



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Memorandum

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August 27, 2019

TO: Executive Committee of the Legislative Council
FROM: Legislative Council Staff
SUBJECT: TABOR Fiscal Information for Proposition DD

The Taxpayer's Bill of Rights (TABOR) in the Colorado Constitution requires that certain fiscal information be provided to voters when state bonded debt, a new tax, or a tax increase is proposed in an election. Under state law, fiscal information for statewide tax measures is required to be provided in the Blue Book by the Executive Committee of the Legislative Council.¹

Proposition DD proposes a new tax on sports betting. Attachment A provides the fiscal information recommended for inclusion in the Blue Book to satisfy the constitutional requirements. The tables in Attachment A are labeled "Table 2" and "Table 3" to correspond with the table numbers in the Blue Book.

¹Section 1-40-124.5 (1.5), C.R.S.

Attachment A

State Spending and Tax Increases

Article X, Section 20, of the Colorado Constitution requires that the following fiscal information be provided when a tax increase question is on the ballot:

- estimates or actual amounts of state fiscal year spending for the current year and each of the past four years with the overall percentage and dollar change; and
- for the first full fiscal year of the proposed tax increase, estimates of the maximum dollar amount of the tax increase and of state fiscal year spending without the increase.

“Fiscal year spending” is a legal term in the Colorado constitution. It equals the amount of revenue subject to the constitutional spending limit that the state or a district is permitted to keep and either spend or save for a single year. Table 2 shows state fiscal year spending for the current year and each of the past four years.

Table 2. State Fiscal Year Spending

	Actual FY 2015-16	Actual FY 2016-17	Actual FY 2017-18	Actual FY 2018-19	Estimated FY 2019-20
Fiscal Year Spending	\$12.82 billion	\$12.89 billion	\$13.70 billion	\$14.36 billion	\$14.95 billion
Four-Year Dollar Change in State Fiscal Year Spending: \$2.13 billion					
Four-Year Percent Change in State Fiscal Year Spending: 16.6 percent					
<i>FY = fiscal year. The state's fiscal (or budget) year runs from July through June.</i>					

Table 3 shows the revenue expected from the new sports betting tax for FY 2020-21, the first full fiscal year for which the tax would be in place, and an estimate of state fiscal year spending without the tax.

Table 3. Estimated State Fiscal Year Spending and the Proposed Sports Betting Tax

	FY 2020-21 Estimate
Fiscal Year Spending without Sports Betting Tax	\$17.70 billion
Revenue from the Sports Betting Tax	\$29.0 million