

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 24-0663.01 Alison Killen x4350

HOUSE BILL 24-1026

HOUSE SPONSORSHIP

Bockenfeld,

SENATE SPONSORSHIP

(None),

House Committees

State, Civic, Military, & Veterans Affairs

Senate Committees

A BILL FOR AN ACT

101 CONCERNING A REQUIREMENT THAT VOTERS REAUTHORIZE A LOCAL
102 GOVERNMENT TO RETAIN REVENUE IN EXCESS OF THE
103 LIMITATIONS IMPOSED BY SECTION 20 OF ARTICLE X OF THE
104 STATE CONSTITUTION.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Since section 20 of article X of the state constitution (TABOR) was approved by the registered electors of this state in 1992, local governments have successfully sought voter approval of revenue changes

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

allowing the local governments to permanently retain revenue in excess of their TABOR fiscal year spending and property tax revenue limits. Current law does not limit the effective period of such voter-approved revenue changes, commonly referred to as waiver elections. The bill requires that, no later than the local elections to be held in November 2029, a local government that retains revenue in excess of either its fiscal year spending limit or property tax revenue limit pursuant to a waiver election held prior to November 9, 2020, must resubmit the ballot issue from the historic waiver election to the registered electors of the local government for re-approval.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** article 35 to title
3 29 as follows:

4 **ARTICLE 35**

5 **Local Government Retention Of Revenue In Excess Of**
6 **Constitutional Limitations**

7 **29-35-101. Legislative declaration - voter approval for**
8 **continued retention of excess revenue - definitions.** (1) THE GENERAL
9 ASSEMBLY FINDS AND DECLARES THAT:

10 (a) SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION LIMITS
11 FISCAL YEAR SPENDING AND PROPERTY TAX REVENUE OF LOCAL
12 GOVERNMENTS;

13 (b) WHEN REVENUE OF A LOCAL GOVERNMENT EXCEEDS EITHER
14 THE FISCAL YEAR SPENDING LIMIT, SET FORTH IN SECTION 20 (7)(b) OF
15 ARTICLE X OF THE STATE CONSTITUTION, OR THE PROPERTY TAX REVENUE
16 LIMIT, SET FORTH IN SECTION 20 (7)(c) OF ARTICLE X OF THE STATE
17 CONSTITUTION, THEN SECTION 20 (7)(d) OF ARTICLE X OF THE STATE
18 CONSTITUTION REQUIRES THAT THE EXCESS REVENUE BE REFUNDED IN THE
19 NEXT FISCAL YEAR UNLESS VOTERS APPROVE A REVENUE CHANGE
20 ALLOWING THE LOCAL GOVERNMENT TO KEEP THE REVENUE;

1 (c) ONCE VOTERS APPROVE A REVENUE CHANGE ALLOWING A
2 LOCAL GOVERNMENT TO RETAIN EXCESS REVENUE, FOR AN UNSPECIFIED
3 PERIOD, SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION DOES NOT
4 IMPOSE ANY TIME LIMIT ON THE EFFECTIVE PERIOD OF THE
5 VOTER-APPROVED REVENUE CHANGE, OFTEN REFERRED TO AS A WAIVER
6 ELECTION;

7 (d) SUCCESSFUL LOCAL GOVERNMENT WAIVER ELECTIONS HAVE
8 OCCURRED ACROSS THE STATE SINCE SECTION 20 OF ARTICLE X OF THE
9 STATE CONSTITUTION WAS APPROVED BY THE REGISTERED ELECTORS OF
10 THIS STATE AT THE 1992 GENERAL ELECTION;

11 (e) ALLOWING SUCH HISTORIC WAIVER ELECTIONS TO CONTROL
12 PRESENT DAY TAXATION RAISES ISSUES OF GENERATIONAL TAX EQUITY, AS
13 PAST VOTERS SHOULD NOT BE ABLE TO BIND PRESENT-DAY OR FUTURE
14 LOCAL GOVERNMENT TAXPAYERS IN PERPETUITY;

15 (f) SECURING GENERATIONAL TAX EQUITY AND TAX POLICY
16 REFLECTIVE OF CURRENT VOTER PREFERENCES AND ECONOMIC
17 CIRCUMSTANCES IS A MATTER OF MIXED STATE AND LOCAL CONCERN THAT
18 CAN BE ADDRESSED BY REQUIRING LOCAL GOVERNMENT REGISTERED
19 ELECTORS TO REAUTHORIZE ANY EXCESS REVENUE RETENTION BY A LOCAL
20 GOVERNMENT PURSUANT TO A WAIVER ELECTION HELD PRIOR TO
21 NOVEMBER 9, 2020;

22 (g) REQUIRING A NEW WAIVER ELECTION WHERE PRIOR VOTER
23 APPROVAL OCCURRED FOUR OR MORE YEARS AGO WILL ENSURE THAT
24 THERE IS FAIR, CONSISTENT, AND CURRENT VOTER APPROVAL STATEWIDE
25 FOR LOCAL GOVERNMENTS TO RETAIN REVENUE IN EXCESS OF THE FISCAL
26 YEAR SPENDING AND PROPERTY TAX REVENUE LIMITS SET FORTH IN
27 SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION.

1 (2) AS USED IN THIS ARTICLE 35, UNLESS THE CONTEXT OTHERWISE
2 REQUIRES:

3 (a) (I) "BALLOT ISSUE" MEANS A LOCAL GOVERNMENT MATTER
4 ARISING UNDER SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION AS
5 SET FORTH IN SECTION 1-41-103 (4)(a), (4)(d), OR (4)(f), THAT
6 AUTHORIZES A LOCAL GOVERNMENT TO PERMANENTLY RETAIN ALL OR
7 ANY PORTION OF THE REVENUE OF THE LOCAL GOVERNMENT IN EXCESS OF
8 ANY LIMITATION IMPOSED BY SECTION 20 (7) OF ARTICLE X OF THE STATE
9 CONSTITUTION.

10 (II) "BALLOT ISSUE" DOES NOT INCLUDE A LOCAL GOVERNMENT
11 MATTER ARISING UNDER SECTION 20 OF ARTICLE X OF THE STATE
12 CONSTITUTION AS SET FORTH IN SECTION 1-41-103 (4)(b), (4)(c), OR
13 (4)(e).

14 (b) "HISTORIC WAIVER ELECTION" MEANS A BALLOT ISSUE
15 APPROVED BY THE REGISTERED ELECTORS OF ANY LOCAL GOVERNMENT
16 PRIOR TO NOVEMBER 9, 2020.

17 (c) "LOCAL GOVERNMENT" HAS THE SAME MEANING AS SET FORTH
18 IN SECTION 1-41-103 (2).

19 (3) NO LATER THAN THE LOCAL ELECTION TO BE HELD ON THE
20 FIRST TUESDAY OF NOVEMBER 2029, A LOCAL GOVERNMENT THAT
21 RETAINS ALL OR ANY PORTION OF ITS REVENUE PURSUANT TO A HISTORIC
22 WAIVER ELECTION SHALL RESUBMIT THE BALLOT ISSUE FROM THE
23 HISTORIC WAIVER ELECTION TO THE REGISTERED ELECTORS OF THE LOCAL
24 GOVERNMENT IN ACCORDANCE WITH SECTION 20 OF ARTICLE X OF THE
25 STATE CONSTITUTION. IF THE VOTERS VOTING ON THE RESUBMITTED
26 BALLOT ISSUE DO NOT APPROVE IT, ALL APPROVAL GRANTED DUE TO THE
27 INITIAL APPROVAL OF THE BALLOT ISSUE AT THE HISTORIC WAIVER

1 ELECTION EXPIRES AS OF THE FIRST DAY OF THE LOCAL GOVERNMENT'S
2 NEXT FISCAL YEAR.

3 **SECTION 2. Act subject to petition - effective date.** This act
4 takes effect at 12:01 a.m. on the day following the expiration of the
5 ninety-day period after final adjournment of the general assembly; except
6 that, if a referendum petition is filed pursuant to section 1 (3) of article V
7 of the state constitution against this act or an item, section, or part of this
8 act within such period, then the act, item, section, or part will not take
9 effect unless approved by the people at the general election to be held in
10 November 2024 and, in such case, will take effect on the date of the
11 official declaration of the vote thereon by the governor.