

Colorado

The Taxpayer's Voice Since 1976



Rates the Legislature

Sixty-third General Assembly, 2000 Report - Prepared by the Colorado Union of Taxpayers

Congratulations!

2000 Taxpayer Champions*

Senate Doug Lamborn.....88% (R) Colorado Springs

House Joe Nunez.....94% (R) Littleton

2000 Taxpayer Guardians**

Senate John Andrews, (R) Englewood.....76%

House Lauri Clapp, (R) Englewood.....88% Rob Fairbank, (R) Littleton.....88% Don Lee, (R) Littleton.....88% Andy McElhany, (R) Colorado Springs...88%

*Champions earned the highest score in each house. Rounded. **Guardians earned honorable mention for runner up scores.

Key Bill Summaries Begin on Page 10

Year to Year?

Overall the Senate scored 45%, down from 55% last year. The House scored 48%, down from 57% last year. See the CUT Grid on page 6.

Colorado Union of Taxpayers Rates the 2000 Legislature

The Legislature gets a C for its efforts this year. While a flurry of legislation passed on the floor, legislators continued to insist on refunding excess taxes to varied special interests. They refused to refund it to Colorado Taxpayers. With an estimated over collection of \$900 million, the permanent tax cuts passed in this session total only \$200 million. Other non-permanent tax reductions total about \$185 million. All told less than 50% of the excess revenue has been returned to the taxpayer. They promised to give it back, but payments are over due!

Noteworthy legislation passed and signed by the Governor was the education reform package. Detailed school report cards and the expansion of the Colorado Student Assessment Program will bring much needed accountability to public education.

Disappointing again was the handling of the excess revenue. The data show that personal and corporate income taxes account for about 72% of the surplus revenue. To be most equitable, the tax should not be collected in the first place. This would require a further reduction of the income tax rate and this legislature shunned all bills which presented meaningful income tax cuts.

Also disappointing was failure to adopt Treasurer Mike Coffman's plan to sell rights to Colorado's tobacco settlement income in the securities market. The state is left in partnership with tobacco companies hoping sales stay high.

CUT urges the leadership and members of the legislature to reduce spending and adopt a policy of "lower taxes and less government."

Take time to carefully review the detailed information in this "2000 CUT Rates the Legislature Report," including "Key Bill Summaries." Learn more! Become more involved!

How Did the Parties Score?

Senate

Democrats.....28% Republicans.....59%

House

Democrats.....21% Republicans.....64%

High Scoring Democrats

Senator Thiebaut.....41% Representative Miller.....41%

Low Scoring Republicans

Senator Wham.....24% Representative Morrison.....29%

Complete Listing and Scores Inside

Directory

Table listing various sections and their page numbers, including Taxpayer Champions, Party Scores, Governor's Score, Senate Scores High-to-Low, House Scores High-to-Low, Key Bill Summaries, CUT's Ratings Grid, and more.

How Did the Governor Rate?

Governor Owens received a 58% CUT rating. Since Governor Owens entered office (January 1999) Colorado taxes have been reduced by \$865 million. Governor Owens' education reform package will bring long over-due accountability to Colorado schools. Student results per each dollar spent should improve. Congratulations Governor!



KEY BILL SUMMARIES

SB 4 Performance Grants From TABOR Surplus

This bill refers to voters a proposal to spend \$250 million of surplus taxes, otherwise returned to citizens under TABOR. Call this what it is—a tax increase for our already failing schools. Money would be spent for grants to help local schools and school districts improve students' performance in science and mathematics. PASSED. Senate 29/2, House 36/29. (Sen. Matsunaka/Rep. Kaufman) REFERRED. **CUT votes NO.** Lack of dollars is not the cause of the poor performance of our schools. History has proved that throwing more dollars at schools does not improve outcome.

SB 71 Programs Funded by Tobacco Settlement Monies

This bill provides guidelines for the state's spending of money derived from the tobacco litigation settlement. It creates new state programs or further funds existing ones. The programs include a nurse home visitor program, read-to-achieve, veteran's trust fund, primary and preventive care, tobacco education, etc. PASSED. Senate 31/4, House 47/17. (Sen. Anderson/Rep. Morrison) Governor SIGNED. **CUT votes NO.** There is no guarantee that the tobacco companies will be able to pay all the money that is envisioned. Already they are reducing their payouts. CUT believes that these reductions may continue, and that Colorado will find itself short on the money needed to fund the above new programs. Treasurer Coffman's prudent course of action, HB 1454, would have been the wiser way to go.

SB84 Authorization of Multi-state Lottery Games

This bill puts a referendum on the 2000 ballot which if approved by voters would authorize multi-state lottery games. This bill was passed as a referendum because the Legislature wanted to bypass the Governor's office and a possible veto. Even worse than increasing gambling in our state, this bill usurps TABOR and allows all money that would otherwise be transferred to

Senate Scores: Friend or Foe?

Highest to Lowest - Who is representing your best interest as a taxpayer? Here's what Members of Colorado's Senate earned on CUT's 2000 Rating Scorecard:

CUT SCORE	MEMBER	PLEDGE	PARTY	HOMETOWN
88.24	Lamborn, Doug	P	R	Colorado Springs
76.47	Andrews, John	P	R	Englewood
75.00	Owen, David	P	R	Greeley
70.59	Congrove, Jim	P	R	Arvada
70.59	Hillman, Mark	P	R	Burlington
70.59	Musgrave, Marilyn	P	R	Fort Morgan
70.59	Tebedo, Maryanne	P	R	Colorado Springs
68.75	Epps, Mary Ellen		R	Colorado Springs
64.71	Evans, John		R	Parker
64.71	Powers, Ray (President)	P	R	Colorado Springs
58.82	Blickensderfer, Tom		R	Englewood
52.94	Arnold, Ken	P	R	Westminster
52.94	Chlouber, Ken		R	Leadville
52.94	Teck, Ronald		R	Grand Junction
50.00	Lacy, Elsie		R	Aurora
47.06	Anderson, Norma		R	Lakewood
47.06	Sullivant, Bryan	P	R	Breckenridge
41.18	Dennis, Gigi		R	Pueblo West
41.18	Thiebaut, Bill		D	Pueblo
35.29	Dyer, Jim		D	Durango
35.29	Hernandez, Rob		D	Denver
35.29	Nichol, Alice		D	Denver
29.41	Pascoe, Pat		D	Denver
29.41	Wattenberg, Dave		R	Walden
25.00	Linkhart, Doug		D	Denver
25.00	Matsunaka, Stan		D	Loveland
23.53	Feeley, Michael F		D	Denver
23.53	Martinez, Bob		D	Commerce City
23.53	Perlmutter, Ed		D	Denver
23.53	Phillips, Terry		D	Louisville
23.53	Reeves, Peggy		D	Fort Collins
23.53	Rupert, Dorothy		D	Boulder
23.53	Weddig, Frank		D	Aurora
23.53	Wham, Dottie		R	Denver
21.43	Tanner, Gloria Travis		D	Denver

P = Taxpayer Pledge Signer

Overall Senate Score 45%

the General Fund, as per current lottery law, transferred to the State Public School Fund as a contingency reserve exempt from any restriction on spending, revenues, or appropriations. Specifically Section 20 of Article X of the State Constitution. PASSED. Senate 21/14, House 37/28, (Sen. Chlouber/Rep. Spence) REFERRED. **CUT votes NO.** This bill increases gambling in the State and, furthermore, directs the excess funds from the TABOR surplus to the State Public School Fund.



How This Rating Is Done

Each state legislator is rated on his or her tax and spending votes. For a bill to be chosen, it must have a split vote, with votes both for and against the bill. Year-to-year comparisons indicate that CUT is accurately measuring whether a legislator favors lower taxes and less government or bigger government with higher taxes.



SB 147 Limits use of Private Attorney/Government Contingency Fee Contracts

This bill would have limited state and local governments' ability to enter contingency fee agreements with private attorneys to matters where the amount in controversy is less than \$100,000. It further would have capped the profitability of such cases to \$400 an hour by mandating that rate as an alternative if it is exceeded by the contingency payout over the time expended by counsel. In sum it would have effectively put the kibosh to such nightmares as have already occurred in buddy deals (with the state AG) in Texas and Kansas. Senate 19/16, POSTPONED INDEFINITELY. House Committee on Appropriations 6/5 (Sen. Hillman/Rep. T. Williams) **CUT votes YES.** The tobacco settlement can be the beginning of a pernicious new big government dynamic: the combining of entrepreneurial lawyering with the legal standing of the state. The possibilities for oppression, backdoor taxation, and plain old fashioned corruption are substantial. SB 147 would have prevented such abuses.

SB 181 Raid TABOR Surplus For School Construction

This bill asks voters to approve \$100 million of TABOR surplus annually for five years to fund school capital construction. It also commits 40% of the State's Capital Construction Fund. PASSED. Senate 32/2, House 57/8, (Sen. Wham/Rep. George) Governor SIGNED. **CUT votes NO.** The propensity of the Legislature to try to find ways to continually spend the excess taxes collected is deplorable.

SB 186 Educational Reform

This bill addresses long overdue educational reform. The Department of Education will develop a comprehensive system to rate every public school in the state starting 2000-2001. Schools failing to achieve satisfactory ratings will be removed from the district, reverting to charter schools. Independent committees will direct activities with assistance from the Department of Education. PASSED. Senate 20/14, House 40/23, (Sen. Anderson/Rep. Allen) Governor SIGNED. **CUT votes YES.** This installs accountability in the public school system.

House Scores: Friend or Foe?

Highest to Lowest - Who is representing your best interest as a taxpayer? Here's what Members of Colorado's House earned on CUT's 2000 Rating Scorecard:

CUT SCORE	MEMBER	PLEDGE	PARTY	HOMETOWN
94.12	Nunez, Joe	P	R	Littleton
88.24	Clapp, Lauri	P	R	Englewood
88.24	Fairbank, Rob	P	R	Littleton
88.24	Lee, Don	P	R	Littleton
88.24	McElhany, Andy	P	R	Colorado Springs
82.35	May, Ron		R	Colorado Springs
82.35	Mitchell, Shawn		R	Broomfield
82.35	Pfiffner, Penn	P	R	Lakewood
82.35	Stengel, Joe	P	R	Littleton
80.00	Paschall, Mark	P	R	Arvada
76.47	Sinclair, William		R	Colorado Springs
76.47	Spradley, Lola	P	R	Beulah
70.59	King, Keith	P	R	Colorado Springs
70.59	McKay, Scott	P	R	Lakewood
70.59	McPherson, Gary	P	R	Arapahoe Cty
68.75	Hefley, Lynn		R	Denver
64.71	Allen, Debbie		R	Aurora
64.71	Dean, Doug		R	Colorado Springs
64.71	Swenson, Bill	P	R	Longmont
64.71	Young, Brad		R	Lamar
58.82	Decker, Richard D	P	R	Fountain
58.82	Johnson, Steve		R	Fort Collins
58.82	Kester, Kenneth		R	Las Animas
58.82	Scott, Glenn		R	Westminster
58.82	Spence, Nancy		R	Aurora
58.82	Webster, Bill		R	Greeley
58.82	Williams, Tambor	P	R	Greeley
58.82	Witwer, John	P	R	Evergreen
52.94	Lawrence, Joyce		R	Pueblo
52.94	Taylor, Jack		R	Steamboat Springs
52.94	Tool, Steve		R	Fort Collins
47.06	Alexander, Kay	P	R	Montrose
47.06	Berry, Gayle		R	Grand Junction
47.06	Hoppe, Diane		R	Sterling
47.06	Larson, Mark	P	R	Cortez
47.06	Smith, Matt		R	Grand Junction
43.75	Gotlieb, Dorothy		R	Denver
41.18	Kaufman, William		R	Loveland
41.18	Miller, Carl		D	Leadville
37.50	Hagedorn, Bob		D	Aurora
35.29	George, Russell (Speaker)		R	Rifle
35.29	Grossman, Dan		D	Denver
35.29	Mace, Frana Araujo		D	Denver
29.41	Coleman, Fran		D	Denver
29.41	Morrison, Marcy		R	Manitou Springs
29.41	Tapia, Abel		D	Pueblo
29.41	Tochtrop, Lois		D	Westminster
26.67	Windels, Sue		D	Arvada
25.00	Tupa, Ron		D	Boulder
23.53	Bacon, Bob		D	Fort Collins
23.53	Gagliardi, Al		D	Alamosa
23.53	Gordon, Ken		D	Denver
23.53	Williams, Suzanne		D	Aurora
23.08	Tate, Penfield		D	Denver
18.75	Ciarke, Benjamin		D	Denver
17.65	Leyba, Gloria		D	Denver
12.50	Veiga, Jennifer		D	Denver
11.76	Chavez, Nolbert		D	Denver
11.76	Keller, Maryanne		D	Wheat Ridge
11.76	Plant, Tom		D	Nederland
11.76	Saliman, Todd		D	Boulder
11.76	Takis, Stephanie		D	Aurora
11.76	Vigil, Valentin		D	Thornton
5.88	Ragsdale, Ann		D	Westminster
0.00	Zimmerman, Paul		D	Thornton

P = Taxpayer Pledge Signer

Overall House Score 48%

Attention Taxpayers! Join Us.



Colorado Union of Taxpayers' 24th Annual Breakfast Saturday October 7, 2000

Location: Denver Marriott Southeast, 6363 E. Hampden Avenue, Denver
Registration: 8:15 a.m. • Breakfast & Program 9:00 a.m. • Price \$20.00

Featured Event: Honoring the 2000 CUT Taxpayer Champions and Guardians

Keynote Speaker:
Dr. Barry Poulson, University of Colorado
Appointed by Governor Owens to the Colorado Tax Commission

HURRY - MAKE YOUR RESERVATION TODAY

Deadline for registration is Monday, October 2, 2000

- Yes, I will be attending the CUT Annual Breakfast!
There will be _____ person(s) in my party. Amount enclosed is \$_____
- No, I cannot attend, but here is \$25.00 for my 2000 CUT Contribution.
- Here's an extra donation to CUT of \$_____.

Your Name: _____ Phone (Day) _____ (Eve) _____

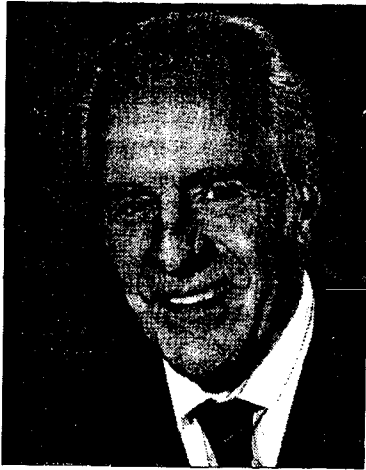
Name: _____ Phone (Day) _____ (Eve) _____

Name: _____ Phone (Day) _____ (Eve) _____

Name: _____ Phone (Day) _____ (Eve) _____

Your Address: _____ City/State/Zip: _____

(Return to: CUT, P.O. Box 9300, Boulder, CO 80301, Inquiries: 303-494-2400)



Vern Bickel

"Challenge your abilities, test your ideas, live your dreams."

Colorado Union of Taxpayers cofounder, Vern Tillman Bickel Jr., left this life August 8, 2000.

The Colorado Union of Taxpayers (CUT) lost its longtime Chairman, Vern Bickel. But more than that the country and state have lost a friend who dedicated his time and resources to supporting causes, individuals, and organizations working to protect personal liberty and freedom from an ever-growing invasive government.

Most active Colorado taxpayers realize what part Vern Bickel played in helping to get the Taxpayers Bill of Rights (TABOR) passed. And how diligently he worked every year for the past twenty-four monitoring the legislative bills, lobbying senators, representatives, and governors, ever the watchful protector of the taxpayer. He, with his wife Lillian, founded our organization, started the CUT Rates the Legislature, and the

Candidate/Legislator Pledge.

Vern worked behind the scenes of many entities and issues. He served as a trustee for the Independence Institute, was a benefactor of the National Taxpayers Union, Americans for Tax Reform, the CATO Institute, Hillsdale College in Michigan, Citizens Against Government Waste, the National Tax Limitation Committee, the Ludwig Von Mises Institute for Austrian Economics, the YMCA of Boulder Valley, Hospice of Boulder County and the Salvation Army of Boulder County.

Vern was an accomplished executive. He was owner and chief executive officer of First Credit Corp., a consumer finance business, was former owner of American Gym Corp, worked in personnel management for Kansas City Life Insurance Co. and owned a chain of health and fitness centers.

Vern rejoiced in life and family. He enjoyed body-building, being a private pilot, mountaineering, sailing, hiking, jogging, reading and philosophical discourse. He is survived by his wife, Lillian, three sons, one daughter, ten grandchildren, two brothers and one sister.

Vern was a Christian. RIP



Vern Bickel, Governor Bill Owens and CUT President Marty Neilson

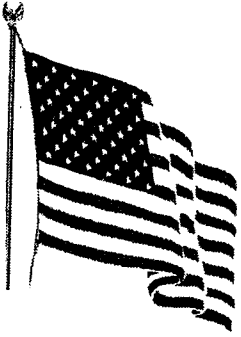


Governor Owens

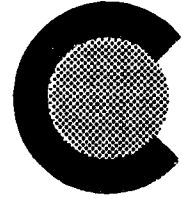
Colorado is a better place because he lived...

"In a word, Vern Bickel was a man who gave. He changed the face of Colorado politics. The work he did with the Colorado Union of Taxpayers, the Independence Institute and especially with the taxpayer movement spearheaded the effort to bring fiscal responsibility to state government. Just as impressive as the work that he did was the modesty with which he did it. Vern was always "the man behind the man," never searching for praise or recognition or credit. He simply fought for what he believed was right and fair. Colorado is a better place because he lived. We will cherish his memory."

- Bill Owens
Governor of Colorado



CANDIDATE / LEGISLATOR PLEDGE



I _____, candidate / legislator for _____
do hereby pledge to the Citizens of Colorado:

- Tabor** to honor and uphold the spirit as well as the letter of TABOR.
- New Taxes** to oppose any new net tax increase.
- Spending Limit** to limit government spending to growth of Colorado population and inflation.
- Tax Surplus** to support the refund of surplus taxes to the citizens of Colorado proportional to their contributions.
- Prioritize Spending** to support prioritizing the budget by shifting spending from lower valued programs to the higher priorities, and not fund spending with new net taxes.
- Education** to support educational alternatives such as vouchers to create competition and improve student results at a lower cost.
- Privatize** to support privatization of government departments and functions to make them more efficient and less expensive.
- Property Rights** to defend private property rights from "takings" by government or by regulation.
- Payroll Deductions** to oppose unauthorized payroll deductions that are used for political purposes.
- Petition Rights** to support the citizen's right to petition with rules as non-restrictive as possible.

Signature: _____ Date: _____

Sponsored by: Colorado Union of Taxpayers • PO Box 9300 Boulder CO 80301 • Tel (303) 494-2400 Fax (303) 543-1069
Revised 2/2000





Colorado Union of Taxpayers' Signers of the 2000 Candidate/Legislator Pledge

John Andrews	SD-27	Republican	7/17/00
William Benton	HD-53	Republican	7/20/00
Bill Carmen	HD-15	Republican	7/21/00
Ken Chlouber	SD-4	Republican	7/27/00
Mark Cloer	HD-17	Republican	7/26/00
Bill Crane	HD-27	Republican	7/17/00
Randal Custer	SD-17	Republican	7/27/00
Richard Decker	HD-19	Republican	7/19/00
Rob Fairbank	HD-30	Republican	7/19/00
Steven Hatfield	SD-18	Republican	7/12/00
Kevin Heupel	HD-14	Republican	7/17/00
Bruce Holland	HD-10	Republican	7/19/00
Ken Kester	HD-47	Republican	8/30/00
Doug Lamborn	SD-9	Republican	7/26/00
Ron May	SD-10	Republican	7/18/00
Andy McElhany	SD-12	Republican	2/14/00
Scott McKay	HD-26	Republican	7/17/00
Robin McLean	HD-6	Republican	7/27/00
Al Mewborn	SD-31	Republican	7/26/00
Wright Morgan	HD-13	Libertarian	7/17/00
Marilyn Musgrave	SD-1	Republican	7/19/00
Joe Nunez	HD-64	Republican	7/17/00
Penn Pfiffner	SD-21	Republican	7/17/00
Terri Rayburn	SD-13	Republican	8/10/00
Pam Rhodes	HD-31	Republican	7/20/00
Phil Rugg	HD-43	Republican	8/14/00
David Schultheis	HD-22	Republican	7/17/00
Bill Sinclair	HD-16	Republican	7/27/00
Alberto Squassabia	HD-52	Libertarian	7/19/00
Eldon Strong	HD-9	Republican	8/17/00
John Vanderhart	HD-13	Republican	7/14/00
Al White	HD-56	Republican	7/19/00
Jesse Wilkins	SD-33	Libertarian	7/14/00
Tambor Williams	HD-50	Republican	7/20/00
Steve Willner	HD-35	Republican	7/17/00

Is your Candidate or Legislator listed here?

If not, ask them to sign and return the Candidate/Legislator Pledge to CUT.
The Colorado Union of Taxpayers instituted the statewide pledge program in 1998.
Response continues to be phenomenal!

CUT will continue to update and publicize Candidate/Legislator pledge signers.

Tax Cut 2000

This initiative calls for cutting each utility, vehicle, income, and property tax by \$25 a year. Taxpayer advocate Douglas Bruce estimates it will save anywhere from \$300 in the first year for a single parent of two to \$450 for a two-parent family with two vehicles. These taxes are nuisance taxes and their reduction would benefit all Coloradans.

The State continues to collect excess taxes and holds them in limbo. This initiative is a way to get immediate tax relief for Coloradans. The opposition is already out in full bureaucratic force to defeat this bill as bond dealers, government officials, and legislative leaders all warn of the "disastrous impact" passage would ensure. CUT's Board of Directors voted to endorse this initiative. **CUT votes YES.**

SB199 High-Speed Monorail

This bill would have created the Colorado monorail authority. Initial funding would amount to \$100 million from excess tax revenues in FY 1999-2000 and FY 2000-2001. Senate 18/17. **POSTPONED INDEFINITELY.** House Committee on Appropriations. (Sen. Blickensderfer/Rep. Scott) **CUT votes NO.** This legislation proposed an engineering project of questionable value and fiscally high risk. Worse, it attempts to circumvent TABOR.

SCR-10 Extend Legislator Term Limits

This resolution would submit to the registered electors an amendment to the Colorado Constitution modifying the maximum length of service of members of the General Assembly, increasing the number of consecutive terms that a senator or representative may serve and limiting the total number of consecutive years that a person may serve as a member of the General Assembly. **FAILED.** Senate 23/12 (Sen. Tanner/Rep. Paschall) **CUT votes NO.** This measure failed by one vote because a constitutional two-thirds majority of all senators was required. The electors of Colorado voted for term limits in 1990 by a 71% margin. Just what part of the voters' demand for term limits does the Senate not understand?

HB 1049 Earned Income Tax Credit Made Permanent

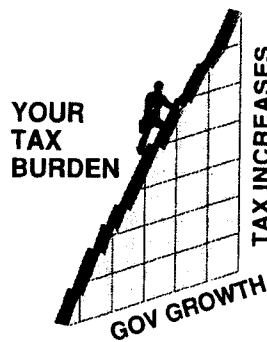
Effective January 1, 2000, this bill increases the value of the state earned income tax credit from 8.5 percent to 10 percent of the federal earned income tax credit and also makes the credit permanent, regardless of whether there are state excess revenues to be refunded. This will cost \$36+ million in 2000 and is no longer tied to a TABOR surplus. **PASSED.** House 54/9, Senate 29/5. (Rep. McPherson/Sen. Lacy) Governor **SIGNED.** **CUT votes NO.** This bill is an expansion of a welfare subsidy and removes the requirement for a budget surplus in order to be paid. Classic redistribution from one taxpayer group to another.

HB1076 Prenatal Care to Illegal Aliens

This bill once again asks Americans and Coloradans to foot the medical bills for aliens who by and large have illegally entered the United States. This at a time when most Americans are already faced with spiraling medical costs. In essence, subsidizing criminal acts and their actors. **PASSED.** House 42/21, Senate 25/10. (Rep. Tool/Senator Wham) Governor **SIGNED.** **CUT votes NO.** Individuals who have illegally entered the United States, and are not citizens, should not be entitled to preventative medical care, paid for on the backs of Colorado taxpayers.

HB 1084 Paycheck Protection

This bill prohibits employers, including public employers, from deducting any money from an employee's paycheck, except for a lawful charge or indebtedness, without specific prior permission from the individual employee. House 34/31, **POSTPONED INDEFINITELY.** Senate Committee on Business Affairs and Labor. (Rep. May/Sen. Andrews) **CUT votes YES.** This would specifically eliminate the involuntary extraction of union dues from an employee's paycheck.



HB 1101 Taxing Authority for Intergovernmental Growth-Regulating Bureaucracies

This bill would have authorized any city, county or town that is a party to an intergovernmental agreement to levy a sales tax increase to fund a growth impact fund which would be used, via grants, to address growth problems associated with workers generating revenues in one jurisdiction (e.g. Breckenridge) and residing in another (e.g. Leadville). It would have created new layers of bureaucracy to administer the grants. House 41/23, **POSTPONED INDEFINITELY.** Senate (Rep. George/Sen. Teck). **CUT votes NO.** Intergovernmental cooperation does not require creation of additional taxes and new administrative entities. Further, the legislation would have subverted TABOR.

HB 1103 Reduction of State Income Tax Rate

This bill permanently reduces the state income tax rate to 4.63% for income tax years commencing on or after January 1, 2000. **PASSED.** House 49/15, Senate 35/0. (Rep. Spradley/Sen. Owen) Governor **SIGNED.** **CUT votes YES.** Personal and corporate income taxes account for 72% of the TABOR surplus. The income tax rate should be further reduced to 4.25%.

HB 1127 No Student Fees for Political Activities

This bill protects students' rights to freely associate with the political causes of their choice. Authority to spend student fees on political activity or issue advocacy must be acquired from the student. **PASSED.** House 39/26, Senate 18/17. (Rep. Fairbank/Sen. Hillman) Governor **SIGNED.** **CUT votes YES.** Whereas the rights of union members were denied in the defeat of HB 1084 on Paycheck Protection, this bill protects the political rights of our young men and women who find themselves jostled by the political correctness of today's college campuses.

HB 1209 Expand Capital Gains

This bill cuts the capital gains tax and state income tax for all Coloradans, along with further relief in the business personal property tax. All real or tangible personal property or ownership interests in Colorado businesses held for a minimum of five years shall be eligible. **PASSED.** House 45/19, Senate 27/7. (Rep. Pfiffner/Sen. Andrews) Governor **SIGNED.** **CUT votes YES.** This is a broad-based tax cut which can affect all Coloradans. Such a reduction in taxation lends to continued investment in our state, thereby furthering its economic prosperity.

A Special Breed Pledge Signers...

A special breed of legislators is showing that their election year campaign pledges are not simply political rhetoric. In 1998, CUT established a ten-point Taxpayers Pledge for legislative candidates. The program was very successful-with about one-third of the entire general assembly signing the pledge. CUT's pledge signers are shown with a "P" on pages 2-3. Check it out and congratulate them for their high scores and integrity in following through on their campaign promise to be fiscally conservative. New pledges have been sent to all candidates and legislators.

See phone numbers on the Back Page.

Help CUT Waste, Fraud, and Abuse of Your Tax Dollars:

Since 1976 CUT's awareness efforts have saved Colorado taxpayers hundreds of millions of dollars. Yet we have much to do. The huge surplus is evidence that we are still overtaxed. Please help by supporting CUT today. CUT is saving you money by lobbying for lower taxes.

- Yes, I want to support CUT. *Suggested donation amount: \$30.*
- I want to do more! Here is my donation of \$_____.
- Taxes are too high. I cannot afford the suggested amount, but here is my donation of \$_____. Please keep me informed.

Name: _____

Address: _____

City: _____ Zip: _____

Phone: (H) _____ (W) _____

Please make checks payable to CUT • Mail to: CUT - POB 9300, Boulder, CO 80301

HB 1224 Creation of Tourism Office

This bill creates the Colorado Tourism Office and eliminates the Colorado Tourism Board and The Colorado Travel and Tourism Authority and makes an appropriation therefor. The bill creates the Colorado Travel and Tourism Promotion Fund in the State Treasury. The fiscal note says there is no impact; however, being transferred from the FY2000-01 appropriation to Department of Local Affairs is \$6 million. PASSED. House 57/8, Senate 19/9. (Rep. Taylor/Sen. Lacy) Governor SIGNED. **CUT votes NO.** In a 1993 landslide vote against a state tourism tax, voters sent a clear message that tax dollars must not be used to fund tourism promotion. Now, you might wonder how the \$6.6 million of your tax dollars got appropriated to do just that. A bold betrayal of voters.

HB 1440 Prohibits Taxation of Internet Access Services

This bill prohibits the state and any other governmental entity from taxing Internet access services after April 30, 2001. It specifically excludes from the prohibition that portion of "bundled" services that provide phone and/or cable services when such services are included with Internet access. PASSED. House 60/4; Senate 33/3. (Rep. Pfiffner/Sen. Hillman) Governor SIGNED. **CUT votes YES.** The Internet does not lend itself to local taxation. Administrative problems aside, such taxation would only serve to limit access to the Internet of people located within such taxing entities, thereby inhibiting equal access to the Internet.

HB 1454 Securitize Tobacco Settlement Proceeds

This bill authorizes the sale of Colorado's rights to future tobacco litigation settlement proceeds. House 41/23, POSTPONED


INDEFINITELY. Senate Committee on Finance. (Rep Dean/Sen Feeley) **CUT votes YES.** This would have eliminated the uncertainty and speculation of future tobacco litigation revenues. Funds certain would be placed in a tobacco litigation settlement trust fund generating interest income in perpetuity for the State of Colorado.

HB 1470 Reduce Tax on Greyhound Racing

This bill creates an award program for the owners of dogs that win races. The award program reduces the tax imposed on the gross receipts derived from particular wagering, from 4.25% to 0.75%. PASSED. House 43/20. Senate 30/5. (Rep. McPherson/Sen. Lacy.) Governor VETOED. **CUT votes NO.** This bill is a dog! It illustrates the height of the special interest shenanigans that took place at the Capitol this year due to the tax surplus. The tax surplus should not be doled out to special interest groups and their lobbyists, but instead should be returned in full to the taxpayers and their families who originally paid it.

HB 1490 90% of Expenditure to Highways

This bill increases from 80% to 90%, the amount of the state sales tax or user tax on vehicles to be spent on highway programs. In addition to capital highway improvements, this bill will further target spending on high occupancy vehicle lanes, park-and-ride facilities, and transportation management systems. PASSED. House 50/14, Senate 35/0. (Rep. George/Sen. Powers) Governor SIGNED. **CUT votes YES.** Though CUT would prefer to see more free-market answers to our transportation and congestion problems, we support the decision to target more of the state's transportation spending to the needs of our highway system.



How Congress Voted

99 Senate Results

(R)	Allard, W.....	84%
(R)	Campbell, B.....	72%
	Colorado State Senate 2000.....	45%

99 House Results

(D)	DeGette, D.....	26%
(R)	Hefley, J.....	76%
(R)	McInnis, S.....	67%
(R)	Schaffer, B.....	77%
(R)	Tancredo, T.....	73%
(D)	Udall, M.....	22%
	Colorado State House 2000.....	48%

Source: Most recent scores from National Taxpayer's Union, Washington, D. C.

Rep. Nunez A Taxpayers' Hero

Representative Nunez introduced four bills which championed the Colorado taxpayer.

- 1) HB1200 Would have reduced the 6% limit on General Fund spending to 5%.
- 2) HB1021 Would have reduced the income tax rate to 4.25%.
- 3) HB1054 By stopping the inclusion of funds exempt from the 6% limit would have effectively reduced spending.
- 4) HB1062 Would have required refunds of excess taxes one year earlier.

Unfortunately none of these bills came to a vote on the House Floor. They were all killed in committee. Visualize reduced spending! Visualize not collecting too much in the first place! Visualize not holding the excess for an additional year! These are things we would rather visualize than "Whirled Peas!"

Congratulations to Representative Nunez for being a true fiscal conservative!
Good luck in your re-election. We'll be glad to have you back!



2000 CUT Ratings

from the Colorado Union of Taxpayers

Help CUT Grow!

CUT has published ratings of the Colorado Legislature since 1977 - 24 years of ratings! Join us and help make a difference. A complimentary copy of the CUT Rating can be obtained by mailing a self-addressed, stamped envelope to the CUT address below. Send us the names and addresses of up to five other individuals whom you believe would like to receive CUT Ratings. We'll do the rest.

What Really Happened to the Excess Taxes Collected?

Fellow Citizens,

Well, again the 2000 General Assembly and Governor Owens approved an estimated \$385 million in tax cuts for Coloradoans. We should all be ecstatic! Or should we? With the surplus (excess tax collected) expected to hit \$900 million, what about the \$515 million being held in limbo by the Legislature? The constitutional amendment (TABOR) approved overwhelmingly by Colorado voters states that these excess taxes are to be returned to the people. Again, our Legislature works diligently on our behalf to find ways to "get around" TABOR. It still baffles me how this atrocity can continue and why the Legislature is not found to be operating in direct conflict with the Colorado Constitution.

I have asked this question of many state leaders, senators, and representatives and what I get is political doublespeak.

What to do?

First, become more involved and communicate even more with your representatives. Speak up! Let them know you want them to honor TABOR and its purpose. Specifically site these three

examples of ballot issues that simply put, ignore TABOR and are blatant tax increases.

President's Insights



Marty Neilson, CUT President

1. Multi-state lottery gaming: Would allow Colorado to join multi-state lotteries such as Powerball or Big Ball with excess revenues going for school construction. (Referendum E)
2. School grants: Would take \$250 million out of state surplus over the next five years to provide schools with educational improvement grants. (Referendum F)
3. Providing additional K-12 funding: Requires state to meet costs of inflation for schools plus provide additional 1 percent in funding for each of 10 years.

TABOR isn't just a part of the Colorado Constitution - it is the will of Coloradoans. Help protect it and encourage others to respect it. We must all work together to defeat issues that assault the Colorado taxpayer.

CUT is organizing troops throughout the State to be on the watch for tax issues advancing to the ballot. If you would like to help, call the TAXPAYERS HOT LINE. Call 303-494-2400 now. Please join us!

Respectfully,

Marty Neilson

Legislative Phone Numbers 

Call your Colorado Legislators

Senators

Democrats: (303) 866-4865
Republicans (303) 866-4866

Representatives

Democrats: (303) 866-2904
Republicans: (303) 866-2904