# BALLOT ISSUES 2018



# LEAGUE OF WOMEN VOTERS OF COLORADO

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VOTER HOTLINE 303-863-VOTE (8683)



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# **ELECTION DAY – NOVEMBER 6, 2018**

THE LEAGUE OF WOMEN VOTERS® OF COLORADO has prepared this pamphlet as a public service to promote civic responsibility by providing nonpartisan information about the issues that citizens will be asked to vote on in the November 6, 2018 election.

THE LEAGUE OF WOMEN VOTERS® OF COLORADO promotes informed participation in government by providing non-partisan educational information on topics of public concern and on the processes of government.

Contact the League's **VOTER HOTLINE** at **303-863-VOTE** (**8683**) for voter information, ballot information or for ballot issue speakers.

Judges: for information about the judges, please refer to the *Legislative Analysis of the Ballot Issues*, commonly known as the 'Blue Book', which is mailed to registered voters in each household.

THE LEAGUE OF WOMEN VOTERS® OF COLORADO is not responsible for the accuracy or fairness of the arguments of either side. The pro and con statements are a compilation of the material submitted by proponents and opponents of each ballot issue.

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#### THE BALLOT

*Issues are placed on the ballot by:* 

#### Referendum

• A proposal by the Legislature which is referred to citizens for a vote.

#### **Initiative**

 A proposal by citizens who have gathered the required number of signatures (five percent of the total number of votes cast for Secretary of State in the previous general election).

Statewide issues appearing on the ballot may be of two types:

#### **Amendments to the Colorado Constitution**

 May be referred to the voters by a twothirds vote of both houses of the General Assembly or may be proposed by citizens using the initiative process. Only the voters (not the legislature) can change the constitution. These proposals are called amendments.

# Amendments to the Revised Statutes (Propositions)

 May be referred to the voters by a majority vote of both houses of the General Assembly or may be proposed by citizens using the initiative process. Although approved by voters, amendments to the Colorado Revised Statutes may subsequently be changed by the legislature. These proposals are called propositions and are changes to the statutes.

Local issues may also be on the ballot.

As a result of voter approval of Amendment 71 in 2016, all constitutional amendments must receive 55% of the vote to pass. On the 2018 ballot, those are Amendments: V, W, X, Y, Z, 73, 74 and 75.

#### REFERENDA

# AMENDMENT V Lowers Age Requirement to Serve in Colorado General Assembly

A referred amendment to article V, section 4 of the Colorado Constitution to lower the age requirement from 25 to 21 to serve in the Colorado General Assembly.

#### **Major Provision:**

• Lowers age requirement from 25 to 21 to serve in the Colorado Legislature.

#### **Background:**

Established in 1876 in the Colorado Constitution, the current age requirement to serve in the Colorado Legislature is 25. Every state in the nation, except Vermont, has age requirements to serve in their state legislature. The requirements are between 18 and 30 years of age.

# Those in favor say:

1. An individual who is 21 is considered an adult under the law and therefore should be allowed to serve in the state

legislature. Voters should be able to judge whether a candidate is qualified to hold elected office.

#### Those opposed say:

1. Lack of maturity and life experience may hinder a candidate from being an effective leader. The current age requirement aligns with other state and federal requirements.

# AMENDMENT W Election Ballot Format for Judicial Retention Elections

A referred amendment to article VI, section 25 of the Colorado Constitution which changes the format of the ballot for judicial retention.

#### **Major Provisions:**

- Changes the format of the ballot for judicial retention elections; and
- Provides for one question for each type of court with the names of all of the judges or justices standing for retention

### **Background:**

In 1966, Colorado adopted by a vote of the people a constitutional amendment providing for a merit selection system for the nomination and appointment of justices and judges. Judicial Nominating Commissions with citizen members submit three names for each judicial vacancy to the Governor for appointments. At the end

of a term in office, each justice or judge must declare an intention to run for another term, and then ask to be retained by appearing on the ballot in a judicial retention election. A majority "Yes" vote for a justice or judge allows retention of the position. A majority "No" vote ends the term for that particular justice or judge and creates a vacancy on the court. This system has become a model for the rest of the country.

This proposal will not change the provisions of the Colorado Constitution. The sole change involves the format of the retention election ballot. Rather than a repetition of the same retention question for each individual justice or judge, the ballot will contain one retention question for each court, and then list each justice or judge standing for retention on that court with "Yes/No" beside each name for the elector's vote.

#### Those in favor say:

- 1. A shorter ballot will save county clerks printing, processing, and mailing costs, particularly in counties with greater populations where ballots must be printed in both English and Spanish.
- 2. A more concise ballot may increase voter participation by reducing voter fatigue related to a lengthy ballot. A more user-friendly and compact ballot will bring Colorado closer to well-

established principles for ballot design and clear, simple language.

#### Those opposed say:

- 1. Where no problem currently exists, this constitutional change may result in unintended consequences which may be difficult, costly, and perhaps impossible to fix.
- 2. Claims of saving taxpayers money do not justify the proposed change as the savings will not extend statewide to counties with few judges on the ballot.

# AMENDMENT X Industrial Hemp Definition

A referred amendment to article XVIII, section 16 of the Colorado Constitution to change the definition of industrial hemp from constitutional to statutory.

#### **Major Provisions:**

- Changes the definition of industrial hemp from constitutional to statutory; and
- Allows the use of the definition of industrial hemp found in federal law or in state statute.

#### **Background:**

Under current state law, if the federal government authorizes the U.S. Department of Agriculture to regulate the cultivation and research and development

of industrial hemp, the state's program would automatically repeal. The Colorado Department of Agriculture is neutral on this issue.

Under current federal law, all cannabis varieties, including industrial hemp, are classified as controlled substances regulated by the federal Drug Enforcement Agency in the U.S. Department of Justice. However, the U.S. Congress authorized the limited cultivation of industrial hemp for research purposes in 2014, and currently has legislation pending regarding industrial hemp.

# Those in favor say:

1. Striking the definition of industrial hemp from the Colorado Constitution allows the state legislature to react to changes to the definition at the federal level. As a result, Colorado's industrial hemp growers will maintain compliance with federal policy and remain competitive with other states.

### Those opposed say:

1. Voters approved the current definition of industrial hemp in 2012. This proposal allows the state's legislature to make changes to the term's definition, which may cause uncertainty among industrial hemp growers who have relied on the constitutional definition in establishing their businesses.

# **AMENDMENT Y Congressional Redistricting**

A referred amendment to article V, section 44 of the Colorado Constitution to change the way that the state's congressional district maps are redrawn following the census.

#### **Major Provisions:**

- Creates the Independent Congressional Redistricting Commission to amend and approve congressional district maps drawn by a nonpartisan staff;
- Specifies that the commission consist of 12 members, 4 from the state's largest political party (currently the Democratic party), 4 from the state's second largest political party (currently the Republican party) and 4 who are not affiliated with any political party;
- Sets qualifications and establishes a process for selecting commissioners.
   Sets standards for transparency and ethics as well as a procedure for judicial review of the maps; and
- Establishes criteria that the commission must use for drawing Colorado's congressional district maps.

#### **Background:**

Currently under the Colorado Constitution, the state legislature is responsible for dividing the state into its seven congressional districts following the census. Failure to complete the map results in court intervention. This proposal transfers authority to redraw congressional maps from the legislature to an Independent Congressional Redistricting Commission as defined above.

The Chief Justice of the Colorado Supreme Court designates a panel of three of the most recently retired judges from the Colorado Supreme Court or Court of Appeals to facilitate selection of commissioners.

Applicants for commissioners must be registered voters who are screened by nonpartisan legislative staff. The final 12 commissioners are selected from the pool of qualified applicants: Some are recommended by the state legislative leadership; some selected by lottery and reviewed by the retired judge panel and some selected by the judicial panel

The composition of the commission is meant to reflect the state's racial, ethnic, gender and geographic diversity and must include representation from each congressional district.

This proposal adds criteria for the commission to follow when adopting a map, which includes preserving communities of interest and maximizing the number of competitive districts. It must follow the federal requirement that

states redraw their districts to be equal in population and adhere to the Federal Voting Rights Act of 1965, requiring that a minority group's voting strength not be diluted in a redistricting plan. Maps cannot be drawn for the purpose of protecting incumbents, candidates or political parties.

There is a requirement for public hearings to be held in each congressional district to receive public input before the commission approves a redistricting map as well as opportunities for public input online.

The Colorado Supreme Court reviews and ultimately approves the final map adopted by the commission.

#### Those in favor say:

- 1. The amendment limits the role of partisan politics in the redistricting process by establishing an independent commission made up of an equal number of Democrats, Republicans, and unaffiliated representatives. It makes the process of redistricting more transparent by requiring open meetings and public engagement during the planning process.
- 2. It creates fair criteria for drawing of district maps to maximize the number of competitive congressional seats, protecting communities of interest and keeping districts compact.

- 1. This amendment takes accountability out of the redistricting process with the selection of unelected commissioners who are not accountable to the voters of Colorado. Finding enough qualified individuals to fill two commissions may be difficult. The selection process for commissioners is complex and because half of the members are selected randomly it may prevent qualified, experienced individuals from becoming commissioners.
- 2. The criteria may be difficult to apply objectively as there could be broad definitions of communities of interest and competitive districts.

# AMENDMENT Z Legislative Redistricting

A referred amendment to article V, section 46 of the Colorado Constitution which would change the way that the state legislative district (senate and house of representatives) maps are redrawn following the census.

#### **Major Provisions:**

- Creates the Independent Legislative Redistricting Commission to amend and approve state legislative district maps drawn by the nonpartisan legislative staff following the census;
- Specifies that the commission consist of 12 members, 4 from the state's

largest political party (currently the Democratic Party), 4 from the state's second largest political party (currently the Republican Party) and 4 who are not affiliated with any political party;

- Sets qualifications and establishes a process for selecting commissioners.
   Sets standards for transparency and ethics as well as a procedure for judicial review of the maps; and
- Expands the criteria that the commission must use for adopting state legislative district maps.

### **Background:**

The Colorado legislative districts (35 state senators and 65 state representatives) are redrawn every 10 years following the census. The districts are divided to have nearly equal population in each district.

Since 1974, the Colorado Reapportionment Commission consisting of 11 members, has convened to draw a new state legislative district map after the census.

This proposal establishes a new process for state legislative redistricting, replacing the Colorado Reapportionment Commission with the Independent Legislative Redistricting Commission. This is a similar but separate process from the congressional redistricting proposal in Amendment Y.

Applicants for commissioners must be registered voters. They are screened by nonpartisan legislative staff. The final 12 commissioners are selected from the pool of qualified applicants as described in Amendment Y.

The Chief Justice of the Colorado Supreme Court designates a panel of three of the most recently retired judges from the state Supreme Court or Court of Appeals which are part of the process of selection of the commissioners. This panel cannot have the same judges as those appointed for the Congressional Redistricting panel.

The composition of the commission is meant to reflect the state's racial, ethnic, gender and geographic diversity and must include representation from each congressional district.

This proposal adds criteria for the commission to follow when adopting a map, which includes preserving communities of interest (limiting the splitting of cities, towns and counties). It must follow the federal requirement that states redraw their districts to be equal in population and adhere to the Federal Voting Rights Act of 1965. Maps cannot be drawn for the purpose of protecting incumbents, candidates or political parties. There is a requirement for public hearings throughout the state to collect public input before the commission approves a

redistricting map, as well as opportunities for public input online.

The Colorado Supreme Court reviews and ultimately approves the final map adopted by the commission.

#### Those in favor say:

- 1. This proposal limits the role of partisan politics in the redistricting process by establishing an independent commission made up of Democrats, Republicans and unaffiliated voters.
- 2. It makes the process of redistricting more transparent and provides an opportunity for public participation. The amendment creates fair criteria for the drawing of legislative districts, prioritizing communities of interest and political competitiveness.

#### Those opposed say:

- 1. This amendment takes accountability out of the redistricting process with the selection of unelected commissioners who are not accountable to the voters of Colorado. The make-up of the commission does not allow for members of minor parties to be included.
- 2. The selection process for commissioners is complex and because half of the members are selected randomly, it may prevent qualified, experienced individuals from becoming commissioners. Finding

enough qualified individuals to fill two commissions may be difficult.

# AMENDMENT A To Prohibit Slavery and Involuntary Servitude in All Circumstances

A referred amendment to article II, section 26 of the Colorado Constitution which prohibits slavery and involuntary servitude, except as punishment for the conviction of a crime. Amendment A would eliminate that exception.

### **Major Provision:**

• Prohibits slavery and involuntary servitude in all circumstances.

#### **Background:**

The language of Article II, Section 26 is consistent with the 13th Amendment to the US constitution (passed in 1865), which also prohibits slavery and involuntary servitude, except as punishment for a crime for which a person was found guilty. Twenty-five states never adopted the 13<sup>th</sup> Amendment's crime exception. Colorado would be the first state to remove this language from its constitution.

Court decisions have approved work requirements as part of prison sentences, community service and probation. Colorado Department of Corrections work programs are not compulsory, but an inmate's refusal to work may impact eligibility for prison privileges and parole.

The Colorado Legislature's unanimous resolution referring this measure to the voters expressly provides that the Legislature does not intend to withdraw legitimate work opportunities from convicted persons, but only to prevent compulsory labor.

Voters narrowly defeated a nearly identical ballot measure, Amendment T, in 2016. Advocates believe voters were confused by the ballot language in 2016. Amendment A makes it clear that a 'Yes" vote would ban all slavery and involuntary servitude in Colorado, without exception.

#### Those in favor say:

- 1. Freedom and equality are fundamental human values which should be reflected in the Colorado Constitution.
- 2. The language to be eliminated is archaic. It was written in the 19th Century, when not all people were treated with human dignity or even considered human. Colorado must heal racial divides, and removal of racially divisive symbols will move us toward that important goal.

- 1. This change would be merely symbolic, since slavery and involuntary servitude are already illegal in all contexts in Colorado.
- 2. Work programs have a legitimate place in the correctional system. This proposal may result in legal challenges to current offender work programs until legal precedent is established.

# **AMENDMENT 73 Funding for Public Schools**

Amend article IX, section 17 to change the financing of public schools in Colorado.

#### **Major Provisions**

- Raises money to be spent exclusively on pre-primary, primary and secondary education;
- Directs revenue to increase per pupil funding by 7.8% from FY 2018; fully fund kindergarten; increase funds for special education, gifted/talented programs, English language proficiency, low income students/schools, and preschool;
- Adds additional funds to supplement and not supplant current funding from the General Fund. The General Assembly may adjust how funds are spent in the future, according to need, although the monies must continue to supplement and not supplant General

- Fund support to pre-primary, primary and secondary education;
- Changes Colorado's state income tax from being a completely flat tax (currently 4.63% of federally adjusted gross income) to slightly progressive, by instituting a gradual tax increase for incomes over \$150,000, and increasing corporate tax rates to 6% from 4.63%;
- Reduces property tax rates on nonresidential property. Changes tax rates for residential property by a reduction from current levels, but an increase from projected levels. Changes apply only to public school assessments; and
- Exempts additional revenue from spending limits set forth in article X, section 20, of the Colorado Constitution.

#### **Background:**

Over the last 20 years, Colorado's support to primary and secondary education has dwindled when recessions reduced tax revenues. In the time from 2000-2005, the constitutional constraints on revenues and spending prevented any recovery from cuts resulting from the 2001-02 recession. The recession of 2008-09 further reduced revenues and support to education. A continuing slow recovery of tax revenues again prevented restoration of funding. Constitutional formulas for determining property taxes further eroded the ability of local governments, especially in rural areas, to maintain local funding.

Amendment 23, passed in 2000, sought to protect state funds for education. However, reductions in revenues in recession years were so severe that the constitutional protections could not be funded. The result is that spending on primary and secondary education is behind the constitutional requirement by approximately three quarters of a billion dollars. The impact is seen in deteriorating buildings, restricted transportation, and in some school districts changing to a four-day week schedule.

#### Those in favor say:

- 1. Colorado has one of the fastest growing economies, yet spends roughly \$2,800 less than the national average and has the least competitive teacher wages in the country causing teacher shortages in the majority of Colorado school districts.
- 2. Strong public schools are the backbone of healthy communities, and one of the government's most important duties is to provide students with a quality education. This proposal will give local school districts the funding they need by creating a new revenue stream for local schools that legislators can't raid. This measure would provide equitable funding for all Colorado school districts by asking those benefiting the most from Colorado's growth—corporations and the wealthy—to contribute a little more.

- 1. This measure imposes an additional tax burden on state taxpayers without any guarantee of increased academic achievement. It may impede growth because the tax increase is so large. Increasing state income taxes reduces the money that households have to spend or save. As a result, consumer spending and overall economic activity may decline.
- 2. This measure raises taxes for thousands of working families and their employers. The amendment gives corporations a property tax cut while raising property taxes on Colorado homeowners, which will worsen Colorado's affordable housing crisis. The new tax brackets do not adjust for inflation, so each year more taxpayers will pay the new higher tax. It further complicates the state's property tax and ignores the other necessary services paid for by property tax. It will drive wealth out of the state.

#### **AMENDMENT 74**

Just Compensation for Reduction in Fair Market Value by Government Law or Regulation (Takings)

An amendment to section 15 of article II of the Colorado constitution which would require just compensation to property owners when government action reduces the fair market value of private property.

# **Major Provisions**

 Requires just compensation to a private property owner when a government action reduces the fair market value of property.

# **Background:**

In recent years, there has been increased oil and gas drilling and activity occurring in close proximity to cities and neighborhoods. Cities have tried to limit this activity for health and safety reasons, but have not been allowed to totally restrict or ban drilling within their city limits. The Colorado Oil and Gas Conservation Commission, which regulates this industry, forbids total restriction of drilling within city limits. In order to better control oil and gas activity, advocates for restricting drilling have talked about taking this property, so it is not available for drilling.

Mineral rights are a property right under Colorado law. If a right is taken, there should be consideration of compensation. The process for compensation to property owners is clearly described in the constitution. Many farmers and ranchers have split their rights and they own the surface rights for farming and ranching. Some owners maintain their mineral rights – rights below the surface – and lease these to oil and gas companies. Others have sold the mineral rights to developers, who negotiate with the surface rights owners for access to the property to develop the mineral rights. Usually there is a fee to the surface owner for access to the property.

# Those in favor say:

- 1. The intent of this amendment is to restore a balance to Colorado's constitutional protections of property rights. This measure levels the playing field and gives all citizens the opportunity to make a claim to be made whole when the government diminishes the value of private property. It promotes good government, helps limit excessive regulation, and allows for an equal process for impacted parties.
- 2. Currently, courts have held that for compensation for economic damage to occur, the property in question must be rendered nearly valueless. It gives owners the right to seek a legal remedy and potential compensation.

- 1. This proposal will impact taxpayers and governments in Colorado. The scope of this measure will have farreaching and significant consequences regarding future decisions made by governments that benefit their citizens. Even though safeguards may be supported by the citizens, governments may choose to ignore community protections for infrastructure, water quality and air quality.
- 2. Taxpayers will be responsible for payments to property owners for any loss in property value due to a government action that reduces the value of their property. Compensation may be ordered even if property owners continue to use their property profitably.

# **AMENDMENT 75 Campaign Contributions**

An initiated amendment to article XXVIII, section 3 of the Colorado Constitution by adding subsection 14 which would increase campaign contribution limits when a candidate contributes at least \$1 million to his or her own campaign.

#### **Major Provision:**

 Allows all candidates to collect five times the level of individual contributions currently authorized when another candidate in the same election loans or contributes at least \$1 million to his or her own campaign.

#### **Background:**

Colorado law regulates campaign finance contributions and expenditures for candidates running for state-level offices. This proposal allows candidates to accept contributions from individuals that are five times the rate authorized in the state constitution if at least one candidate contributes or loans more than one million dollars to his or her own campaign; contributes or loans at least one million dollars to a committee to support or oppose any candidate in the same race or coordinates third party contributions of at least a million dollars to influence the candidate's own election. This proposal does not allow corporate contributions.

Current limitations for individual and political committee contributions to candidates for Governor/Lt. Governor, Attorney General, Secretary of State and Treasurer are \$1150. Limitations to candidates for State Senator, State Representative, Board of Education, CU Regent and District Attorney are \$400.

#### Those in favor say:

1. This proposal levels the playing field for those who are not rich enough to self-fund their own campaign. It encourages participation by more

- candidates, not just those who are wealthy.
- 2. Colorado's current limits on individual contributions are among the lowest in the country, and candidates who rely on individual contributions are at a significant disadvantage in communicating their message to the voters.

- 1. This proposal opens the door to allow more contributions which would further inflate election spending. This proposal does nothing to address personal wealth between candidates...
- 2. This amendment would complicate rather than fix Colorado's campaign finance system by allowing more money to be spent on elections. It is not the way to fix a broken system.

#### **PROPOSITIONS**

# Proposition 109 Authorize Bonds for Highway Projects

Amends the Colorado Revised Statutes by adding part 11 to article 4 of title 43 which authorizes bonds for highway projects.

#### **Major Provisions**

• Requires the state to borrow up to \$3.5 billion in 2019 for construction, repair, and maintenance of up to 66 specific

highway and bridge projects on a priority list developed by the Colorado Department of Transportation. The estimated cost of these projects is \$5.6 billion;

- Limits the total repayment amount including interest on the bonds to \$5.2 billion over 20 years;
- Prohibits proceeds of bond sales from being spent on multimodal projects or on mass transit;
- Requires the state to repay the borrowed amount from existing revenues without raising taxes or fees;
- Requires the legislature to make debtservice payments on the bonds before funding K-12 and higher education, corrections and social services, including Medicaid; and
- Replaces transportation funding allocated by the state legislature in 2017 and 2018.

### **Background:**

The Colorado Department of
Transportation (CDOT) is responsible for
maintenance and construction of state
highways. CDOT receives most of its
revenue from federal and state gasoline
taxes, diesel fuel taxes and vehicle
registration fees. Gas and diesel taxes are
not adjusted for inflation and tax rates have
not been increased in over 20 years. The
federal fuel tax was last increased in 1993
and the Colorado fuel tax was last
increased in 1991. These revenues have

not been sufficient to meet increased transportation infrastructure costs and catch up with statewide population increases.

In 2017 and 2018 the state legislature passed two laws to increase funding for transportation projects. In 2017, the state designated \$1.5 billion for transportation funded through the sale and lease-back of state buildings. In 2018, the state allocated another \$1 billion in existing state revenue for transportation. If this proposal passes, it will replace this funding.

# Those in favor say:

- 1. Roads are a core function of government, which the state legislature has been ignoring. This proposal requires Colorado to issue \$3.5 billion in bonds for pressing transportation projects. The initiative funds the most needed road and bridge repair and expansion projects around the state by name and location, so voters know exactly what they are getting, all without raising taxes or fees. This proposal compels the legislature to reprioritize roads in the budget.
- 2. The cost of paying back the bonds amounts to less than 2 percent of the current state budget. Colorado has all the money it needs to comfortably address our crumbling road infrastructure; we just need to make it a priority.

- 1. Because this proposal requires that the bonds be repaid with existing state revenue, it will divert up to \$260 million a year for 20 years away from other critical programs, including education, health care, public safety and routine transportation maintenance.
- 2. The measure does not generate enough borrowed funding to pay for all the promised projects. The estimated cost to construct the projects listed in the measure is \$5.6 billion, but the proposal only raises \$3.5 billion. The borrowed money may only be used for projects listed in the proposal. The proposal would replace financial commitments made by the General Assembly and the Governor in the 2018 legislative session. If the proposal passes, it replaces the legislature's commitment with borrowed money.

# Proposition 110 Authorize Sales Tax and Bonds for Transportation Projects

An initiated amendment to the Colorado Revised Statues which allows a sales tax increase and the issuance of bonds to fund transportation projects.

# **Major Provisions**

• Increases the state's sales and use tax rate by .62% (6.2 cents for every \$10)

- from 2.9% to 3.52% for 20 years beginning January 1, 2019;
- Authorizes Colorado Department of Transportation to issue up to \$6 billion in bonds to spend on state transportation projects. Limits the total repayment amount, including principal and interest, to \$9.4 billion over 20 years;
- Divides the new sales tax revenue in the following way:
  - ➤ 45% would fund state transportation projects and service the debt (principal and interest) on the bond repayment;
  - ➤ 40% would be split evenly between municipalities and counties for local governmental transportation projects; and
  - ➤ 15% would be allocated to a new Multimodal Transportation Options Fund for multimodal transportation projects like mass transit, bicycle lanes and walking paths. Counties and municipalities would have to provide a 50% match for the amount that they request from the fund for their multimodal projects.

#### **Background:**

Currently, maintenance and construction of state highways are funded through the Colorado Department of Transportation (CDOT). CDOT receives most of its transportation revenue from federal and state gasoline taxes, diesel fuel taxes and vehicle registration fees. Gas and diesel taxes are not adjusted for inflation and tax rates have not been increased in over 20 years. The federal fuel tax was last increased in 1993 and the Colorado fuel tax was last increased in 1991. These revenues have not been sufficient to meet increased transportation infrastructure costs and catch up with city and statewide population increases.

The proposal increases the state's 2.9% sales and use tax to 3.52%. The state's sales and use tax is paid on the purchase price of most items. Food, prescription drugs, household utilities and gasoline are exempt from the sales and use tax. In addition to the state 2.9% rate, most cities and counties also have sales and use taxes which vary. Combined state and local sales tax rates range from 2.9% to 11.2% depending on where a purchase is made.

The estimated annual cost of the proposed sales and use tax increase to a Colorado family with an average income of \$74,354 would be \$131.

#### Those in favor say:

1. Colorado's highways are in poor condition and have not kept pace with population growth. The state needs to invest immediately in roads, bridges and multimodal transit, such as buses and bicycle and walking improvements. This measure creates a

- guaranteed and sustainable source of transportation funding to address this crisis. New and dedicated revenue for transportation will allow the state to address statewide transportation needs without taking money away from other critical state programs such as education and health care.
- 2. Colorado's transportation needs have gone unmet for decades. As a result, CDOT is facing a backlog of \$9 billion in unfunded projects because the state uses an out-of-date funding source the gas tax that can no longer meet our needs. This proposed state sales tax increase ensures that tourists visiting Colorado pay their fair share toward improving our transportation infrastructure.

- 1. This proposal is a massive 21% state sales tax increase. Sales taxes are regressive, which means they hit poor and low-income Coloradans the hardest. If it passes, many Colorado communities will have combined state and local sales taxes rates over 9 percent, and some over 11 percent.
- 2. Proponents claim the tax increase is needed to address "transportation" needs, but only some of the money goes to roads and bridges. The tax increase also funds statewide "multimodal" projects which can mean anything from bike paths to trains, and

other kinds of transit. This proposal also creates a fund for local governments to use for whatever they may define as transportation-related. Making Coloradans in other parts of the state pay higher sales taxes for local pet projects is simply wrong.

# Proposition 111 Limitation on Payday Loans

An initiated amendment to section 5-3-1-101.5 of the Colorado revised statutes which lowers the maximum authorized finance charge for payday loans.

#### **Major Provisions:**

- Lowers finance charges to no more than 36% annual percentage rate (APR);
- Requires a lender to refund a pro-rated portion of finance charges to a consumer if a loan is paid prior to maturity; and
- Authorizes charges which may be applied by the lender to a payday loan.

# **Background:**

Payday loans are small, easy access short term loans that do not require a credit check. In 2016, about 207,000 individuals in Colorado secured over 414,000 payday loans. These loans totaled over \$166 million with consumers paying an estimated \$50 million in loan costs made of any combination of fees and interest.

The default rate was 23%. Payday lenders in Colorado have charged up to 200% APR for payday loans. This amendment to the Colorado Revised Statues would lower the maximum authorized finance charge for payday loans to an APR of 36%. Although the law regarding short term loans was revised in 2010, this proposal provides more protections for consumers.

#### Those in favor say:

1. Payday lenders prey on vulnerable families, taking advantage of them by charging interest rates that can go as high as 200%. Lending money at outrageously high interest rates to hard-working families is just wrong, and Colorado government should not enable companies to continue this predatory practice. Payday lenders are operating within a loophole that exempts them from Colorado's usury laws. By reducing the cost of payday loans, this measure provides the same 36% APR rate cap that is applied to other loans in Colorado.

## Those opposed say:

1. This measure is unnecessary because the state legislature passed reforms in 2010 that led to reduced loan costs and fewer defaults, while ensuring that consumers have access to a well regulated source of emergency loans. Payday loans provide options for consumers who may not qualify for

other types of loans. With limited or no access to payday loans for emergencies, consumers may pay higher costs to other creditors from late payment fees, bounced check and overdraft fees, or utility disconnect fees.

# Proposition 112 Increased Setback Requirement for Oil and Natural Gas Development

Adds section 34-60-131 to the Colorado Revised Statutes to increase the buffer zones between oil and gas development and occupied structures and vulnerable areas.

### **Major Provisions**

- Requires that all new oil and gas development not on federal land must be located 2500 feet from an occupied structure or a vulnerable area; and
- Determines that the reentry of an oil or gas well that was previously plugged or abandoned is considered new development.

#### **Background:**

Oil production in Colorado doubled between 2013 and 2017. Natural gas production in Colorado has been stable over the past 10 years. The Colorado Oil and Gas Conservation Commission (COGCC) establishes and enforces regulations on oil and natural gas operation in the state. The COGCC is charged with fostering the responsible development, production and use of oil and natural gas in a manner that protects public health, safety, welfare and the environment. Currently, the COGCC regulations prohibit production facilities closer than 500 feet from a home or other occupied building and 1,000 feet from high-occupancy buildings such as schools, health care facilities, correction facilities, child care centers and neighborhoods with at least 22 buildings.

This proposal defines vulnerable areas as playgrounds, permanent sports fields, amphitheaters, public parks, public open space, public and community drinking water sources, irrigation canals, reservoirs, lakes, rivers, perennial or intermittent streams, and creeks, and any additional vulnerable areas designated by the state or local government.

When there is any severing of minerals, there is a tax applied. Also royalty payments and lease revenues are collected by state government. Any existing operations will not be impacted by this proposal. Should there be less area available for drilling, future revenue will be reduced. Limitations on new drilling will reduce local property tax collection, since producing well sites have higher assessed value than inactive nonproducing ones. Local governments receive a share of

the state's severance taxes to offset the impacts of oil and natural gas development.

With the population growth and development in Colorado over the last decade, more communities are feeling and seeing oil and gas operations in their neighborhoods. Some cities have tried to limit drilling operations, but have been sued by the industry. Some municipalities have been able to negotiate with drillers to require greater setbacks so that citizens are not impacted.

#### Those in favor say:

- 1. This proposal will establish a commonsense buffer zone between new oil and gas development and homes, schools, playgrounds and drinking water sources. The distance of 2,500 feet, almost ½ mile, aligns with evacuation zones used by first responders and a growing body of peer-reviewed studies that show an increased risk of negative health impacts within ½ mile, including elevated cancer risk, respiratory problems, birth defects and low birth weight.
- 2. This proposal will update Colorado's regulations to address new technologies and the scale of current drilling to protect our health, safety and quality of life with the inevitable harms associated with hydraulic fracturing near neighborhoods and our water.

# Those opposed say:

- 1. This measure is so extreme that it increases setbacks to five times the distance of what is currently required, which effectively bans oil and natural gas development in the state, costing tens of thousands of jobs and hundreds of millions of dollars in tax revenue. In fact, the setback would put 85% of the state off limits to new oil and gas development, according to the Colorado Oil and Gas Conservation Commission.
- 2. Only 23% of the impacted jobs would be from the oil and gas sector. The remaining 77% of job losses would be in construction, healthcare, retail, real estate, hotel and food service and local government, including teachers.

#### **VOTER REGISTRATION**

#### Register To Vote If You:

- Are a United States citizen,
- Are 16 years of age and will be 18 years of age or older at the time of the next election,
- Are a Colorado resident for 22 days immediately before the election in which you intend to vote, and
- Are not serving a sentence of confinement, detention, or parole for a felony conviction.

# How To Register www.govotecolorado.com

Colorado law allows you to register to vote through Election Day. If you have a Colorado Driver's license, a Colorado ID card or social security number you may register online at **www.govotecolorado.com**. How you register to vote impacts how you receive your ballot.

In order to receive your ballot by mail:

- Register to vote or update your voter registration online at www.govotecolorado.com through the 8th day before Election Day.
- Submit an application through the mail, at a voter registration agency, or at a local driver's license examination

facility through the 8th day before Election Day.

 Submit an application through a voter registration drive no later than 22 days before Election Day.

If you miss the above deadlines, you may appear in person at a Voter Service and Polling Center in your County through Election Day where you can register to vote and then vote in person or pick up a ballot. Check with your County Clerk for Voter Service and Polling Center locations.

### **Change of Address if already Registered**

- On-line at **www.govotecolorado.com** by the 8<sup>th</sup> day before the election in Colorado.
- By mail with a letter or form furnished by the County Clerk and received no later than the 8<sup>th</sup> day before the election.
- In person at any time when open, including Election Day, at:
  - o Your County Clerk's office, or
  - Voter Service & Polling Center in your county of residence

# VERIFY YOUR VOTER REGISTRATION www.govotecolorado.com

#### **VOTING**

#### **Ballots Mailed to Registered Voters**

 Voters may complete the ballot and return it by mail or take it to a drop-off location. You do not have to vote on

- every race or question; the rest of your votes will still be counted.
- Completed mail ballots must be received by the county clerk no later than 7PM on Election Day
- If you do not receive a mail ballot or spoil yours, you may request a replacement from your County Clerk, or vote in person at a Voter Service and Polling Center.

#### **Voter Service and Polling Centers (VSPC)**

These Centers are Located in each county to provide election services. Services include:

- Voter registration at any time up to and including Election Day,
- Voters may change their address if registered elsewhere in Colorado,
- Voters may drop off their completed ballot.
- Voters may surrender their ballot and vote in person.

#### **Identification Forms Accepted**

Identification is required to vote at all polling locations. First time voters voting by mail may need to submit identification. All forms of ID must show a Colorado Address. Acceptable ID forms are:

- Valid Colorado driver's license
- Valid Colorado identification card
- Valid U.S. passport
- Employee ID card from a government agency with photo
- FAA photo pilot's license
- Valid U.S. military card with photo

- Copy of current utility bill, government paycheck or other government document with current address
- Certificate of Degree of Indian or Native Alaskan Blood
- Valid Medicare or Medicaid card
- Certified copy of birth certificate
- Certified naturalization document
- Valid CO student ID card with photo
- Valid veteran's ID card
- Valid ID card from a recognized tribal government

