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S. WARD  
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*Be it Enacted by the People of the State of Colorado:*

Colorado Secretary of State

**SECTION 1.** In the constitution of the state of Colorado, article X, **add** section 22 as follows:

**Section 22. Limitation on tax increases.**

**(1) Required elections.** (a) A DISTRICT MUST HAVE VOTER APPROVAL IN ADVANCE FOR A TAX MEASURE TO BECOME LAW, EXCEPT AS PROVIDED IN SUBSECTION (1)(b) OF THIS SECTION.

(b) VOTER APPROVAL IN ADVANCE IS NOT REQUIRED IF:

(I) A DISTRICT'S PROJECTED REVENUE IN A FISCAL YEAR FROM ALL NEW TAX MEASURES IS FIVE PERCENT OR LESS OF THE FISCAL YEAR SPENDING IN THE LAST COMPLETE FISCAL YEAR; AND

(II) A DISTRICT'S PROJECTED REVENUE IN A FISCAL YEAR FROM ALL TAX MEASURES IN THE LAST FIVE FISCAL YEARS IS TEN PERCENT OR LESS OF THE FISCAL YEAR SPENDING IN THE LAST COMPLETE FISCAL YEAR.

**(2) Election provisions.** A TAX MEASURE THAT MUST HAVE VOTER APPROVAL SHALL BE DECIDED IN A STATE GENERAL ELECTION, A STATE ELECTION HELD ON THE FIRST TUESDAY IN NOVEMBER OF ODD-NUMBERED YEARS, OR A LOCAL DISTRICT ELECTION.

**(3) Term definitions.** WITHIN THIS SECTION:

(a) "DISTRICT" MEANS THE STATE OR ANY LOCAL GOVERNMENT, EXCLUDING ENTERPRISES.

(b) "ENTERPRISE" MEANS A GOVERNMENT-OWNED BUSINESS AUTHORIZED TO ISSUE ITS OWN REVENUE BONDS AND RECEIVING UNDER 10% OF ANNUAL REVENUE IN GRANTS FROM ALL COLORADO STATE AND LOCAL GOVERNMENTS COMBINED.

(c) "FISCAL YEAR SPENDING" MEANS ALL DISTRICT EXPENDITURES AND RESERVE INCREASES, EXCEPT THOSE FROM GIFTS, FEDERAL FUNDS, COLLECTIONS FOR ANOTHER GOVERNMENT, PENSION CONTRIBUTIONS BY EMPLOYEES AND PENSION FUND EARNINGS, RESERVE TRANSFERS OR EXPENDITURES, DAMAGE AWARDS, OR PROPERTY SALES.

(d) "PROJECTED REVENUE IN A FISCAL YEAR FROM ALL NEW TAX MEASURES" MEANS THE REVENUE THAT A DISTRICT PROJECTS ALL TAX MEASURES TO TAKE EFFECT IN THAT FISCAL YEAR WILL GENERATE IN THE NEXT COMPLETE FISCAL YEAR.

(e) "PROJECTED REVENUE IN A FISCAL YEAR FROM ALL TAX MEASURES IN THE LAST FIVE FISCAL YEARS" MEANS THE REVENUE A DISTRICT PROJECTS THAT ALL TAX MEASURES TO TAKE EFFECT IN THAT FISCAL YEAR, TOGETHER WITH THOSE THAT CONTINUE IN EFFECT IN THAT FISCAL YEAR AND TOOK EFFECT IN THE PRECEDING FOUR FISCAL YEARS, WILL GENERATE IN THE NEXT COMPLETE FISCAL YEAR.

(f) "TAX MEASURE" MEANS A NEW TAX OR TAX RATE INCREASE.