# Amend Amendment 23?

**Amendment 23:** A citizen initiative enacted in 2000, Amendment 23 requires that per-pupil spending on K-12 education be increased every year by at least the rate of inflation. Since for much of the 1990's education spending failed to keep pace with inflation, Amendment 23 requires spending increases of inflation plus 1% through 2011 to restore what was lost during this period.

**The problem:** Amendment 23 needed TABOR budget surpluses to prime the State Education Fund, which in turn would subsidize growth in public school support. But the recession just after Amendment 23's passage kept the State Education Fund from ever getting the jump-start it needed. With the dramatic drop in state revenues, Amendment 23's constitutionally mandated increases in K-12 spending have combined with the ever-growing Medicaid and prison budgets to force major reductions in other critical areas. These areas include higher education, the judicial system, parole and probation, transportation, mental health, etc.

**Compromise?** Amendment 23 continues to enjoy wide support. According to the recent Mind of Colorado Survey, 69% oppose changing it. Yet many budget experts believe that under Colorado's current financing system it will be impossible to maintain the mandated K-12 spending increases without severely cutting other state services. Should a change in Amendment 23 be presented as a part of a larger package of budget reform for the voters?

The background information in the packet describes some of the critical issues surrounding Amendment 23. The following options are not exhaustive. They are offered as suggestions to stimulate your thinking about Amendment 23.

**Option #1:**
Repeal Amendment 23.

**Option #2:**
Increase sales and/or income taxes to fund Amendment 23 obligations.

**Option #3:**
Increase Colorado's taxes on tobacco, beer, wine and spirits to help fund Amendment 23 obligations.

**Option #4:**
Allow school district property tax mill levies to float to keep per-pupil funding even with inflation.

**Option #5:**
Allocate part of the TABOR surplus to fund Amendment 23 obligations.

**Option #6:**
If there is a significant shortfall in tax revenues, suspend the 1% increase but require the state to catch up when the economy recovers.

**Option #7:**
If there is a significant shortfall in tax revenues, suspend the 1% increase and the inflation increase but require the state to catch up when the economy recovers.

**Other considerations:**
Should Colorado roll back recent sales/income tax cuts to fund Amendment 23 obligations?

**What are *your* opinions and ideas?**