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Require General Assembly TABOR Constitutionality Lawsuit - HJR25-1023

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Thank you Chair and members of the committee. My name is Joshua Mantell and I am the Director of Government Affairs for the Bell Policy Center. The Bell Policy Center provides policymakers, advocates, and the public with reliable resources to create a practical policy agenda that promotes economic mobility for every Coloradan.

I am here to testify in support of this House Joint Resolution and want to thank the sponsors for bringing this forward and starting a long overdue discussion on how TABOR is hurting our state's ability to meet the needs of its people and how it prevents our elected representatives from carrying out their constitutional duties.

Before I get into the actual meat of this resolution, it is important to start with a real understanding of how TABOR has affected the state of Colorado. While many people think of TABOR as the check or tax rebate you get and the ability to vote on tax increases, it is so much more than that. TABOR constitutionally prohibits a graduated income tax structure that would ensure the wealthy pay their fair share. TABOR's arbitrary spending formula prevents our state from meeting the health care needs of its people. TABOR forces biased language on our ballots that make our ballot titles confusing, dense, and misleading. TABOR prohibits local governments from instituting taxes – even taxes that the people may want – like a real estate transfer tax or a local income tax. 33 years ago when Colorado had many millions less people, a significantly less dynamic economy, and some of us owned Apple IIe computers, maybe these restrictions made sense. But in the year 2025, they do not allow our duly elected

representatives to make important choices about the fiscal environment that works for Colorado, and respond to changing economic conditions.

We elect our representatives to represent us. To make choices on mundane and exciting topics alike that affect all of us. That is what the founders of the United States envisioned, and the people who established this great state envisioned as well. That's because Coloradans have children to raise, jobs to do, and life to enjoy. Fiscal policy is extremely difficult and there is so much that goes into creating a state and local tax code and budget. Asking normal working people to understand all that goes into those kinds of decisions – instead of our elected representatives who we elect to understand these issues – does not make sense and takes the ability to balance these choices out of the hands of the people elected to do those jobs. No tax is made in a vacuum. We have statewide sales, insurance, and income taxes. We have local sales, lodging, and property taxes. Our elected representatives know how all of these different factors impact Colorado's overall tax code. How are everyday people supposed to understand how income taxes will impact the sales taxes and fees that are being levied in Durango?

We have a budget deficit this coming year of \$1.2B. TABOR says that our representatives have no choices on how to manage that. If they want to increase taxes on the wealthy through a graduated income tax to close that gap, they can't until next year. In every other state, representatives can make decisions that respond to the current economic and fiscal landscape. Our representatives cannot. That is not right and hurts our state's competitive advantage, while taking constitutional power away from the very people we entrust to represent our interests in the capitol. That is why we support this Joint Resolution and that is why we urge a "yes" vote on HJR-1023. Thank you and happy to answer any questions you may have.