



TABOR: the Fine Print

TABOR is a revenue and spending limit that includes the following elements:

- ❖ It is a constitutional amendment,
- ❖ It restricts revenue and expenditure growth to a formula – usually it is the sum of population change plus inflation, and
- ❖ It requires voter approval to override the revenue and spending limits.

In 1992, Colorado became the first and only state to enact TABOR.

The TABOR formula is flawed. As a result, funding for schools, health care, and other important services dried up.

The consequences were so disastrous that Colorado voters - led by a broad-based, bi-partisan coalition of teachers, public safety, business, community, and seniors - suspended it in 2005.

Why would we want to try a policy that is a proven failure?

TABOR is BAD FOR FLORIDA

PUBLIC SAFETY

[View the Video](#)

TABOR, the so-called “Taxpayers Bill of Rights,” is a constitutional proposal being discussed in Tallahassee (SJR 2420). It is a flawed idea that would hurt Florida’s schools, families, local communities, public safety, and economy. Once it’s put into our state’s constitution, it will be almost impossible to remove or change.

TABOR is a proven failure.

Many states have rejected TABOR, and only Colorado has passed it. The problem is that the TABOR formula doesn’t work. It was such a disaster for schools, healthcare, public safety, and the economy that Colorado voted to suspend it.

TABOR is a bad idea, and EVEN WORSE in the middle of a recession.

The national recession has cost our state thousands of jobs and forced billions of dollars in cuts to education and health care. TABOR will delay our economic recovery and cause more hard times for families. In the middle of the worst economic crisis we’ve seen, TABOR makes even less sense. It’s rigid and arbitrary formula will lock in current cutbacks for years to come-and it will make it even harder to dig-out of the current recession and create the jobs that Florida needs.

TABOR would undermine Florida's ability to make local decisions for families and businesses

We value our long-standing tradition of local control. It is the way each community makes decisions to address its unique priorities and challenges. TABOR would simply replace local decision-making with a complicated, one-size-fits-all formula on all Florida cities and towns. Voters in each community should be able to decide these issues for themselves.

TABOR will hurt schools, families, seniors, and our local communities.

The current recession has already led to deep cuts for and more cuts are coming this year. TABOR will prevent state and local governments from ever providing adequate funding for critical services. Seniors could face cuts to important programs like home healthcare and meal delivery programs. Vital public safety services could also face significant cuts. *TABOR would simply make tough*

times tougher for our citizens and communities.

TABOR is a PROVEN FAILURE

Colorado's business climate and quality of life have not been improved by TABOR. In fact, it contributed to a significant decline in that state's public services. Colorado's economy, hamstrung with TABOR, was not able to recover strongly from the last recession. This decline has serious implications not only for Colorado residents, but also for the residents of other states in which TABOR-like measures are now being promoted.

Education

TABOR forced drastic education funding cuts in Colorado.

- Before TABOR, Colorado was a middle of the pack state in terms of education funding (35th). By 2001, Colorado had fallen to 49th in K-12 spending, making the state near dead last in the percentage of state resources devoted to public schools throughout the country.
- Teacher salaries have dropped compared to the national average, falling from 30th to 50th in the nation.
- Colorado ranks 48th in state funding for higher education as a share of personal income. *As a result tuition has dramatically increased, causing a greater burden on students and families.*

Health Care

TABOR forced reductions in funding for health care programs and services for Colorado workers, families, and seniors. Health care services proved to be particularly vulnerable to inflexible spending caps because health care costs in both the public and private sectors rose faster than the limit allowed. Those costs will continue to grow rapidly because of the aging of the baby-boomers.

- Colorado now spends less on many public health programs than most states.
- Colorado is at the bottom in rates of prenatal care.
- Under TABOR, the share of low-income children lacking health insurance has doubled in Colorado – dropping the state to 50th in the nation.
- At one point, Colorado suspended the requirement that children be fully-immunized before enrolling in school, because there were not enough state funds to buy vaccines.
- Colorado ranks 49th in the nation in the percentage of both low-income non-elderly adults and low-income children covered by Medicaid.

Economic Development

TABOR did not improve Colorado's economy as promised. Instead, in the last recession it cost Colorado jobs. It delayed economic recovery, left the workforce untrained, and weakened the state's infrastructure.

- Colorado lost more jobs in the last recession than all states but three.
- After being in effect for ten years, Colorado's growth rate after the last recession was the lowest in the Rocky Mountain region.
- In 2002, the per-capita income in Colorado fell faster than in any other state in the country.
- Unemployment more than doubled during the last recession; the state lost 18,000 jobs in 2003 alone.
- Colorado's highways are in a state of growing disrepair with less than 60% rated good or fair.

Fiscal Stability & Accountability

TABOR created instability for businesses, communities, and families when Colorado entered the economic recession. At a time when businesses and families needed services most, the public sector became a weak partner in the recovery.

- Bond-rating agencies threatened to downgrade Colorado's bond rating because of TABOR.
- Financial analysts blamed TABOR for making the state's fiscal crisis during the last recession worse.

- Prior to the time-out, *Governing Magazine* ranked Colorado's finances as among the worst managed in the country, again due to TABOR.