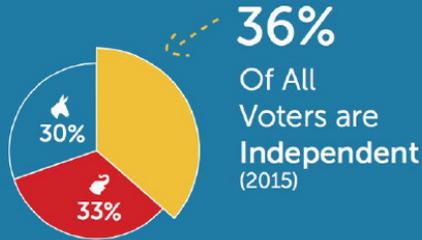


What's the problem with our ELECTION PROCESS?

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- A decreasing # of voters are participating in primary elections.
- Unaffiliated voters, which make up the largest and fastest growing block of Colorado's electorate, can't easily participate in this process for which they help pay.

Participation Down to 22% of Registered Voters in Primaries (2014)



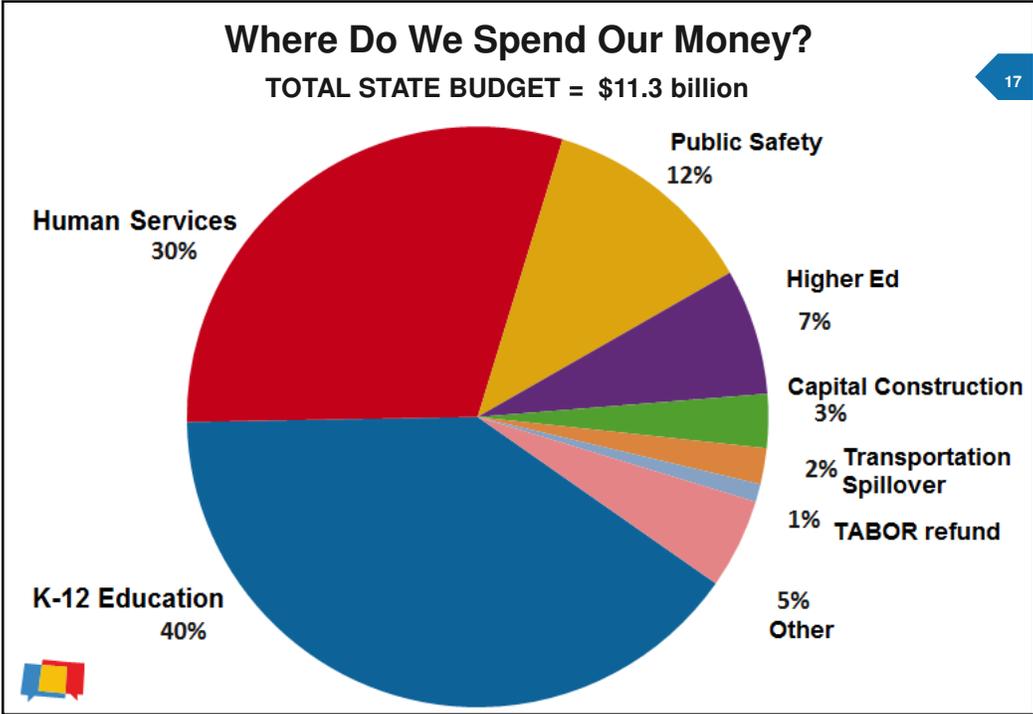
More Than One Million Colorado Voters Can't Vote in Colorado Primaries Unless They Join a Party.

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What's the problem with our FISCAL POLICY?

Colorado's fiscal policy is unsustainable because of a combination of constitutional spending mandates and revenue limitations, and health care costs related to our aging population.





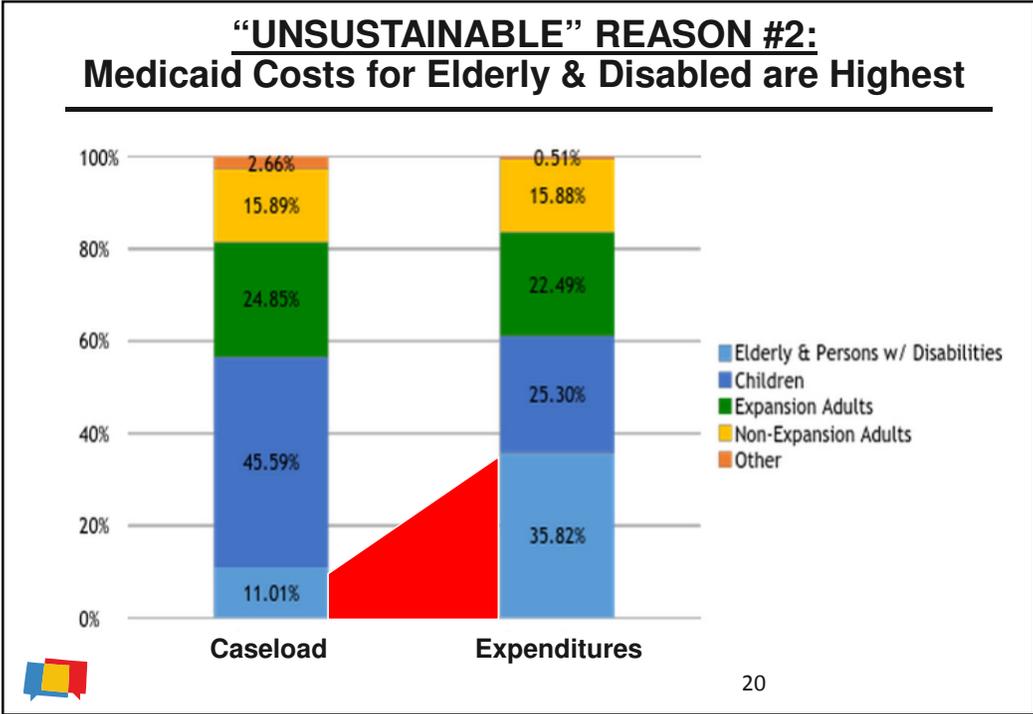
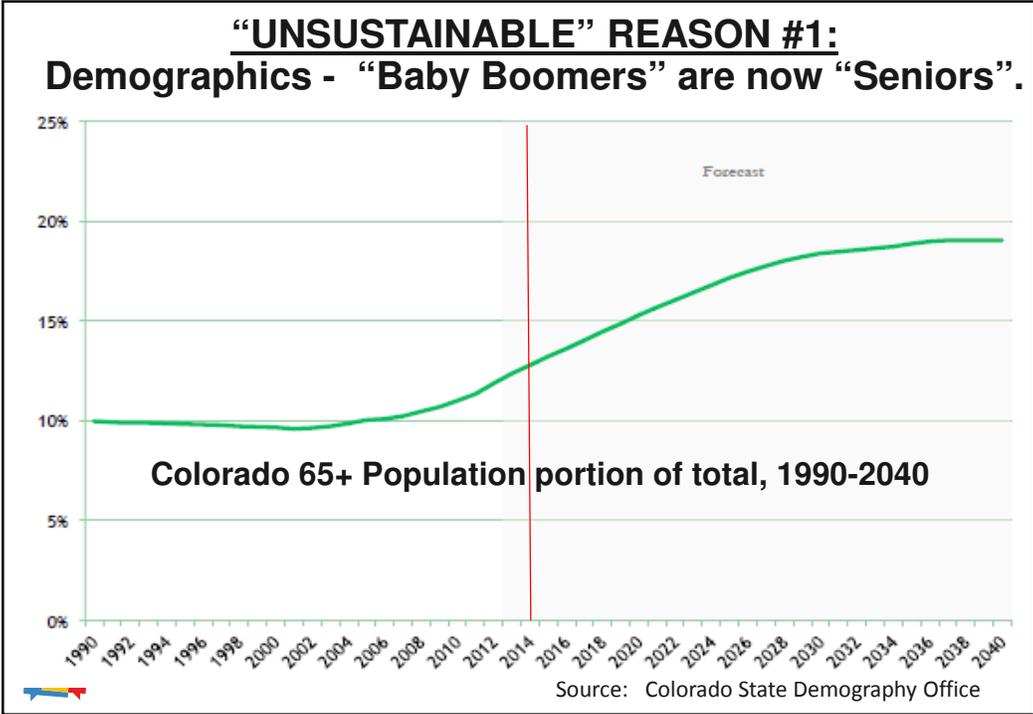
So, what's the problem?

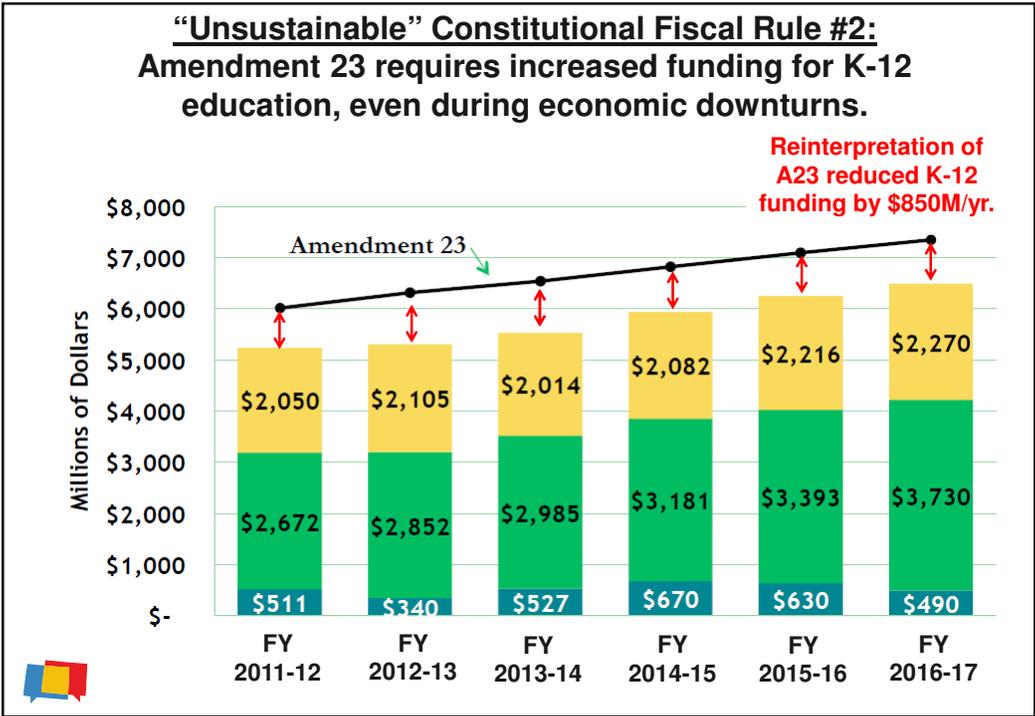
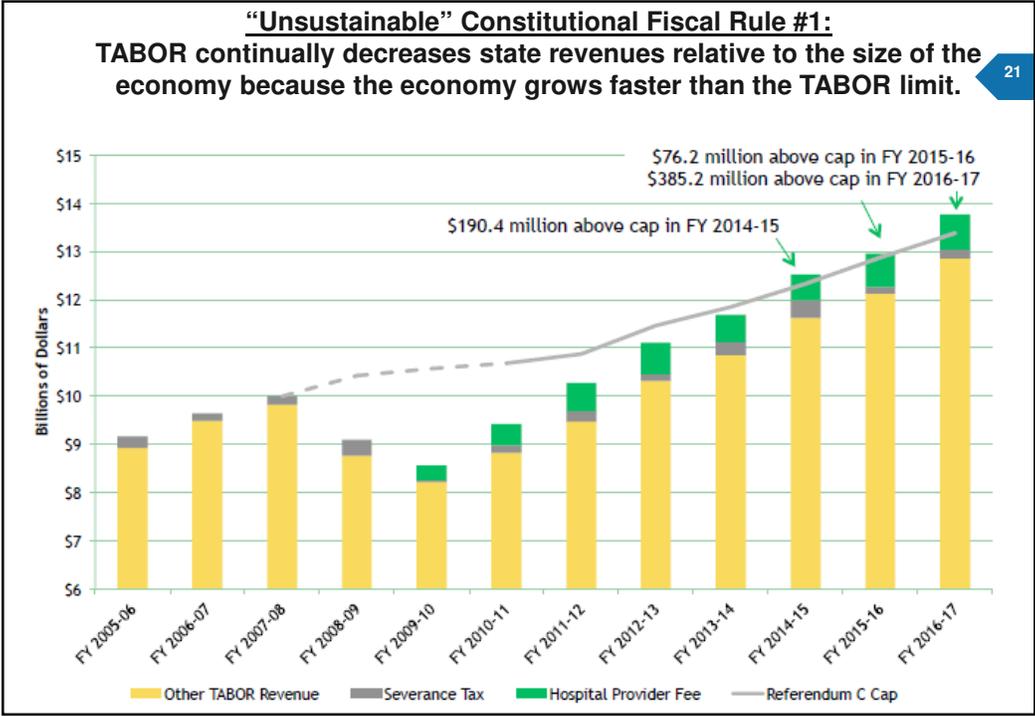
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3 Reasons Why Our Fiscal Situation “Unsustainable”

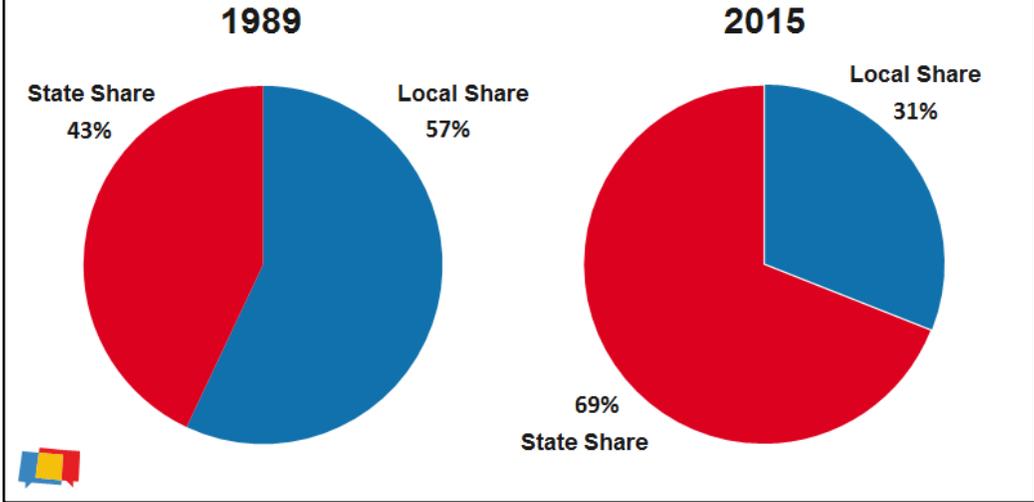
1. Demographics - “Baby Boomers” are now “Seniors”.
2. The increasing costs of providing state services like health care for elderly and other vulnerable populations.
3. Conflicting fiscal rules that we’ve embedded into our constitution.

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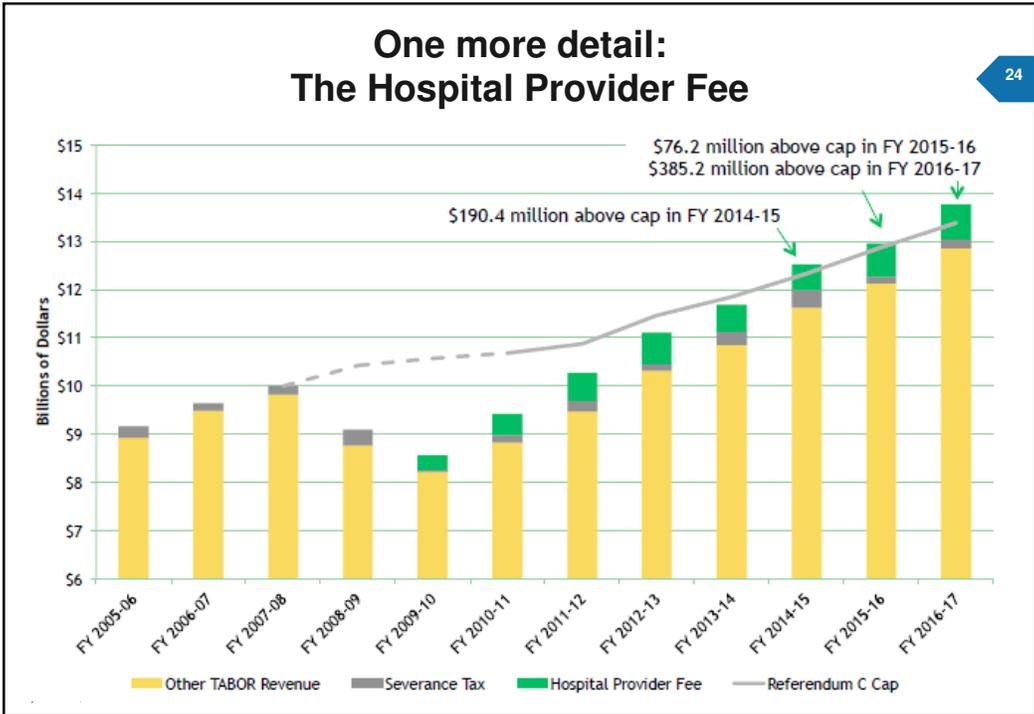




“Unsustainable” Constitutional Fiscal Rule #3:
 The Gallagher Amendment has resulted in continually shifting the K-12 funding cost from local to state government, which causes the K-12 “slice” of the state budget to grow every year.



**One more detail:
 The Hospital Provider Fee**



Findings from the Legislative-Commissioned DU Study on Colorado's Economic Future, 2011-2024

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Annual expected growth rates:

- K-12 education expenditures = 6%
- Medicaid expenditures = 8%
- General Fund revenues = 5%

BOTTOM LINE:

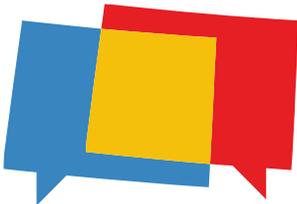
“Even a strong recovery and sustained job growth over the next decade and a half will not produce enough income and sales tax revenue to afford Colorado’s share of Medicaid funding and the state’s payment for public schools under current constitutional and statutory provisions.”

“By fiscal year 2024 a structural imbalance in the state budget would result in only enough revenue to support Medicaid, K-12 education, and corrections. “



**We believe Colorado
can do better.**





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Thanks for your time!

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