NOTICE OF ELECTION TO INCREASE TAXES ON A CITIZEN PETITION

2021 State Ballot Information Booklet

STATEWIDE ELECTION DAY is Tuesday, November 2, 2021

Voter service and polling centers are open 7 a.m. to 7 p.m. on Election Day.
Ballots are mailed to all registered voters between October 8 and October 15, 2021.

Legislative Council of the Colorado General Assembly
Research Publication No. 759-1

This publication and additional statewide ballot information are available at: https://leg.colorado.gov/bluebook

A “yes/for” vote on any ballot issue is a vote in favor of changing current law or existing circumstances, and a “no/against” vote on any ballot issue is a vote against changing current law or existing circumstances.

Este folleto informativo de la balota estatal está disponible en español por internet en:
https://leg.colorado.gov/2021folletoinformativo

A full fiscal impact statement for each measure can be found at:
https://leg.colorado.gov/2021bluebookfiscalnotes

An audio version of the book is available through the Colorado Talking Book Library at:
https://myctbl.cde.state.co.us/legislative-blue-book

Local election offices can provide voter information, including where to vote, how to register to vote, and what is on your ballot. Find contact information for local election offices on the inside back cover of this book or online at:
https://www.coloradosos.gov/pubs/elections/Resources/CountyElectionOffices.html

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September 10, 2021

This booklet provides information on the three statewide measures on the November 2, 2021, ballot. Following a quick ballot reference guide, the information is presented in three sections.

Section One — Analyses. Each statewide measure receives an analysis that includes a description of the measure and major arguments for and against. Careful consideration has been given to the arguments in an effort to fairly represent both sides of the issue. Each analysis also includes an estimate of the fiscal impact of the measure. More information on the fiscal impact of measures can be found at leg.colorado.gov/bluebook. The state constitution requires that the nonpartisan research staff of the General Assembly prepare these analyses and distribute them in a ballot information booklet to registered voter households.

Section Two — Titles and Text. For each measure, this section includes the title that appears on the ballot and the legal language of each measure, with new laws in capitalized letters and laws that are being eliminated in strikeout type.

Section Three — Information on Local Election Officials. The booklet concludes with addresses and telephone numbers of local election officials. Your local election official can provide you with information on voter service and polling centers, absentee ballots, and early voting.

Statewide Measures on the 2021 Ballot

Table 1 lists the measures on the 2021 ballot. Of the three measures on the ballot, two propose changes to the state statutes, and one proposes changes to both the state constitution and state statutes. All three measures were placed on the ballot by citizens through the signature-collection process.

Amendments. A measure placed on the ballot through the signature-collection process that amends the state constitution is labeled an “Amendment,” followed by a number between 1 and 99. A measure placed on the ballot by the state legislature that amends the state constitution is labeled an “Amendment,” followed by a letter.

Propositions. A measure placed on the ballot through the signature-collection process that amends the state statutes is labeled a “Proposition,” followed by a number between 100 and

199. A measure placed on the ballot by the state legislature that amends the state statutes or that is referred as a tax question is labeled a “Proposition,” followed by a double letter.

Voter approval is required in the future to change any constitutional measure adopted by the voters, although the legislature may adopt statutes that clarify or implement these constitutional measures as long as they do not conflict with the constitution. The state legislature, with the approval of the Governor, may change any statutory measure in the future without voter approval.

Under provisions in the state constitution, passage of a constitutional amendment requires at least 55 percent of the votes cast, except that when a constitutional amendment is limited to a repeal, it requires a simple majority vote. In 2021, Amendment 78 requires 55 percent of the vote to pass. Propositions 119 and 120 require a simple majority vote to pass.

Table 1
Statewide Measures on the 2021 Ballot

Amending the Constitution and State Statutes		
Amendment 78 *(Initiative 19)*	Legislative Authority for Spending State Money	55% Vote to Pass
Amending State Statutes		
Proposition 119 *(Initiative 25)*	Learning Enrichment and Academic Progress Program	Simple Majority Vote to Pass
Proposition 120 *(Initiative 27)*	Property Tax Assessment Rate Reduction	Simple Majority Vote to Pass

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78 Amendment 78: Legislative Authority for Spending State Money

Placed on the ballot by citizen initiative • Passes with 55 percent of the vote

Ballot Title

Shall there be an amendment to the Colorado Constitution and a change to the Colorado Revised Statutes concerning money that the state receives, and, in connection therewith, requiring all money received by the state, including money provided to the state for a particular purpose, known as custodial money, to be subject to appropriation by the general assembly after a public hearing; repealing the authority to disburse money from the state treasury by any other means; requiring all custodial money to be deposited into the newly created custodial funds transparency fund and the earnings on those deposits to be transferred to the general fund; and allowing the state to retain and spend all custodial money and earnings and revenue on that custodial money as a voter-approved revenue change?

What Your Vote Means

YES A "yes" vote on Amendment 78 requires that all state spending be allocated by the state legislature and that custodial money be deposited in and spent from a new fund.

NO A "no" vote on Amendment 78 allows state agencies to continue spending custodial money and certain other money without appropriation by the state legislature.

119 Proposition 119: Learning Enrichment and Academic Progress Program

Placed on the ballot by citizen initiative • Passes with a majority vote

Ballot Title

SHALL STATE TAXES BE INCREASED $137,600,000 ANNUALLY ON RETAIL MARIJUANA SALES BY A CHANGE TO THE COLORADO REVISED STATUTES CONCERNING THE CREATION OF A PROGRAM TO PROVIDE OUT-OF-SCHOOL LEARNING OPPORTUNITIES FOR COLORADO CHILDREN AGED 5 TO 17, AND, IN CONNECTION THEREWITH, CREATING AN INDEPENDENT STATE AGENCY TO ADMINISTER THE PROGRAM FOR OUT-OF-SCHOOL LEARNING OPPORTUNITIES CHOSEN BY PARENTS; FUNDING THE PROGRAM BY INCREASING THE RETAIL MARIJUANA SALES TAX BY 5% BY 2024 AND REALLOCATING A PORTION OF THE PUBLIC SCHOOL LANDS INCOME; AUTHORIZING TRANSFERS AND REVENUE FOR PROGRAM FUNDING AS A VOTER-APPROVED REVENUE CHANGE; SPECIFYING THAT LEARNING OPPORTUNITIES INCLUDE TUTORING AND EXTRA INSTRUCTION IN SUBJECTS INCLUDING READING, MATH, SCIENCE, WRITING, MUSIC, AND ART, TARGETED SUPPORT FOR CHILDREN WITH SPECIAL NEEDS AND LEARNING DISABILITIES, CAREER AND TECHNICAL EDUCATION TRAINING, AND OTHER ACADEMIC OR ENRICHMENT OPPORTUNITIES; AND PRIORITIZING PROGRAM FINANCIAL AID FOR LOW-INCOME STUDENTS?

What Your Vote Means

YES A "yes" vote on Proposition 119 funds financial aid for tutoring and other out-of-school enrichment and instruction through an increase in retail marijuana taxes and transfers from existing state funds.

NO A "no" vote on Proposition 119 means the program will not be created and funded.

120 Proposition 120: Property Tax Assessment Rate Reduction

Placed on the ballot by citizen initiative • Passes with a majority vote

Ballot Title

Shall there be a change to the Colorado Revised Statutes concerning property tax reductions, and, in connection therewith, reducing property tax revenue by an estimated $1.03 billion in 2023 and by comparable amounts thereafter by reducing the residential property tax assessment rate from 7.15% to 6.5% and reducing the property tax assessment rate for all other property, excluding producing mines and lands or leaseholds producing oil or gas, from 29% to 26.4% and allowing the state to annually retain and spend up to $25 million of excess state revenue, if any, for state fiscal years 2022-23 through 2026-27 as a voter-approved revenue change to offset lost revenue resulting from the property tax rate reductions and to reimburse local governments for revenue lost due to the homestead exemptions for qualifying seniors and disabled veterans?

IMPORTANT NOTE: *The description of Proposition 120 in this voter information guide differs from the language in the ballot question because a law that changed the effect of the measure was passed by the state legislature after the ballot question was written.*

What Your Vote Means

YES A "yes" vote on Proposition 120 lowers property tax assessment rates for multifamily housing and lodging properties. It does not impact assessment rates for other types of residential and nonresidential property.

NO A "no" vote on Proposition 120 retains the assessment rates for lodging and multifamily housing properties that are in current law.

78 Legislative Authority for Spending State Money

Placed on the ballot by citizen initiative • Passes with 55 percent of the vote

Amendment 78 proposes amending the Colorado Constitution and the Colorado statutes to:

- prohibit state agencies from spending money received for a particular purpose (custodial money) without direct allocation by the state legislature;
- require that custodial money be deposited into a newly created fund and that interest earned on money in the fund be transferred to the state's General Fund; and
- require that the state legislature allocate any spending from the new fund each year following a public hearing.

What Your Vote Means

YES A "yes" vote on Amendment 78 requires that all state spending be allocated by the state legislature and that custodial money be deposited in and spent from a new fund.

NO A "no" vote on Amendment 78 allows state agencies to continue spending custodial money and certain other money without appropriation by the state legislature.

78 Legislative Authority for Spending State Money

Summary and Analysis for Amendment 78

What does this measure do?

The measure requires all state spending to be directly allocated, or "appropriated," by the state legislature. In state government, an appropriation is the primary way the legislature directly allocates money to be spent for state programs. By requiring appropriations for all spending, the measure disallows other currently legal ways for state agencies, public colleges and universities, and elected officials, such as the Governor or the Attorney General, to spend money without a direct allocation by the state legislature.

In addition, the measure deposits custodial money in a new fund, called the Custodial Funds Transparency Fund. It defines custodial money as money received by the state that must be used for a particular purpose. This includes money received from the federal government, as a legal settlement from a lawsuit, or as a donation from a private individual or organization. The word "custodial" is used to refer to the money because the state acts as the custodian of the money to ensure that it is spent on the intended purpose.

Each year, the legislature must allocate spending from the new fund and hold a public hearing with an opportunity for public comment. Any interest earned on money in the new fund is placed in the state's General Fund, where it may be used for any purpose.

How is spending authorized now?

Under the Colorado Constitution, the state legislature has the power to direct how money will be spent by the government through the annual budget process. Each year, the state legislature passes the annual budget bill, completing a process that includes time for public input and debate by legislators. This bill sets the amount of funding available for state programs, allowing state agencies to legally spend the money allocated to them. The budget does not typically determine the spending of custodial money, as these funds originate outside of state government, and the specific purpose for which they must be used is already determined. The legislature may also pass laws that authorize spending outside of the budget process.

How would the measure change the process for spending custodial money?

All state spending would require direct legislative allocation, including the spending of custodial money. The measure does not change the particular purpose for which custodial money must be spent. However, the state legislature may make different spending decisions than state agencies would to address that purpose, and the timing of when some moneys are spent may change.

The state receives custodial money throughout the year, including when the legislature is typically out of session between May and December. Implementation of the measure could require the legislature to establish a new process to allow spending of custodial money outside of the regular legislative session, or to meet for a special session. These

changes may affect the timing of certain spending decisions, potentially resulting in delayed or interrupted operations until spending is directly allocated.

What are examples of money that the measure would affect?

The state legislature would have to directly allocate the spending of all funds, including the following types of money that are not part of the current budget process.

- **Emergency relief funds.** For example, in 2020, the state received $1.67 billion in federal relief funds through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which was spent according to the Governor's executive order.
- **Other money from the federal government.** The federal government provides regular funding for many state programs each year including, but not limited to, health care and human services, transportation, and education programs. This money is custodial when federal law says how it should be spent. Only some of this spending is currently directly allocated by the legislature.
- **Legal settlements.** The state receives funds from various legal settlements, such as prior and ongoing opioid-related settlements. These funds are spent by state agencies according to the applicable court orders.
- **Transportation funding.** Under an existing law, nearly all funding for state transportation projects is allocated by an independent commission rather than by the state legislature.
- **Grants.** State agencies may receive competitive grant awards from the federal government or from private organizations, which may be spent on the specific programs or purposes for which the grant was awarded.
- **Gifts and donations.** State agencies, colleges, and universities may receive and spend gifts or donations.

What are other impacts of this measure?

State revenue limit. Under current law, most and maybe all custodial money and the interest earned on it are exempt from the state's constitutional revenue limit. Under the measure, all custodial money and the interest earned on it are exempt.

Interest revenue. Currently, interest earned on custodial money remains available for the same purpose as the custodial money. This measure would move interest earned on the Custodial Fund Transparency Fund into the General Fund, where it could be spent by the legislature for any purpose.

For information on those issue committees that support or oppose the measures on the ballot at the November 2, 2021, election, go to the Colorado Secretary of State's elections center web site hyperlink for ballot and initiative information:

https://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html

78 Legislative Authority for Spending State Money

Argument For Amendment 78

1) The measure increases transparency and accountability in state government. The Governor, the Attorney General, and unelected administrators in state agencies currently spend large amounts of custodial money, often without public input or accessible public records. By requiring that all state spending be directly allocated by the state legislature, the measure allows for public participation and provides transparency in how funds are spent.

Argument Against Amendment 78

1) The measure adds unnecessary and expensive bureaucracy and risks significant unintended consequences. A longer allocation process could delay or interrupt state services, including emergency responses to public health or wildfire disasters. Further, making grant funding subject to additional steps could jeopardize Colorado's competitiveness for grant awards, resulting in the state receiving less money. Finally, the measure shifts decision-making from program experts and independent commissions to a political process in the state legislature.

Fiscal Impact for Amendment 78

Amendment 78 increases state spending on the budgeting process, may change how custodial money is spent, and may affect state revenue, as discussed below.

State spending. The measure increases spending by at least $1.0 million annually to add new staff in state agency budget offices and the legislative budget committee. The additional staff are needed because the measure requires state agencies to submit proposed spending of custodial money for allocation by the state legislature.

Other state spending could be affected if the state legislature makes different spending decisions than would be made by state agencies. While the purpose of the spending is not altered, the state legislature could fund different programs to implement that purpose.

State revenue. The overall impact of the measure on state revenue is unknown and depends on how the measure is implemented. Because custodial funds must be placed in the new fund before being spent, the measure could move interest earnings to the General Fund rather than funds controlled by state agencies. However, whether interest earnings increase or decrease depends on many factors, including the different rates of return of the two funds and the amount of time the money remains in the new fund.

119 Learning Enrichment and Academic Progress Program

Placed on the ballot by citizen initiative • Passes with a majority vote

Proposition 119 proposes amending the Colorado statutes to:

- create the Colorado Learning Enrichment and Academic Progress program to help certain Colorado youth access and pay for out-of-school learning opportunities like tutoring; and
- pay for the program by raising retail marijuana taxes and using other existing state funds.

What Your Vote Means

YES A "yes" vote on Proposition 119 funds financial aid for tutoring and other out-of-school enrichment and instruction through an increase in retail marijuana taxes and transfers from existing state funds.

NO A "no" vote on Proposition 119 means the program will not be created and funded.

119 Learning Enrichment and Academic Progress Program

Summary and Analysis for Proposition 119

What does the measure do?

The measure creates the Learning Enrichment and Academic Progress program (program) to provide financial aid and support to eligible Colorado youth to access out-of-school learning and enrichment opportunities like tutoring. Children between the ages of 5 and 17 who live in Colorado will be eligible to apply for the program. The program will be funded using revenue raised from increasing retail marijuana taxes by 5 percent over three years, plus an estimated $20 million annually from the General Fund. Additionally, the measure diverts approximately $20 million annually from the State Land Trust, which helps fund public schools, to the State Public School Fund.

What are out-of-school learning and enrichment opportunities?

The measure defines out-of-school learning and enrichment opportunities as any program, service, system, activity, materials, or purchase that provides additional educational or developmental support to youth outside of the regular school day. These opportunities can include, but are not limited to, tutoring, targeted assistance for youth with special needs, second language training, additional academic learning support materials, career and technical educational training programs, social emotional learning, and mental health services. The financial aid provided by the program cannot be used for school tuition or for instruction or materials that are part of the student's regular school curriculum.

How will the program work?

Colorado Learning Authority and board of directors. The measure establishes a new state agency called the Colorado Learning Authority (authority), which is independent from oversight by the State Board of Education and the Colorado Department of Education. The authority will be overseen by a nine-member board of directors (board), appointed by the Governor. The authority and its board will be responsible for:

- creating and administering the program;
- assisting and supporting providers in administering services to eligible youth;
- establishing how funds will be distributed;
- distributing financial aid to programs selected by eligible youth;
- implementing an evaluation system to measure the impacts of the program and the quality of the providers; and
- working with selected parents and providers in determining the day-to-day operations of the program.

Program providers. Under the measure, the authority is required to develop criteria for the selection and certification of learning opportunity providers. School districts

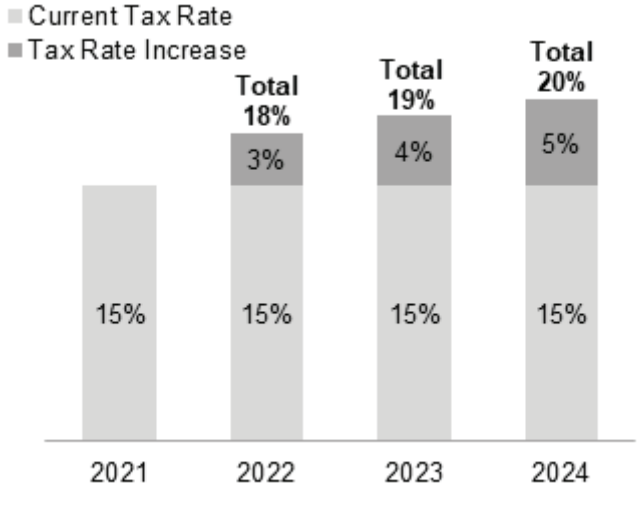
and other local education agencies will be pre-certified as providers, and teachers will receive priority approval as qualified providers. Other interested providers must submit an application and be certified by the authority as an approved provider. A list of authority-approved local and statewide providers will be made available to program participants.

Financial aid distribution. The program will pay providers chosen by parents on behalf of eligible youth. In 2023, the measure requires that eligible youth in families with incomes at or below the federal poverty level be given first priority for financial aid, followed by youth in families with incomes up to twice the federal poverty level. In 2021, the federal poverty level is $26,600 for a family of four. After prioritizing these groups, the authority will distribute any remaining aid to other participating students. Beginning in 2024, the measure allows the authority to determine financial aid award amounts, timing, and distribution methods. The authority is still required to prioritize low-income youth.

How will the program be funded?

The measure funds the program in two ways. First, the measure implements a phased sales tax increase on retail marijuana and marijuana products from the current 15 percent rate to 18 percent in 2022, 19 percent in 2023, and 20 percent in 2024 and each year thereafter. The proposed marijuana sales tax increase is shown in Figure 1. Second, the measure shifts money from existing state funds, including the State Land Trust and the General Fund. For further information on how the program will be funded, refer to the fiscal impact section at the end of the analysis.

Figure 1
Phased Sales Tax Rate Increase on Marijuana Under the Measure



119 Learning Enrichment and Academic Progress Program

For information on those issue committees that support or oppose the measures on the ballot at the November 2, 2021, election, go to the Colorado Secretary of State's elections center web site hyperlink for ballot and initiative information:

https://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html

Arguments For Proposition 119

1) Proposition 119 increases the sales tax on retail marijuana to fund financial aid for tutoring and other out-of-school learning opportunities for Colorado students. Even before the pandemic, tutoring and out-of-school instructional support were badly needed by the significant number of students who are not proficient in reading, writing, or math. School closures caused by COVID have urgently increased the need for outside instructional support, especially among low-income students who cannot afford the cost of tutoring or enrichment services.

2) Proposition 119 supports the academic and developmental needs of all students, and low-income students will be prioritized for financial aid. The measure empowers an independent, bipartisan board to certify that tutoring and enrichment providers are qualified and accountable. Once financial aid is awarded, families and students will have the choice about which certified tutors or other instructional providers best meet the specific needs of their student.

Arguments Against Proposition 119

1) Proposition 119 allows public money to be directed to private out-of-school service providers instead of invested directly in public schools. Public dollars set aside for education are needed to support the public education system. If voters want to increase retail marijuana taxes for education, the revenue would be better used to expand the capacity of public schools in every community, keeping the money under local control and allowing school districts to reinstate programs they have had to cut and to provide additional learning and enrichment opportunities for children.

2) Increasing the sales tax on marijuana will further increase the gap in prices between legal marijuana and black-market marijuana, pushing more individuals into the black market and hurting legitimate retail marijuana businesses. Additionally, the retail sales tax on marijuana already places a greater financial burden on low-income individuals; increasing the tax rate will only make this worse.

Fiscal Impact for Proposition 119

On net, Proposition 119 will increase state revenue and spending. It also transfers money between various state funds. These impacts, as well as the estimated impact on taxpayers, are discussed below. The state budget year runs from July 1 through June 30.

State revenue. Proposition 119 will increase state revenue by an estimated $34.8 million in state budget year 2021-22 and by $87.1 million beginning in budget year 2022-23 by increasing the tax on retail marijuana. The amount for state budget year 2021-22 is a half-year impact. This revenue is not subject to state constitutional spending limits. In addition, the measure reduces investment earnings in the Permanent Fund by about $48.2 million over a ten-year period, including $30.7 million in interest earnings that would otherwise be used as funding for the K-12 education system and $17.5 million in forgone capital growth in the balance of the Permanent Fund over ten years.

State spending. Proposition 119 will increase state expenditures from the newly created Learning Enrichment and Academic Progress Fund by an estimated $55.8 million in budget year 2021-22 and $109.1 million in budget year 2022-23 and in future years. The amount for state budget year 2021-22 is a half-year impact. Expenditures will include administration of the Learning Enrichment and Academic Progress Program and the financial aid award amounts distributed to parents. The change in state spending will equal the change in state revenue and transfers.

Transfers of state funds. Proposition 119 will divert $21.0 million in budget year 2021-22 and $22.0 million beginning in budget year 2022-23 in State Land Trust revenue from the Permanent Fund to the State Public School Fund. The measure then transfers a corresponding amount of revenue each year from the General Fund to the newly created Learning Enrichment and Academic Progress Fund. The money transferred is not subject to state constitutional spending limits.

Taxpayer impacts. Proposition 119 will increase the amount of sales taxes paid by Coloradans who purchase marijuana products. State law requires Legislative Council Staff to estimate the potential tax burden on affected taxpayers within specified income categories. However, state law prohibits the collection of personal data on retail marijuana purchasers. Therefore, Legislative Council Staff used data from the U.S. Bureau of Labor Statistics and Centers for Disease Control and Prevention concerning the usage of and spending on tobacco products by income group to produce the estimates in Table 1 below. The table estimates the following information:

- the estimated number of taxpayers by income category;
- the total change in tax burden for each income category; and
- the average change in tax burden for individuals in each income category.

Table 1
Estimated Impact on Retail Marijuana Consumers by Income Category in State Budget Year 2024-25

Income Category[1]	Estimated Number of Taxpayers	Total Change in Tax Burden	Average Change in Tax Burden
$14,999 or less	280,184	$15.0 million	$54
$15,000 to $29,999	253,933	$19.9 million	$78
$30,000 to $39,999	145,639	$14.3 million	$98
$40,000 to $49,999	98,995	$12.5 million	$127
$50,000 to $69,999	146,190	$21.4 million	$146
$70,000 to $99,999	110,694	$25.4 million	$230
$100,000 to $149,999	75,914	$19.0 million	$250
$150,000 to $199,999	37,703	$5.4 million	$143
$200,000 to $249,999	22,462	$2.1 million	$92
$250,000 to $499,999	14,873	$1.2 million	$83
$500,000 to $999,999	5,481	$0.8 million	$151
$1,000,000 or more	2,601	$0.6 million	$238
Total	**1,194,668**	**$137.6 million**	

[1]*Federal adjusted gross income*

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 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 2017-18	Actual FY 2018-19	Actual FY 2019-20	Actual FY 2020-21	Estimated FY 2021-22
Fiscal Year Spending	$13.70 billion	$14.36 billion	$14.87 billion	$15.64 billion	$15.99 billion
Four-Year Dollar Change in State Spending: $2.29 billion					
Four-Year Percent Change in State Spending: 16.7 percent					

Table 3 shows the revenue expected from the tax increase on retail sales of marijuana for FY 2022-23, the first full fiscal year for which the tax increase would be in place, and an estimate of state fiscal year spending without the tax increase. The estimate in Table 3 differs from the amount in the ballot question for Proposition 119 because it reflects a different fiscal year, FY 2022-23 rather than FY 2024-25.

Table 3
Estimated State Fiscal Year Spending
and the Proposed Tax Increase on Retail Sales of Marijuana

	FY 2022-23 Estimate
Fiscal Year Spending Without the Tax Increase	$19.23 billion
Revenue from the Tax Increase on Retail Sales Marijuana	$87.1 million

120 Property Tax Assessment Rate Reduction

Placed on the ballot by citizen initiative • Passes with a majority vote

Proposition 120 proposes amending the Colorado statutes to:

- lower the property tax assessment rates for multifamily housing and lodging properties; and
- allow the state to retain money above constitutional spending limits if it is used to fund existing property tax exemptions.

IMPORTANT NOTE: *The description of the measure in this voter information guide differs from the language in the ballot question because a law that changed the effect of the measure was passed by the state legislature after the ballot question was written.*

What Your Vote Means

YES A "yes" vote on Proposition 120 lowers property tax assessment rates for multifamily housing and lodging properties. It does not impact assessment rates for other types of residential and nonresidential property.

NO A "no" vote on Proposition 120 retains the assessment rates for lodging and multifamily housing properties that are in current law.

120 Property Tax Assessment Rate Reduction

Summary and Analysis for Proposition 120

Why is this description of Proposition 120 different from the ballot question and text of the measure?

The effect of Proposition 120 changed due to a law passed by the state legislature during the 2021 session, after the ballot question was set. Specifically:

- Proposition 120 was initially written to permanently lower the assessment rates for all residential property and most nonresidential property.
- Senate Bill 21-293, enacted in June, established new categories of property so that the lower residential assessment rate in Proposition 120 (6.5 percent) applies only to multifamily housing properties, and the lower nonresidential assessment rate (26.4 percent) applies only to lodging properties.

Senate Bill 21-293 also temporarily lowers assessment rates for residential properties, agricultural properties, and renewable energy properties for 2022 and 2023, after which the rates return to 2021 levels.

What does this voter information guide describe?

This voter information guide discusses the impact of Proposition 120 compared with existing law. Existing law includes the changes enacted in Senate Bill 21-293.

What happens if Proposition 120 passes?

Proposition 120 will lower property tax assessment rates for multifamily housing and lodging properties, as shown in Table 1. Through state budget year 2026-27, the measure also allows the state to retain $25.0 million per year in revenue above the constitutional limit if it is used to fund existing reimbursements to local governments for property tax exemptions for seniors and veterans with a service-related disability.

Table 1
Assessment Rate Changes Under Proposition 120

	Without Proposition 120			With Proposition 120
Type of Property	**2021**	**2022 and 2023**	**2024**	**Starting in 2022**
Multifamily Properties	7.15%	6.8%	7.15%	6.5%
Lodging Properties	29%	29%	29%	26.4%

The following classes of property are not impacted by the measure:

- other residential properties, including single-family homes;
- agricultural land;
- mines and oil and gas properties; and

- other nonresidential properties, such as commercial property, industrial property, natural resources, and vacant land.

What are property taxes?

Residential and nonresidential property owners pay property taxes on a portion of their property's value. Nonresidential property includes commercial, industrial, agricultural, and oil and gas property, vacant land, natural resources, and mines. Cities, counties, school districts, and special districts impose and collect the tax annually, and use the revenue to fund public schools and local services such as road and street maintenance, police departments, fire protection, water and sewer infrastructure, parks, and libraries.

How are property taxes calculated?

Figure 1 illustrates how property taxes are calculated. Property taxes are paid on a portion of a property's actual value. This portion is known as the taxable value, or assessed value, and is calculated by multiplying the actual value by the assessment rate. The actual value of a property is determined by the county assessor or state property tax administrator; the assessment rate is a percentage set in state law. The taxable value is then multiplied by the local tax rate (known as a mill levy) to determine the taxes due. One mill equals $1 for every $1,000 of taxable value.

Figure 1
Property Tax Calculation

Example: Property value of $300,000, taxed at 100 mills, using 2021 assessment rates.

Taxable value = Property value × Assessment rate

Residential	$300,000	×	7.15%	= $21,450 taxable value
Nonresidential	$300,000	×	29%	= $87,000 taxable value

Property taxes = Taxable value × Tax rate (Mills/1000)

Residential	$21,450	×	0.100	= $2,145 owed
Nonresidential	$87,000	×	0.100	= $8,700 owed

How does Proposition 120 impact property taxpayers?

Compared to what would be owed without the measure, Proposition 120 reduces property taxes for most owners of the following types of property:

- **Multifamily housing properties**, which include those with more than one housing unit such as duplexes, triplexes, or properties with four or more units, but do not include condominiums; and
- **Lodging properties**, which include hotels, motels, and bed and breakfasts.

The actual impact on an individual property owner will depend on several factors, including the local jurisdictions in which their property is located, actual future mill levies, and the actual value of their property. The taxpayer impact section below includes the estimated property tax decrease for several examples at different property values, assuming the statewide average mill levy for the 2020 tax year.

How does Proposition 120 impact local governments?

Proposition 120 reduces property tax revenue to most local governments, compared to what would be collected without the measure, and may impact local services such as education, fire protection, police, transportation, and libraries. The impact on each individual local government's revenue and services will vary across the state, depending on:

- **Mix of properties** – areas with a higher portion of multifamily housing and lodging properties will be more heavily impacted.
- **Mill levies** – actual mill levies are determined at the local level. Local governments could choose to ask voters to raise future mill levies. Some local governments already have permission from their voters to adjust the tax rate to make up for reductions in assessment rates, and thus may not experience any revenue impacts.

Property values are growing at different rates around the state. In areas where property values are growing quickly, the reduction in assessment rates in Proposition 120 will cause property tax revenue overall to grow at a slower rate. In areas where values are not growing quickly, this reduction could cause overall property tax revenue to decrease from one year to the next.

How does Proposition 120 impact school funding?

Public schools are funded through a combination of state and local government revenue. The state pays the difference between an amount of school district funding required by a formula in state law, and the amount of local tax revenue generated. A reduction in property tax revenue to school districts increases the amount that the state must pay to make up the difference, although actual funding is determined by the state legislature. Property tax reductions from Proposition 120 that are not offset by additional state funding will result in lower school funding for some districts. The impact will vary by district.

What is the homestead property tax exemption?

The homestead property tax exemption allows eligible veterans with service-related disabilities and seniors to exempt 50 percent of the first $200,000 of residential property value from property taxes. The average exemption was $584 in 2020.

In years the exemption is available, the state reimburses local governments for the revenue reduction resulting from the property tax exemption. The state spent $157.9 million on local government reimbursements in state budget year 2020-21. In some

years, the state legislature has made the exemption temporarily unavailable as a budget balancing decision. The last year the exemption was not available was 2011.

Does Proposition 120 change the homestead property tax exemption?

No. The measure does not change the homestead property tax exemption. Rather, the measure allows the state to retain $25.0 million above constitutional spending limits per year through the 2026-27 state budget year if that amount is spent on homestead exemptions.

> *For information on those issue committees that support or oppose the measures on the ballot at the November 2, 2021, election, go to the Colorado Secretary of State's elections center web site hyperlink for ballot and initiative information:*
>
> https://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html

Argument For Proposition 120

1) The measure provides targeted tax relief for important sectors of Colorado's economy. Reducing property taxes for most multifamily properties may ease pressure on rents and encourage investment to address Colorado's housing shortage. In addition, lodging owners may hire and retain more employees and potentially reduce lodging rates, attracting additional visitors.

Argument Against Proposition 120

1) Permanently reducing property tax revenue to local governments may result in cuts to important government services. Proposition 120 will pose challenges for special districts, cities, or counties that rely on property tax revenue from multifamily homes or lodging properties to maintain services, such as water, transportation, education, and emergency services. In particular, critical fire protection needs are increasing rapidly, and not all areas of the state are able to generate the funding needed to support these local services.

Fiscal Impact for Proposition 120

This measure decreases local government property tax revenue and increases state spending requirements as described below.

Local government impact. Proposition 120 is expected to decrease property tax revenue to local governments statewide by an estimated $45.9 million in 2022, and $50.3 million in 2023. The revenue decrease is expected to be larger in later years, due to a scheduled increase in the assessment rate for multifamily housing in 2024 under current law. Prior to the passage of Senate Bill 21-293, the measure was expected to

decrease property tax revenue to local governments by an estimated $1.03 billion, which is why this number appears in the ballot question.

The impact will vary among local governments across the state, and the specific impact on each city, county, special district, or school district will depend on several factors, including mill levies and the composition of properties in each jurisdiction.

State spending. The measure increases state spending to backfill lost property tax revenue to school districts. If the measure passes, the state share of school finance is estimated to increase by at least $12.8 million in state budget year 2022-23, and $14.1 million in state budget year 2023-24 and subsequent years compared to what would have happened under current law. Additionally, the measure will decrease state spending for the senior and disabled veteran homestead exemption by a minimal amount, and increase workload for the Division of Property Taxation to update forms and training materials and respond to inquiries regarding the changes.

For up to five budget years, the measure allows the state to retain $25.0 million in revenue above constitutional spending limits, for the purpose of offsetting lost local government revenue and funding state reimbursements through the homestead exemption. In years when the state collects revenue above its constitutional limit, this provision of the measure effectively has no net impact on state spending or the availability of the homestead exemption.

The state's budget year runs from July 1 through June 30.

Taxpayer impacts. The measure lowers property taxes paid by owners of multifamily housing and lodging properties. Table 2 shows the estimated property tax decrease for example property values, assuming the statewide average mill levy (83.537 mills) for the 2020 tax year. The actual impact on an individual property owner will depend on several factors, including the local jurisdictions in which their property is located, actual future mill levies, and the actual value of the property.

Table 2
Example Taxpayer Impacts – Proposition 120
Tax Year 2022

Example Property Value	Estimated Change in Property Taxes	
	Multifamily Property	Lodging Property
$500,000	($125)	($1,086)
$1,000,000	($251)	($2,172)
$10,000,000	($2,506)	($21,720)
$50,000,000	($12,531)	($108,598)
$100,000,000	($25,061)	($217,196)

Amendment 78
Legislative Authority for Spending State Money

The ballot title below is a summary drafted by the professional staff of the offices of the secretary of state, the attorney general, and the legal staff for the general assembly for ballot purposes only. The ballot title will not appear in the Colorado Constitution or Colorado Revised Statutes. The text of the measure that will appear in the Colorado Constitution and Colorado Revised Statutes below was drafted by the proponents of the initiative. The initiated measure is included on the ballot as a proposed change to current law because the proponents gathered the required amount of petition signatures.

Ballot Title:

Shall there be an amendment to the Colorado Constitution and a change to the Colorado Revised Statutes concerning money that the state receives, and, in connection therewith, requiring all money received by the state, including money provided to the state for a particular purpose, known as custodial money, to be subject to appropriation by the general assembly after a public hearing; repealing the authority to disburse money from the state treasury by any other means; requiring all custodial money to be deposited into the newly created custodial funds transparency fund and the earnings on those deposits to be transferred to the general fund; and allowing the state to retain and spend all custodial money and earnings and revenue on that custodial money as a voter-approved revenue change?

Text of Measure:

Be it enacted by the People of the State of Colorado:

SECTION 1. In the constitution of the state of Colorado, section 33 of article V, **amend** section 33 as follows:

No moneys in the state treasury, NOR CUSTODIAL MONEYS, shall be disbursed ~~therefrom~~ by the treasurer except upon appropriations made by law~~, or otherwise authorized by law,~~ and any amount disbursed shall be substantiated by vouchers signed and approved in the manner prescribed by law.

SECTION 2. In Colorado Revised Statutes, 24-31-108, **amend** (5) as follows:

(5) If all or a portion of any money received by the attorney general and paid to the department of the treasury pursuant to subsection (2) of this section is custodial money, the attorney general shall direct the state treasurer in writing to place such custodial money in a separate account. ~~Any custodial money placed in a separate account pursuant to this subsection (5) is not subject to annual appropriation by the general assembly. A copy of the written direction to the state treasurer must be delivered to the joint budget committee. Such written direction must set forth the basis for the attorney general's determination that the money is custodial money and must specify the manner in which the money will be expended. Such written direction must be given to the state treasurer within thirty days after the date the money is paid to the department of the treasury. Any custodial money placed in a separate account pursuant to this subsection (5) must be expended only for the purposes for which the money has been provided. The department shall provide with its annual budget request an accounting of how custodial money has been or will be expended. For informational purposes, the expenditure of such money may be indicated in the annual general appropriation act.~~

Titles and Text

SECTION 3. In Colorado Revised Statutes, 24-75-201, **add 3(d)(e)(f) and (g) as** follows:

(3)(d) As used in this section, unless the context otherwise requires, "custodial money" or "custodial funds" means money received by the state:

(I) That originated from a source other than the state of Colorado;

(II) That is awarded or otherwise provided to the state for a particular purpose;

(III) For which the state is acting as a custodian or trustee to carry out the particular purpose for which the money has been provided.

(e) Custodial fund transparency fund created.

(I) There is hereby created in the department of treasury a custodial funds transparency fund. The custodial funds transparency fund shall receive all revenue collected by the state as custodial moneys. Earnings and Revenue from the custodial funds transparency fund shall revert to the general fund. All other money remaining in the custodial funds transparency fund at the end of the fiscal year shall remain in the fund and shall not revert to the general fund.

(II) In state fiscal year 2022-2023, and each fiscal year thereafter, the general assembly shall annually appropriate the custodial funds transparency fund for such purposes as specified by law.

(III) moneys from the custodial funds transparency fund shall be appropriated in a public hearing with opportunity for public comment.

(f) Revenue collected as custodial funds, as authorized by the voters at the statewide election in the November 2021, together with earnings and revenue, shall be retained and spent by the state as a voter-approved revenue change and shall be exempt from all revenue, spending, and other limitations under section 20 of article X of the state constitution or any other law.

SECTION 4. Effective Date**.** All provisions of all sections shall take effect on July 1, 2022.

Proposition 119
Learning Enrichment and Academic Progress Program

The ballot title below is a summary drafted by the professional staff of the offices of the secretary of state, the attorney general, and the legal staff for the general assembly for ballot purposes only. The ballot title will not appear in the Colorado Revised Statutes. The text of the measure that will appear in the Colorado Revised Statutes below was drafted by the proponents of the initiative. The initiated measure is included on the ballot as a proposed change to current law because the proponents gathered the required amount of petition signatures.

Ballot Title:

SHALL STATE TAXES BE INCREASED $137,600,000 ANNUALLY ON RETAIL MARIJUANA SALES BY A CHANGE TO THE COLORADO REVISED STATUTES CONCERNING THE CREATION OF A PROGRAM TO PROVIDE OUT-OF-SCHOOL LEARNING OPPORTUNITIES FOR COLORADO CHILDREN AGED 5 TO 17, AND, IN CONNECTION THEREWITH, CREATING AN INDEPENDENT STATE AGENCY TO ADMINISTER THE PROGRAM FOR OUT-OF-SCHOOL LEARNING OPPORTUNITIES CHOSEN BY PARENTS; FUNDING THE PROGRAM BY INCREASING THE RETAIL MARIJUANA SALES TAX BY 5% BY 2024 AND REALLOCATING A PORTION OF THE PUBLIC SCHOOL LANDS INCOME; AUTHORIZING TRANSFERS AND REVENUE FOR PROGRAM FUNDING AS A VOTER-APPROVED REVENUE CHANGE; SPECIFYING THAT LEARNING OPPORTUNITIES INCLUDE TUTORING AND EXTRA INSTRUCTION IN SUBJECTS INCLUDING READING, MATH, SCIENCE, WRITING, MUSIC, AND ART, TARGETED SUPPORT FOR CHILDREN WITH SPECIAL NEEDS AND LEARNING DISABILITIES, CAREER AND TECHNICAL EDUCATION TRAINING, AND OTHER ACADEMIC OR ENRICHMENT OPPORTUNITIES; AND PRIORITIZING PROGRAM FINANCIAL AID FOR LOW-INCOME STUDENTS?

Text of Measure:

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

SECTION 1. In Colorado Revised Statutes, **add** article 86.1 to title 22 as follows:

ARTICLE 86.1
LEARNING ENRICHMENT AND ACADEMIC PROGRESS (LEAP) PROGRAM

22-86.1-101. Legislative declaration. The voters of the state of Colorado find and declare that:

(1) Out-of-school learning opportunities are critical for all Colorado children and youth. These learning opportunities, during periods and timeframes outside of their regular school schedules, provide essential academic and life skills for children and youth to thrive in school and life. These learning opportunities are critical to maintaining and enhancing academic performance and mental, physical, and emotional health for all children.

(2) The intent of the voters in enacting this article 86.1 is to create a statewide learning program that will provide consistent and reliable access to learning opportunities for all of Colorado's children and youth outside of their regular school schedules. It is further intended that such program will allow for: tutoring and supplemental academic instruction in core subject areas, including reading, mathematics, science, and writing; targeted support for children and youth with special needs and learning disabilities; access to mental, physical, and emotional health counseling and services; English

language and foreign language acquisition; access to additional learning supplies and materials, especially for rural students; and other programs that provide academic or enrichment opportunities no longer offered in many schools, including, but not limited to: music, dance, arts, and career and technical education training.

(3) Creating the learning enrichment and academic progress program will ensure that these learning experiences are equally available to all Colorado children and youth and that families will have the authority and responsibility to choose programs, experiences, and activities that they believe to be the best fit for their child or youth.

(4) All children have unique strengths, needs, and learning styles. Encouraging innovation in the creation and provision of new and expanded learning opportunities statewide will benefit Colorado's children and youth and reinforce the learning that takes place in many school environments.

(5) Implementation of the learning enrichment and academic progress program will provide benefits to Colorado communities by providing: supplemental support to students that will accrue to the benefit of students, their families, and their in-school educators; additional employment opportunities for individual educators and providers; and increased economic stability for students and families.

(6) Providing additional money to the state public school fund ensures that the ongoing financial costs of the learning enrichment and academic progress program has minimal financial impact on the state general fund.

(7) By applying a state sales tax to retail marijuana and transferring a portion of revenues earned on Colorado's school trust lands to the state public school fund, the state will be able to fund the learning enrichment and academic progress program for Colorado children and youth.

22-86.1-102. Definitions. As used in this article 86.1, unless the context otherwise requires:

(1) "Authority" means the Colorado learning authority created by section 22-86.1-103.

(2) "Board" means the Colorado learning authority board of directors created by section 22-86.1-105.

(3) "Eligible child or youth" means a child or youth who is five years of age or older in a qualifying year but who is under eighteen years of age and who resides in Colorado and is, or will be, eligible for admission to public school within the state.

(4) "Learning enrichment and academic progress program" or "LEAP program" or "program" means the learning program created in this article 86.1.

(5) "Learning opportunities fund" or "fund" means the learning enrichment and academic progress fund created by section 22-86.1-106.

(6) "Local education provider" means a school district, a board of cooperative services, a district charter school, or an institute charter school.

(7)(a) "Out-of-school learning opportunity" or "Learning opportunity" means a program, service, system, activity, materials, or other pursuit or purchase that provides

supplemental educational or developmental support to eligible children or youth outside of normal school operations.

(b) "Learning opportunity" includes, but is not limited to: tutoring and supplemental academic instruction in core subject areas, including reading, mathematics, science, and writing; targeted support for children and youth with special needs and learning disabilities; English language and foreign language acquisition; career and technical education training; other programs that provide academic or enrichment opportunities; and reasonable and necessary materials and supplies to complete or participate in a learning opportunity.

(c) "Learning opportunity" also includes emotional and physical therapy, mental health services, social emotional learning, mentoring, and other services that support students in their pursuit of a holistic and meaningful education.

(d) "Learning opportunity" does not include in-school instruction, services, materials, curricula, or programs provided as part of a normal course of study conducted in accordance with a student's compulsory attendance requirements under section 22-33-104. "Learning opportunity" does not include credit recovery programs regardless of the time of day or day of the week they are offered. "Learning opportunity" does not include payment of school tuition.

(8) "Parent" means a parent or legal guardian of an eligible child or youth or an individual who stands in loco parentis of an eligible child or youth.

22-86.1-103. The learning enrichment and academic progress program and authority - establishment - purposes - powers. (1) There is hereby established an independent agency within the department of education, the Colorado learning authority. The authority shall exercise its powers and perform its duties and functions as if it were transferred to the department by a **type 1** transfer under the provisions of the "Administrative Organization Act of 1968," article 1 of title 24. In addition to any other statutory powers, duties, and functions of the authority, the authority may perform all budgeting, purchasing, planning, and related management functions independently of the department, the state board of education, and the commissioner of education.

(2) There is hereby created the learning enrichment and academic progress program for the distribution of financial aid on behalf of eligible children or youth in Colorado to be used for learning opportunities.

(3) The authority shall:

(a) Seek to increase access to learning opportunities for every eligible child or youth, ensure a broad diversity of learning opportunities and providers, and help parents choose resources for their child or youth.

(b) Create and develop criteria for the provision and selection of learning opportunities for distribution of funds, consistent with and in furtherance of the goals and purposes stated in section 22-86.1-101, to be provided within the state of Colorado for eligible children or youth. An allowable use of financial aid includes reasonable expenses for transportation of an eligible child or youth to and from learning opportunities. It is the intent of the people that the financial aid distributed will be new dollars to spend on new services and must not supplant existing public or charitable funding for programs available to eligible children or youth.

(c) Create and develop criteria for publication, solicitation, receipt, and evaluation of applications from potential providers of learning opportunities under the program. Such criteria must maximize the number and diversity of providers that parents and eligible children or youth can choose, must enable parents to evaluate the provider once services have been received, and must also ensure that small community-based providers are eligible and able to participate in the program.

(d) Create and develop criteria to certify providers of learning opportunities under the program. In the interest of facilitating academic interventions for students who are behind their grade level, the authority shall pre-certify local school districts, boards of cooperative services, and other local education providers and create a process to ensure priority approval of educators as qualified providers. The authority is not eligible for certification as a provider. Minimum requirements to be an eligible provider must include being authorized to do business in Colorado and carrying sufficient liability insurance as determined by the authority. The authority may provide reasonable support to providers to ensure a broad representation of providers can meet the requirements of this subsection (3). Immediate family members are not eligible to be qualified providers in the provision of services to their child or youth. The authority shall determine under what circumstances a qualified provider loses their certification and may ban providers who have engaged in fraud or other specious financial activities, within the scope of this program, from providing services to eligible children or youth.

(e) Create and develop criteria to establish procedures to ensure child or youth safety, including the provision of recent background checks provided through the Colorado bureau of investigation or similar federal agency for providers who come in contact with children or youth.

(f) Create and develop criteria to establish and manage financial aid on behalf of parents and to compensate approved providers of learning opportunities for eligible uses specifically and independently chosen by parents and provided to an eligible child or youth. The financial aid funds must be provided and administered with the method of distribution to be determined by the authority and subject to the maximum financial aid amount per eligible child or youth as determined by the authority as follows:

(I) In determining the method of distribution, the authority shall prioritize low-income families with children or youth who could not otherwise afford learning opportunities. Within the prioritized income category of children and youth, the authority may place an additional priority on those eligible children or youth who are not proficient at grade level in reading, math, or other core academic areas, or who have special educational, physical, or emotional needs or disabilities.

(II) In calendar year 2022, the authority shall, to the maximum extent practicable, distribute financial aid for eligible children or youth.

(III) In calendar year 2023, the authority shall ensure that the total annual financial aid distribution for each prioritized eligible child or youth participating in the program is at least one thousand five hundred dollars, and may provide financial aid awards to non-prioritized eligible children or youth in amounts less than one thousand five hundred dollars as determined by the authority. The authority may choose to have one application and financial aid disbursal period or more than one. For each disbursal period, the authority shall award financial aid as follows:

(A) Financial aid must be distributed first to eligible children or youth who reside in households that are at or below one hundred percent of the federal poverty level.

(B) After all eligible children or youth residing in households at or below one hundred percent of the federal poverty level who have chosen to participate in the program have received financial aid, the authority shall distribute financial aid to eligible children or youth who reside in households that are greater than one hundred and less than two hundred percent of the federal poverty level.

(C) After all eligible children or youth residing in households that are greater than one hundred and less than two hundred percent of the federal poverty level who have chosen to participate in the program have received financial aid, the authority shall distribute financial aid to eligible children or youth who reside in households that are at or above two hundred percent of the federal poverty level.

(IV) In calendar year 2024 and in subsequent calendar years, the authority shall determine the financial aid award amounts to be provided to eligible children or youth and the method and timing of distribution.

(V) In determining the manner in which families qualify for the program, the authority should ensure simple and easily understandable application forms and processes. The authority has control over when and how financial aid is distributed to approved providers that the parents choose, subject to administrative rules adopted by the board. Such financial aid must further be provided and administered in a manner that does not discriminate against any eligible child or youth, eligible child or youth's family, provider, or learning opportunity on the basis of race, ethnicity, color, native language, religious affiliation, national origin, gender, military status, sexual orientation, gender variance, marital status, or physical or mental disability.

(g) Create multiple-year financial aid as practicable for low-income eligible children or youth residing in households that are less than two hundred percent of the federal poverty level to ensure those eligible children or youth have the assurance of funding for a minimum of a three-year period regardless of changes to the family's income level and to provide stability for those children or youth.

(h) Create and develop criteria and protocols for rollover of unused funds for each financial aid recipient, for use by the recipient in additional learning opportunities under the program. Any financial aid of a child or youth who no longer qualifies as an eligible child or youth must revert back to the learning enrichment and academic progress fund. Financial aid funds may accumulate for three years, but upon the start of the fourth year of funding, the entirety of the funds, excepting the newly awarded fourth-year funds, revert back to the learning enrichment and academic progress fund. At the time an eligible child or youth reaches the age of eighteen, any remaining financial aid for that child or youth must revert back to the learning enrichment and academic progress fund.

(i) Cause to be conducted, and make publicly available, annual independent financial audits of the authority. Such audits must be conducted by certified public accountants and must be filed with the board no later than July 1 of each year for the previous calendar year. As a component of the audits, the auditor shall select a representative sample of providers and evaluate whether the funds were used for the purposes outlined in this section. Additionally, the authority may contract with a third-party evaluator to evaluate the efficacy of providers. The authority shall redact all names of taxpayers and social security numbers or tax identification numbers before publicly releasing any audit or other financial report.

(j) To the maximum extent practicable, create and implement an evaluation system by January 1, 2024, to measure the impacts of learning opportunities provided to eligible students and to ensure that learning providers are rated by quantitative and qualitative results. This system must also incorporate parent and youth feedback and ratings and must be publicly and easily available for use by eligible children or youth and their families. At a minimum, these metrics and data must be collected, analyzed, and made publicly available annually. In designing the evaluation system, the authority shall prioritize:

(I) The development of a range of impact metrics that may encompass qualitative, quantitative, short-term, and longitudinal data;

(II) The integration of authority-developed data systems with data systems in school districts or other public entities to assess for short-term academic impact and long-term life outcomes; and

(III) The protection of student and family personal identifying information.

(4) In addition to the duties specified in subsection (3) of this section, the Colorado learning authority has the following duties, some or all of which may be delegated by contract:

(a) Administer, in accordance with criteria established under subsection (3)(c) of this section, the publication, solicitation, receipt, evaluation, and selection of applications from potential providers of learning opportunities under the program to which parents may direct financial aid;

(b) Enter into agreements and contracts as necessary with approved providers of learning opportunities under the program;

(c) Develop, establish, and manage a system for receipt, processing, and evaluation of applications from eligible children or youth;

(d) Assist eligible children or youth, parents, and their families in navigating and selecting among available learning opportunities;

(e) Provide technical, programmatic, and capacity building expertise and funding to increase the number and quality of providers;

(f) Establish, manage, and distribute financial aid for eligible children or youth funded by the learning opportunities fund to pay approved providers of approved learning opportunities; and

(g) Provide technology services, subject to criteria established and determined by the authority, for purposes of monitoring and tracking the use of financial aid by eligible children or youth and approved provider performance and payments.

(5) No more than ten percent of money from the learning enrichment and academic progress fund may be spent on administrative expenses in any fiscal year after the end of fiscal year 2025. The authority shall annually review the percentage of money from the learning enrichment and academic progress fund that can be spent on administrative expenses and reduce the percentage as possible.

(6) The authority is subject to all the applicable requirements of the "Colorado Open Records Act", part 2 of article 72 of title 24, C.R.S., and the "Colorado Open Meetings Law", part 4 of article 6 of title 24, C.R.S.

(7)(a) The authority shall ensure that the learning program is administered in a manner that:

(I) Provides assistance to benefit eligible children or youth on behalf of parents who have specifically and independently chosen a learning opportunity, not any particular qualified provider;

(II) Does not discriminate against any eligible child or youth, eligible child or youth's family, or provider's religious affiliation;

(III) Ensures that the program does not require any courses in religion or theology; and

(IV) Does not deny any eligible child or youth the program's benefits based on the religious character of the provider.

(b) Nothing in this subsection (7) gives any person a private cause of action.

22-86.1-104. Additional powers of the Colorado learning authority. (1) In addition to any other powers granted to the authority in this article 86.1, the authority has the following powers:

(a) To adopt, have, and use a seal and to alter the same at its pleasure;

(b) To enter into any contract or agreement not inconsistent with this article 86.1 or the laws of this state and to authorize the executive director to enter into contracts, execute all instruments, and do all things necessary or convenient in the exercise of the powers granted in this article 86.1;

(c) To purchase, lease, trade, exchange, or otherwise acquire, maintain, hold, improve, mortgage, lease, sell, and dispose of personal property, whether tangible or intangible, or any interest therein; and to purchase, lease, trade, exchange, or otherwise acquire real property or any interest therein and to maintain, hold, improve, mortgage, lease, or otherwise transfer such real property, so long as such transactions do not interfere with the mission of the authority as specified in section 22-86.1-103;

(d) To acquire space, equipment, services, supplies, and insurance necessary to carry out the purposes of this article 86.1;

(e) To contract for and to accept any gifts, grants, or loans of funds, property, or any other aid in any form from the federal government, the state, any state agency, or any other source, or any combination thereof, and to comply, subject to the provisions of this article 86.1, with the terms and conditions thereof;

(f) To fix the time and place or places at which its regular and special meetings are to be held;

(g) To adopt and from time to time amend or repeal bylaws and rules and regulations consistent with the provisions of this article 86.1;

(h) To appoint a treasurer of the board and such other officers as the board of directors may determine and provide for their duties and terms of office;

(i) To appoint an executive director and such agents, employees, and professional and business advisers as may from time to time be necessary in its judgment to accomplish the purposes of this article 86.1, to fix the compensation of such executive director, employees, agents, and advisers, and to establish the powers and duties of all such agents, employees, and other persons contracting with the authority;

(j) To make and execute agreements, contracts, or other instruments necessary or convenient to the exercise of the powers and functions of the authority under this article 86.1, including but not limited to, contracts with any person, firm, corporation, state agency, local government, or other entity; and

(k) To have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted in this article 86.1, which specific powers must not be considered as a limitation upon any power necessary or appropriate to carry out the purposes and intent of this article 86.1.

22-86.1-105. Colorado learning authority - board of directors - powers and duties. (1) The authority consists of a board of directors, appointed pursuant to subsection (2) of this section, and any staff or contract employees hired by the authority as authorized by law. Any staff hired by the authority are employees subject to the state personnel system of this state as defined in section 13 of article XII of the state constitution and article 50 of title 24; except that, all positions classified by the authority as professional officers and professional staff of the authority are declared to be educational in nature and exempt from the state personnel system.

(2) The board consists of nine members, no more than five of whom are members of the same political party. Members must be appointed by the governor, with the consent of the senate.

(a) Members of the initial board must be appointed by January 15, 2022. In making the appointments, the governor shall seek board members who have significant experience in start-up enterprises and delivering educational services to low-income children, including, for example, expertise in:

(I) E-commerce or payment systems;

(II) Cybersecurity;

(III) Organizational start-up and structure;

(IV) Nonprofit experience with services for low-income families and communities;

(V) Experience in kindergarten through 12th grade education, including but not limited, to educators and administrators;

(VI) Consumer technology that connects providers with consumers;

(VII) Overseeing user-directed accounts; and

(VIII) Database creation or management.

(b) At least one member of the initial board must be a parent of a child who would qualify as a prioritized eligible child or youth for the program.

(c) Members of the initial board shall serve a single term of three years.

(d) The term of any member appointed prior to January 1, 2025 expires on December 31, 2024. The governor shall make new appointments to the board for terms beginning on or after January 1, 2025 by selecting new board members from a list of recommended candidates generated by the initial board through a process open to applications from the public. The governor shall appoint all subsequent new board members from a list of recommended candidates generated by the then-existing board through a process open to applications from the public. Each list must provide a minimum of three recommended candidates for each position to be appointed, or such lesser number as there are applications. After January 1, 2025, the board shall consist of one resident of each congressional district of the state and one or two at-large members, depending on the number of congressional districts in the state at the time of appointment to ensure an odd number of board members. After January 1, 2025, members of the board shall be as follows:

(I) At least four members who are a parent or legal guardian of a child who is five years of age or older but who is under seventeen years of age;

(II) Two representatives of a nonprofit organization that has a focus on services for low-income families and communities; and

(III) At least three members who have experience working with children who are five years of age or older but who are under eighteen years of age, including but not limited to, educators and administrators.

(e) Members of the board appointed on or after January 1, 2025 serve for three-year terms; except that, members appointed from an odd-numbered congressional district serve an initial term of two years. After January 1, 2025, members of the board may serve up to three consecutive terms, and members are subject to removal as provided in article IV, section 6 of the Colorado Constitution.

(3) As soon as reasonably practicable, the initial board of directors shall establish a learning opportunities parent advisory council and a learning opportunities provider advisory council to:

(a) Provide input to the board concerning the program, eligibility of children and youth, criteria for qualifications of learning providers, financial aid distribution, and all other matters of implementing the learning program; and

(b) Provide recommendations to the appointing authority for parent representation on the board.

(4) Members of the ongoing board may not during their terms of service be employed by or contract with persons that provide or offer to provide learning opportunities under the program.

(5) Members of the initial and ongoing boards may receive a per diem of up to two hundred dollars for attendance at regularly scheduled meetings of the board at the discretion of the chair based on financial hardship and are reimbursed for actual and necessary

expenses incurred while performing official duties, together with mileage at the rate at which members of the general assembly are reimbursed pursuant to section 2-2-317. A member of the board who is a state officer or employee shall not claim per diem compensation, but must be reimbursed for actual and necessary expenses incurred while performing official duties, together with mileage at the rate at which members of the general assembly are reimbursed pursuant to section 2-2-317.

(6)(a) The initial and ongoing boards must also consist of four nonvoting members, three of whom are appointed by the board chair and one by the executive director of the Colorado commission of Indian affairs.

(b) The nonvoting members must:

(I) Be fourteen years of age or older but under nineteen years of age; and

(II) Be enrolled in and attending a tribal or Colorado junior high, middle, or high school, including an online or charter school or approved facility school as defined in section 22-2-402; be participating in a nonpublic, home-based educational program; be participating in a high school equivalency examination program; or have obtained a high school diploma through successful completion of a high school equivalency examination, as defined in section 22-33-102 (8.5).

(c) The initial appointments for nonvoting members of the board of directors must be completed by June 1, 2022. Nonvoting members serve for two-year terms, except that, as determined by the board chair, two nonvoting members initially appointed to the board will serve for one year. Nonvoting members of the board may serve up to two consecutive terms. Nonvoting members of the board may receive a per diem of up to two hundred dollars for attendance at regularly scheduled meetings of the board at the discretion of the chair based on financial hardship and are reimbursed for actual and necessary expenses incurred while performing official duties, together with mileage at the rate at which members of the general assembly are reimbursed pursuant to section 2-2-317.

(7) The board has the following powers and duties:

(a) To hire an executive director;

(b) To establish and oversee the program created by this article 86.1, assuring that as much funding as practicable is dedicated to the provision of financial aid and assistance to eligible children or youth and their families in finding and selecting available learning opportunities;

(c) To obtain the services of expert consultants as necessary and appropriate for the performance of its duties and responsibilities;

(d) To elect one director as chair of the board and another director as chairman pro tem of the board; and

(e) To perform all such actions as may be necessary and appropriate to carry out the duties and responsibilities specified in this article 86.1.

22-86.1-106. Learning enrichment and academic progress fund - creation - crediting of money to fund - use of fund. (1) The learning enrichment and academic progress fund is hereby

created in the state treasury. The fund is administered by the authority and consists of all money transferred or credited to the fund pursuant to subsections (2), (3), and (4) of this section and section 39-28.8-203(1)(c). All interest and income earned on the deposit and investment of money in the fund must be credited to the fund and must not be transferred to the general fund or any other state fund at the end of any state fiscal year.

(2) The authority may seek, accept, and expend any gifts, grants, donations, loans of funds, property, or any other revenue or aid in any form from the federal government, the state, any state agency, any other public source, any private source, or any combination thereof, and any such monetary receipts must be credited to the fund and any such in-kind receipts must be applied for the benefit of the fund.

(3) At the end of the third and fourth quarters of state fiscal year 2021-22, the state treasurer shall transfer from the general fund to the learning enrichment and academic progress fund the same amount of money transferred to the state public school fund pursuant to section 36-1-116(1)(d). For that state fiscal year, an amount of state general fund revenue equal to the total amount of such transfers shall be exempt from all revenue, spending, and other limitations under section 20 of article X of the state constitution and any other law.

(4) At the end of each state fiscal year, beginning with the fiscal year commencing July 1, 2022, the state treasurer shall transfer from the general fund to the learning enrichment and academic progress fund the same amount of money transferred to the state public school fund pursuant to section 36-1-116(1)(d). For each state fiscal year an amount of state general fund revenue equal to the amount of such transfer shall be exempt from all revenue, spending, and other limitations under section 20 of article X of the state constitution and any other law.

(5) The money transferred or credited to the fund, including any income and interest derived from the deposit and investment of such money, is exempt from any restriction on spending, revenue, or appropriations, including the restrictions of section 20 of Article X of the state constitution or any other law.

(6) The money in the fund is continuously appropriated to the authority for the direct and indirect costs of carrying out the provisions of this article 86.1.

SECTION 2. In Colorado Revised Statutes, section 36-1-116, **amend** (1)(a)(II)(A) and (1)(b)(I); and **add** (1)(d) as follows:

36-1-116. Disposition of rentals, royalties, and timber sale proceeds. (1)(a)(II)(A) Except as provided in subsections (1)(a)(II)(B), ~~and~~ (1)(a)(II)(C), and (1)(d), for the 2010-11 state fiscal year and each state fiscal year thereafter, the proceeds received by the state for the sale of timber on public school lands, lease payments and rental payments for said lands, rental payments for the use and occupation of the surface of said lands, and rentals or lease payments for sand, gravel, clay, stone, coal, oil, gas, geothermal resources, gold, silver, or other minerals on said lands other than proceeds, rentals, and payments allocated to the state land board trust administration fund pursuant to section 36-1-145(3) or credited to the public school capital construction assistance fund created in section 22-43.7-104(1),C.R.S., pursuant to section 22-43.7-104(2)(b)(I), C.R.S., shall be credited to the permanent school fund and shall become part of the principal of the permanent school fund.

(b)(I) Except for royalties and other payments allocated to the state land board trust administration fund pursuant to section 36-1-145(3) or credited to the public school capital construction assistance

fund created in section 22-43.7-104(1), C.R.S., pursuant to section 22-43.7-104(2)(b)(I), C.R.S., except as provided in subparagraph (II) of this paragraph (b), and except as provided in ~~paragraph~~ PARAGRAPHS (c) AND (d) of this subsection (1), royalties and other payments for the depletion or extraction of a natural resource on said lands shall be credited to the permanent school fund.

(d) (I) FOR THE THIRD AND FOURTH QUARTERS OF STATE FISCAL YEAR 2021-22, ANY AMOUNTS TO BE CREDITED OR TRANSFERRED TO THE PERMANENT SCHOOL FUND PURSUANT TO SUBSECTIONS (1)(a)(II)(A) AND (1)(b)(I) OF THIS SECTION SHALL INSTEAD BE TRANSFERRED TO THE STATE PUBLIC SCHOOL FUND CREATED IN SECTION 22-54-114.

(II) BEGINNING WITH THE STATE FISCAL YEAR COMMENCING JULY 1, 2022, ANY AMOUNTS TO BE CREDITED OR TRANSFERRED TO THE PERMANENT SCHOOL FUND PURSUANT TO SUBSECTIONS (1)(a)(II)(A) AND (1)(b)(I) OF THIS SECTION IN EXCESS OF TWENTY MILLION DOLLARS SHALL INSTEAD BE TRANSFERRED TO THE STATE PUBLIC SCHOOL FUND CREATED IN SECTION 22-54-114.

SECTION 3. In Colorado Revised Statutes, 39-28.8-202, **amend** (1)(a)(I) and (1)(b) as follows:

39-28.8-202. Retail marijuana sales tax. (1)(a)(I)(A) In addition to the tax imposed pursuant to part 1 of article 26 of this title 39 and the sales tax imposed by a local government pursuant to title 29, 30, 31, or 32, but except as otherwise set forth in subsections (1)(a)(II) and (1)(a)(III) of this section, THERE IS IMPOSED UPON ALL SALES OF RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS BY A RETAILER A TAX AT RATES SPECIFIED IN THIS SUBSECTION (1)(a)(I).

(B) Beginning January 1, 2014, and through June 30, 2017, there is imposed upon all sales of retail marijuana and retail marijuana products by a retailer a tax at the rate of ten percent of the amount of the sale.

(C) Beginning July 1, 2017, there is imposed upon all sales of retail marijuana and retail marijuana products by a retailer a tax at the rate of fifteen percent of the amount of the sale.

(D) BEGINNING JANUARY 1, 2022, THERE IS IMPOSED UPON ALL SALES OF RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS BY A RETAILER, IN ADDITION TO THE FIFTEEN PERCENT TAX IMPOSED BY SUBSECTION (1)(a)(I)(C) OF THIS SECTION, A TAX OF THREE PERCENT OF THE AMOUNT OF THE SALE THROUGH DECEMBER 31, 2022, A TAX OF FOUR PERCENT OF THE AMOUNT OF THE SALE BEGINNING JANUARY 1, 2023 AND THROUGH DECEMBER 31, 2023, AND A TAX OF FIVE PERCENT OF THE AMOUNT OF THE SALE BEGINNING JANUARY 1, 2024.

(E) The tax imposed by this section is computed in accordance with schedules or forms prescribed by the executive director of the department; except that a retail marijuana store is not allowed to retain any portion of the retail marijuana sales tax collected pursuant to this part 2 to cover the expenses of collecting and remitting the tax. The executive director may promulgate rules to implement this section.

(b) The maximum tax rate that may be imposed pursuant to this section is fifteen percent PLUS THE APPLICABLE TAX RATE SPECIFIED IN SUBSECTION (1)(a)(I)(D) OF THIS SECTION. At any time on or after ~~January 1, 2014~~ JANUARY 1, 2022, the general assembly may, by a bill enacted by the general assembly and that becomes law:

(I) Establish a tax rate to be imposed pursuant to this subsection (1) that is lower than ~~fifteen percent of the sale of retail marijuana or retail marijuana products~~ SUCH MAXIMUM TAX RATE; or

(II) After ~~establishing a tax rate that is lower than fifteen percent pursuant to subparagraph (I) of this paragraph (b)~~ LOWERING THE TAX RATE PURSUANT TO SUBSECTION (1)(b)(I) OF THIS SECTION, increase

the tax rate to be imposed pursuant to this subsection (1); except that, in no event shall the general assembly increase the tax rate above ~~fifteen percent of the sale of retail marijuana or retail marijuana products~~ THE MAXIMUM TAX RATE SPECIFIED IN THIS SUBSECTION (1)(b). Notwithstanding any other provision of law, an increase in the tax rate pursuant to this subparagraph (II) shall not require voter approval subsequent to the voter approval required pursuant to part 4 of this article.

SECTION 4. In Colorado Revised Statutes, 39-28.8-203, **amend** (1)(a)(I) and (1)(b)(I.5) introductory portion and **add** (1)(c) as follows:

39-28.8-203. Disposition of collections – definitions. (1) The proceeds of all money collected from the retail marijuana sales tax are initially credited to the old age pension fund created in section 1 of article XXIV of the state constitution in accordance with paragraphs (a) and (f) of section 2 of article XXIV of the state constitution and thereafter are transferred to the general fund in accordance with section 7 of article XXIV of the state constitution. For each fiscal year in which a tax is collected pursuant to this part 2, an amount shall be appropriated or distributed from the general fund as follows:

(a)(I) Before July 1, 2017, an amount equal to fifteen percent of the gross retail marijuana sales tax revenue collected by the department is apportioned to local governments. On and after July 1, 2017, an amount equal to ten percent of the gross retail marijuana sales tax revenue collected by the department, EXCLUDING REVENUE ATTRIBUTABLE TO THE ADDITIONAL TAX IMPOSED BY SECTION 39-28.8-202(1)(a)(I)(D), is apportioned to local governments. The city or town share is apportioned according to the percentage that retail marijuana sales tax revenue collected by the department within the boundaries of the city or town bear to the total retail marijuana sales tax revenue collected by the department. The county share is apportioned according to the percentage that retail marijuana sales tax revenue collected by the department in the unincorporated area of the county bear to total retail marijuana sales tax revenue collected by the department.

(b)(I.5) On and after July 1, 2018, of the ninety percent of the gross retail marijuana sales tax revenue in the general fund remaining after the allocation to local governments required by subsection (1)(a)(I) of this section is made, AND EXCLUDING REVENUE ATTRIBUTABLE TO THE ADDITIONAL TAX IMPOSED BY SECTION 39-28.8-202(1)(a)(I)(D), the state treasurer shall retain fifteen and fifty-six one-hundredths percent in the general fund for use for any lawful purpose and shall transfer from the general fund:

(c) ON AND AFTER JANUARY 1, 2022, THE STATE TREASURER SHALL TRANSFER MONTHLY FROM THE GENERAL FUND TO THE LEARNING ENRICHMENT AND ACADEMIC PROGRESS FUND CREATED BY SECTION 22-86.1-106 ALL REVENUE COLLECTED BY THE DEPARTMENT ATTRIBUTABLE TO THE ADDITIONAL TAX IMPOSED BY SECTION 39-28.8-202(1)(a)(I)(D).

SECTION 5. In Colorado Revised Statutes, **amend** 39-28.8-204 as follows:

39-28.8-204. Revenue and spending limitations. (1) Notwithstanding any limitations on revenue, spending, or appropriations contained in section 20 of article X of the state constitution or any other provision of law, any revenues generated by the retail marijuana sales tax imposed pursuant to this part 2 as approved by the voters at the statewide election in November 2013, may be collected and spent as voter-approved revenue changes and shall not require voter approval subsequent to the voter approval required pursuant to part 4 of this article.

(2) NOTWITHSTANDING ANY LIMITATIONS ON REVENUE, SPENDING, OR APPROPRIATIONS CONTAINED IN SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION OR ANY OTHER PROVISION OF LAW, ANY REVENUES GENERATED BY THE ADDITIONAL RETAIL MARIJUANA SALES TAX IMPOSED BY SECTION 39-28.8-202(1)(a)(I)(D), AS APPROVED BY THE VOTERS AT THE STATEWIDE ELECTION IN NOVEMBER 2021, MAY BE COLLECTED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE.

Proposition 120
Property Tax Assessment Rate Reduction

The ballot title below is a summary drafted by the professional staff of the offices of the secretary of state, the attorney general, and the legal staff for the general assembly for ballot purposes only. The ballot title will not appear in the Colorado Revised Statutes. The text of the measure that will appear in the Colorado Revised Statutes below was drafted by the proponents of the initiative. The initiated measure is included on the ballot as a proposed change to current law because the proponents gathered the required amount of petition signatures.

Ballot Title:

Shall there be a change to the Colorado Revised Statutes concerning property tax reductions, and, in connection therewith, reducing property tax revenue by an estimated $1.03 billion in 2023 and by comparable amounts thereafter by reducing the residential property tax assessment rate from 7.15% to 6.5% and reducing the property tax assessment rate for all other property, excluding producing mines and lands or leaseholds producing oil or gas, from 29% to 26.4% and allowing the state to annually retain and spend up to $25 million of excess state revenue, if any, for state fiscal years 2022-23 through 2026-27 as a voter-approved revenue change to offset lost revenue resulting from the property tax rate reductions and to reimburse local governments for revenue lost due to the homestead exemptions for qualifying seniors and disabled veterans?

Text of Measure:

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

SECTION 1. In Colorado Revised Statutes, 39-1-104 **amend** (1) as follows:

(1) THROUGH DECEMBER 31, 2021 the valuation for assessment of all taxable property in the state shall be twenty-nine percent, AND BEGINNING ON JANUARY 1, 2022 THE VALUATION FOR ASSESSMENT OF ALL TAXABLE PROPERTY IN THE STATE SHALL BE TWENTY-SIX AND FOUR-TENTHS PERCENT of the actual value thereof as determined by the assessor and the administrator in the manner prescribed by law, and such percentage shall be uniformly applied, without exception, to the actual value, so determined, of the various classes and subclasses of real and personal property located within the territorial limits of the authority levying a property tax, and all property taxes shall be levied against the aggregate valuation for assessment resulting from the application of such percentage. This subsection (1) shall not apply to residential real property, producing mines, and lands or leaseholds producing oil or gas.

SECTION 2. In Colorado Revised Statutes, 39-1-104.2 **amend** (3)(q) as follows:

39-1-104.2. Adjustment of residential rate - legislative declaration - definitions.

(3) (q) The ratio of valuation for assessment for residential real property is 7.15 percent of actual value for property tax years commencing on or after January 1, 2019 and 6.5 PERCENT OF THE ACTUAL VALUE FOR PROPERTY TAX COMMENCING JANUARY 1, 2022, until the next property tax year that the general assembly adjusts the ratio of valuation for assessment for residential real property.

SECTION 3. In Colorado Revised Statutes, 39-3-207 **add** (6) as follows:

39-3-207. Reporting of exemptions—reimbursement to local governmental entities.

(6) FOR THE PURPOSE OF OFF-SETTING LOST REVENUE RESULTING FROM A REDUCTION IN PROPERTY TAX AND TO FUND STATE REIMBURSEMENTS TO LOCAL GOVERNMENT ENTITIES FOR THE APPLICATION OF THE HOMESTEAD EXEMPTION, IN FISCAL YEAR COMMENCING ON JULY 1, 2022 THROUGH FISCAL YEAR ENDING JULY 1, 2027, THE STATE SHALL BE AUTHORIZED TO RETAIN AND SPEND UP TO 25 MILLION PER YEAR IN REVENUE FOR WARRANTS OTHERWISE AUTHORIZED UNDER THIS SECTION.

Local Election Offices

Adams	4430 S. Adams County Parkway, Suite E-3102, Brighton, CO 80601	(720) 523-6500
Alamosa	8999 Independence Way, Suite 101, Alamosa, CO 81101	(719) 589-6681
Arapahoe	5334 S. Prince St., Littleton, CO 80120	(303) 795-4511
Archuleta	449 San Juan St., Pagosa Springs, CO 81147	(970) 264-8331
Baca	741 Main St., Suite 3, Springfield, CO 81073	(719) 523-4372
Bent	725 Bent Ave., Las Animas, CO 81054	(719) 456-2009
Boulder	1750 33rd St., Suite 200, Boulder, CO 80301	(303) 413-7740
Broomfield	1 DesCombes Dr., Broomfield, CO 80020	(303) 464-5857
Chaffee	104 Crestone Ave., Salida, CO 81201	(719) 539-4004
Cheyenne	51 S. 1st St. , Cheyenne Wells, CO 80810	(719) 767-5685
Clear Creek	405 Argentine St., Georgetown, CO 80444	(303) 679-2339
Conejos	6683 County Rd. 13, Conejos, CO 81129	(719) 376-5422
Costilla	400 Gasper St., Suite 101, San Luis, CO 81152	(719) 937-7671
Crowley	631 Main St., Suite 102, Ordway, CO 81063	(719) 267-5225
Custer	205 S. 6th St., Westcliffe, CO 81252	(719) 783-2441
Delta	501 Palmer St., Suite 211, Delta, CO 81416	(970) 874-5903
Denver	200 W. 14th Ave., Suite 100, Denver, CO 80204	(303) 653-9668
Dolores	409 N. Main St., Dove Creek, CO 81324	(970) 677-2381
Douglas	125 Stephanie Pl., Castle Rock, CO 80109	(303) 660-7444
Eagle	500 Broadway, Suite 101, Eagle, CO 81631	(970) 328-8715
Elbert	440 Comanche St., Kiowa, CO 80117	(303) 621-3127
El Paso	1675 W. Garden of the Gods Rd., Suite 2201 Colorado Springs, CO 80907	(719) 575-8683
Fremont	615 Macon Ave., Room 102, Cañon City, CO 81212	(719) 276-7340
Garfield	109 8th St., Suite 200, Glenwood Springs, CO 81601	(970) 384-3700, option 2
Gilpin	203 Eureka St., Central City, CO 80427	(303) 582-5321
Grand	308 Byers Ave., Hot Sulphur Springs, CO 80451	(970) 725-3065
Gunnison	221 N. Wisconsin St., Suite C, Gunnison, CO 81230	(970) 641-7927
Hinsdale	317 N. Henson St., Lake City, CO 81235	(970) 944-2228, ext. 2
Huerfano	401 Main St., Suite 204, Walsenburg, CO 81089	(719) 738-2380
Jackson	396 La Fever St., Walden, CO 80480	(970) 723-4334
Jefferson	3500 Illinois St., Suite 1100, Golden, CO 80401	(303) 271-8111
Kiowa	1305 Goff St., Eads, CO 81036	(719) 438-5421
Kit Carson	1650 Donelan Ave., Suite 203, Burlington, CO 80807	(719) 346-8638
Lake	505 Harrison Ave., Leadville, CO 80461	(719) 486-1410
La Plata	679 Turner Drive, Suite C, Durango, CO 81303	(970) 382-6296
Larimer	200 W. Oak St., Fort Collins, CO 80521	(970) 498-7820
Las Animas	200 E. First St., Room 205, Trinidad, CO 81082	(719) 846-3314
Lincoln	103 3rd Ave., Hugo, CO 80821	(719) 743-2444
Logan	315 Main St., Suite 3, Sterling, CO 80751	(970) 522-1544
Mesa	200 S. Spruce St., Grand Junction, CO 81501	(970) 244-1662
Mineral	1201 N. Main St., Creede, CO 81130	(719) 658-2440
Moffat	221 W. Victory Way, Suite 200, Craig, CO 81625	(970) 824-9120
Montezuma	140 W. Main St., Suite 1, Cortez, CO 81321	(970) 565-3728
Montrose	320 S. 1st St., Room 103, Montrose, CO 81401	(970) 249-3362, ext. 3
Morgan	231 Ensign St., Fort Morgan, CO 80701	(970) 542-3521
Otero	13 W. 3rd St., Room 210, La Junta, CO 81050	(719) 383-3020
Ouray	541 4th St., Ouray, CO 81427	(970) 325-4961
Park	856 Castello Ave., Fairplay, CO 80440	(719) 836-4333
Phillips	221 S. Interocean Ave., Holyoke, CO 80734	(970) 854-3131
Pitkin	530 E. Main St., Suite 104, Aspen, CO 81611	(970) 920-5180, ext. 5
Prowers	301 S. Main St., Suite 210, Lamar, CO 81052	(719) 336-8011
Pueblo	210 W. 10th St., Pueblo, CO 81003	(719) 583-6620
Rio Blanco	555 Main St., Meeker, CO 81641	(970) 878-9460
Rio Grande	965 6th St., Del Norte, CO 81132	(719) 657-3334
Routt	522 Lincoln Ave., Suite 21, Steamboat Springs, CO 80487	(970) 870-5556
Saguache	501 4th St., Saguache, CO 81149	(719) 655-2512
San Juan	1557 Greene St., Silverton, CO 81433	(970) 387-5671
San Miguel	305 W. Colorado Ave., Telluride, CO 81435	(970) 728-3954
Sedgwick	315 Cedar St., Suite 220, Julesburg, CO 80737	(970) 474-3346
Summit	208 E. Lincoln Ave., Breckenridge, CO 80424	(970) 453-3479
Teller	101 W. Bennett Ave., Cripple Creek, CO 80813	(719) 689-2951, option 2
Washington	150 Ash St., Akron, CO 80720	(970) 345-6565
Weld	1250 H St., Greeley, CO 80631	(970) 304-6525, ext. 3070
Yuma	310 Ash St., Suite F, Wray, CO 80758	(970) 332-5809

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