



TABOR Issue Brief

The Taxpayer’s Bill of Rights (TABOR) restricts the amount of revenue that can be spent on state and local services—from health care to transportation to education. In the 1990s, TABOR forced reductions in many state services, and since 2000 the revenue situation has become especially dire. TABOR’s ratchet effect won’t let services recover, even when the economy rebounds, so the cuts caused by revenue shortages remain in place. Services will never be able to catch up or keep pace with real economic growth—and will, in fact, continue to shrink—unless we change TABOR’s spending limits and eliminate the ratchet effect.

According to Legislative Council’s Dec. 2004 forecast, under current revenue projections, the General Assembly will have to reduce FY 2005-06 expenditures by \$244.9 million to accommodate allowable General Fund growth as prescribed by TABOR, while simultaneously giving back \$459.2 million in refunds. Colorado’s improving revenue environment means that programs supported by either General Fund or cash funds will compete against each other under TABOR spending restrictions.

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Art and Culture

- The Colorado Council on the Arts (CCA) was founded in 1967 to support arts and humanities programming throughout the state and is the only source of state funding for the arts.
- In 2003, 191 grants were awarded to support arts activities in 62 counties and benefited over two million individuals. CCA supported projects include: the Vail Jazz Fest, Rocky Mountain Women’s Film Festival, Delta County Cultural Festival, School Arts Partnership in Durango, Annual Jazz in the Sangres Concert, Southwest Colorado Community Arts Festival, and the Four Corners Folk Arts Festival.
- From FY 2002 to 2004, CCA’s total budget declined from \$2.6 million to \$813,600—of that total—General Fund appropriations fell from \$1.9 million to just \$100,000.
- Colorado ranked second in the nation for the severity of budget cuts to the arts between 2003 and 2004.
- In 2001, with appropriations of over \$1 million, Colorado ranked just 46th in per capita appropriations to state art agencies.
- In 2005, state appropriations will total only \$500,000. The proposed securitization of the tobacco master settlement in 2005 could jeopardize one of the last alternative funding streams for the arts council.

TABOR restrictions and state funding priorities limit the legislature’s ability to increase the CCA appropriation and meet annual statewide arts funding needs, projected at approximately \$7 million.

**Colorado Council on the Arts,
Strategic Plan 2001-2006**

TABOR ISSUE BRIEF: ART AND CULTURE

- The State Historical Society collects, preserves and exhibits artifacts and properties of historical significance. The state has reduced its General Fund commitment to the required minimum level of funding of \$10,000 for the Cumbres-Toltec railroad, and refinanced the society's operating and personnel expenses with funds previously used for historical restoration projects around the state.
- The Colorado State Archives preserves and catalogues all public records. In 2005, state funding for the archives will equal the same level as three years ago. As a result of earlier cuts, the archives continues to be closed on Wednesdays and has reduced services available to the general public.
- Support of the arts is vital to the state, for tourism and for local communities. Arts and cultural programming generated \$1 billion in economic impact in 2001, according to a report by the Colorado Business Committee for the Arts, with 9.1 million people attending cultural events in that year.

Notice: The state government's difficult financial situation has resulted in significant staffing reductions at the State Archives. In order to provide the best service possible under these difficult budget issues, the Archives public research room will be closes on Wednesdays effective July 16, 2003 and each Wednesday thereafter until further notice. We regret this inconvenience to our customers.

**Posted on the Colorado State Archives webpage
February, 2005**

(SOURCES: Colorado Council on the Arts (CCA), Strategic Plan 2001-2006; CCA Annual Report FY 03-04; National Assembly of State Arts Agencies, Press Release November 2003; Joint Budget Committee, March 2004 and November 2003; Vail Daily News, "Dead Last."; *2004 Study of the Economic and Social Activity of Metro Denver Culture*. Deloitte Consulting and Colorado Business Committee for the Arts, 2004; <http://www.colorado.gov/dpa/doit/archives/geneal.html>).