

April 4, 2013 Initiative 9 for the 2013 ballot

March 19, 2013

Please consider this our request to submit the following for the 2013 general election ballot:

~~Shall the Colorado sales tax rate be raised by 10% points (from 2.9% to 12.9%) to collect an additional approximately EIGHT BILLION dollars annually. This additional revenue shall be used to fund the employer (taxpayer) contributions of the school division of the pension fund (PERA) so that no school district in the State of Colorado may any longer use any other dollars to fund the employer portion of PERA and therefore allows all of the revenue generated for public education to be used for student focused spending and not for the pensions of employees past or present. This assures that the approximately 15% of current general fund expenditures being used to match employee contributions is instead available for smaller class sizes, employee raises or other district priorities. This is intended to assure that the school division of PERA is fully funded in the 30 year projections. It also ensures that taxpayers are no longer making double or more the contributions of employees to the school division of the pension fund.~~

Carol Baum

[cbaum@q.com](mailto:cbaum@q.com)

1447 S. Welch Ct

Lakewood, CO 80228

303-989-2809

Steve Dorman

[stevendorman@comcast.net](mailto:stevendorman@comcast.net)

6337 S Benton Way

Littleton, CO 80123

720-283-8476

**RECEIVED**

APR 05 2013

ELECTIONS/LICENSING  
SECRETARY OF STATE

12:00 P.M.

S. WARD

Changes made after Legislative Council Questions:

## **INCREASE STATE TAXES**

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

**SECTION 1.** Section 17 of article IX of the Constitution of the state of Colorado is amended BY THE ADDITION OF THE FOLLOWING SUBSECTIONS to read:

### **Section 17. Education – funding.**

#### **(10) SCHOOL DIVISION PERA EMPLOYER CONTRIBUTION FUND.**

(a) THE STATE SCHOOL DIVISION PERA EMPLOYER CONTRIBUTION FUND IS CREATED IN THE STATE TREASURY.

(b) THE DEPARTMENT OF REVENUE OR ITS SUCCESSOR AGENCY SHALL ANNUALLY DETERMINE THE AMOUNT OF TAX REVENUE COLLECTED BY THE STATE OF COLORADO THAT IS ATTRIBUTABLE TO THE SALES TAX INCREMENT FOR SCHOOL DIVISION PERA EMPLOYER CONTRIBUTIONS. SUCH AMOUNTS SHALL BE DEPOSITED IN STATE SCHOOL DIVISION PERA EMPLOYER CONTRIBUTION FUND.

(c) THE STATE SCHOOL DIVISION PERA EMPLOYER CONTRIBUTION FUND SHALL BE CREATED TO FUND THE SCHOOL DIVISION EMPLOYER CONTRIBUTIONS TO THE PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION TO INCLUDE THE STATUTORY CONTRIBUTIONS, THE AMORTIZATION EQUALIZATION DISBURSEMENT (AED) AND SUPPLEMENTAL AED (SAED) PAYMENTS.

(d) ALL INTEREST EARNED ON MONIES IN THE STATE SCHOOL DIVISION PERA EMPLOYER CONTRIBUTION FUND SHALL BE DEPOSITED IN THE STATE SCHOOL DIVISION PERA EMPLOYER CONTRIBUTION FUND AND SHALL BE USED BEFORE ANY PRINCIPAL IS DEPLETED. MONIES REMAINING IN THE STATE SCHOOL DIVISION PERA EMPLOYER CONTRIBUTION FUND AT THE END OF ANY FISCAL YEAR SHALL REMAIN IN THE FUND AND NOT REVERT OR BE TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND.

(e) ALL REVENUES COLLECTED PURSUANT TO THIS SUBSECTION SHALL BE COLLECTED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE WITHOUT REGARD TO ANY LIMITATION ON REVENUE, SPENDING, OR APPROPRIATIONS, CONTAINED IN SECTION 20 OF ARTICLE X OF THIS CONSTITUTION OR ANY OTHER LAW. SPENDING OF SUCH REVENUE, CONSISTENT WITH THE EXPRESSED INTENTION OF THE VOTERS AT THE 2013 ELECTION, SHALL REQUIRE NO ADDITIONAL VOTER APPROVAL AT ANY STATE OR LOCAL ELECTION.

(f) EFFECTIVE JULY 1, 2014 SCHOOL DISTRICTS ARE PROHIBITED FROM USING ANY OF THEIR REVENUE TO FUND THE EMPLOYER CONTRIBUTION TO THE PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION (PERA).

**SECTION 2.** Part 1 of article 77 of title 24, Colorado Revised Statutes, is amended BY  
THE ADDITION OF A NEW SECTION to read:

**24-77-103.3. Voter approved revenue change-use of revenues.** THE REVENUES RAISED BY THE INCREASE IN TAXES IMPOSED PURSUANT TO THIS MEASURE, AS SPECIFIED IN SECTIONS, 39-26-106(1)(c), AND 39-26-202(2.5), C.R.S., SHALL CONSTITUTE A VOTER APPROVED REVENUE CHANGE AND MAY BE COLLECTED, KEPT, AND SPENT NOTWITHSTANDING ANY OTHER LIMITS IN THE CONSTITUTION OR OTHER LAW. ALL REVENUES RAISED BY THE INCREASE IN TAXES IMPOSED PURSUANT TO THIS MEASURE, AS SPECIFIED IN SECTIONS 39-26-106(1)(c), AND 39-26-202(2.5), C.R.S., SHALL BE APPROPRIATED BY THE GENERAL ASSEMBLY TO THE SCHOOL DIVISION OF THE PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION. THE REVENUE SHALL BE APPROPRIATED FIRST AS THE EMPLOYER CONTRIBUTION THEN TO FUND THE ACTUARIALLY REQUIRED CONTRIBUTIONS TO ASSURE FULL FUNDING ON A 30 YEAR ACTUARIAL BASIS. THE PEOPLE INTEND THAT THE ALLOCATION OF MONIES REQUIRED BY THIS SECTION BE IN ADDITION TO AND NOT A SUBSTITUTE FOR MONIES OTHERWISE APPROPRIATED BY THE GENERAL ASSEMBLY, WHICH SHALL BE IN AN AMOUNT NOT LESS THAN THE AMOUNT APPROPRIATED FOR FISCAL YEAR 2011-12, FOR THE COSTS OF PUBLIC EDUCATION FROM PRESCHOOL THROUGH TWELFTH GRADE AND PUBLIC POSTSECONDARY EDUCATION.

**SECTION 3.** 39-26-106(1), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

**39-26-106. Schedule of Sales Tax.** (1)(c) NOTWITHSTANDING THE TWO AND NINETY ONE-HUNDREDTHS PERCENT RATE PROVISIONS OF SUBPARAGRAPH (II) OF PARAGRAPH (a) OF THIS SUBSECTION (1), BEGINNING JULY 1, 2014, THE RATE OF THE TAX IMPOSED PURSUANT TO THIS SUBSECTION (1) SHALL BE TWELVE AND NINETY ONE-HUNDREDTHS PERCENT AND THE INCREASED REVENUES SHALL BE DEPOSITED IN THE STATE SCHOOL DIVISION PERA EMPLOYER CONTRIBUTION FUND.

**SECTION 4.** 39-26-202, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

**39-26-202. Authorization of tax.** (2.5) NOTWITHSTANDING THE TWO AND NINETY ONE-HUNDREDTHS PERCENT RATE PROVISIONS OF PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION, BEGINNING JULY 1, 2014, THE RATE OF THE TAX IMPOSED PURSUANT TO THIS SUBSECTION (1) SHALL BE TWELVE AND NINETY ONE-HUNDREDTHS PERCENT AND THE INCREASED REVENUES SHALL BE DEPOSITED IN THE STATE SCHOOL DIVISION PERA EMPLOYER CONTRIBUTION FUND.

**SECTION 5. Effective date.** This act shall take effect July 1, 2014.