

# MAXIMIZING THE STIMULUS

## REMOVING THE ARVESCHOUG PROVISION



COLORADO FISCAL  
POLICY INSTITUTE

**FEBRUARY 2, 2009**

# Important Stuff

Spelling—ARVESCHOUG

Pronunciation— R-ves-scow

**General Fund Total  
Funds Available**



# ARVESCHOUG BIRD-- HOW IT WORKS

**General Fund Obligations  
(Outside 6% Limit)**



**General Fund 4%  
Reserve**



**General Fund 6%  
Appropriations**

**SB 97-1  
Diversion to HUTF**



**General Fund Excess Reserve  
(1/3 to Capital Construction,  
2/3 Transportation)**

# WHY THE GENERAL ASSEMBLY CAN MAKE THIS CHANGE

## TABOR's "Weakening" Provision:

"Other limits on district revenue, spending, and debt may be weakened only by future voter approval"

**Colorado Constitution, Article 10, Section 10.1**

## **WHY THE GENERAL ASSEMBLY CAN MAKE THIS CHANGE**

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**The Arveschoug-Bird  
provision is not a  
spending limit.**

**WHY NOW?**

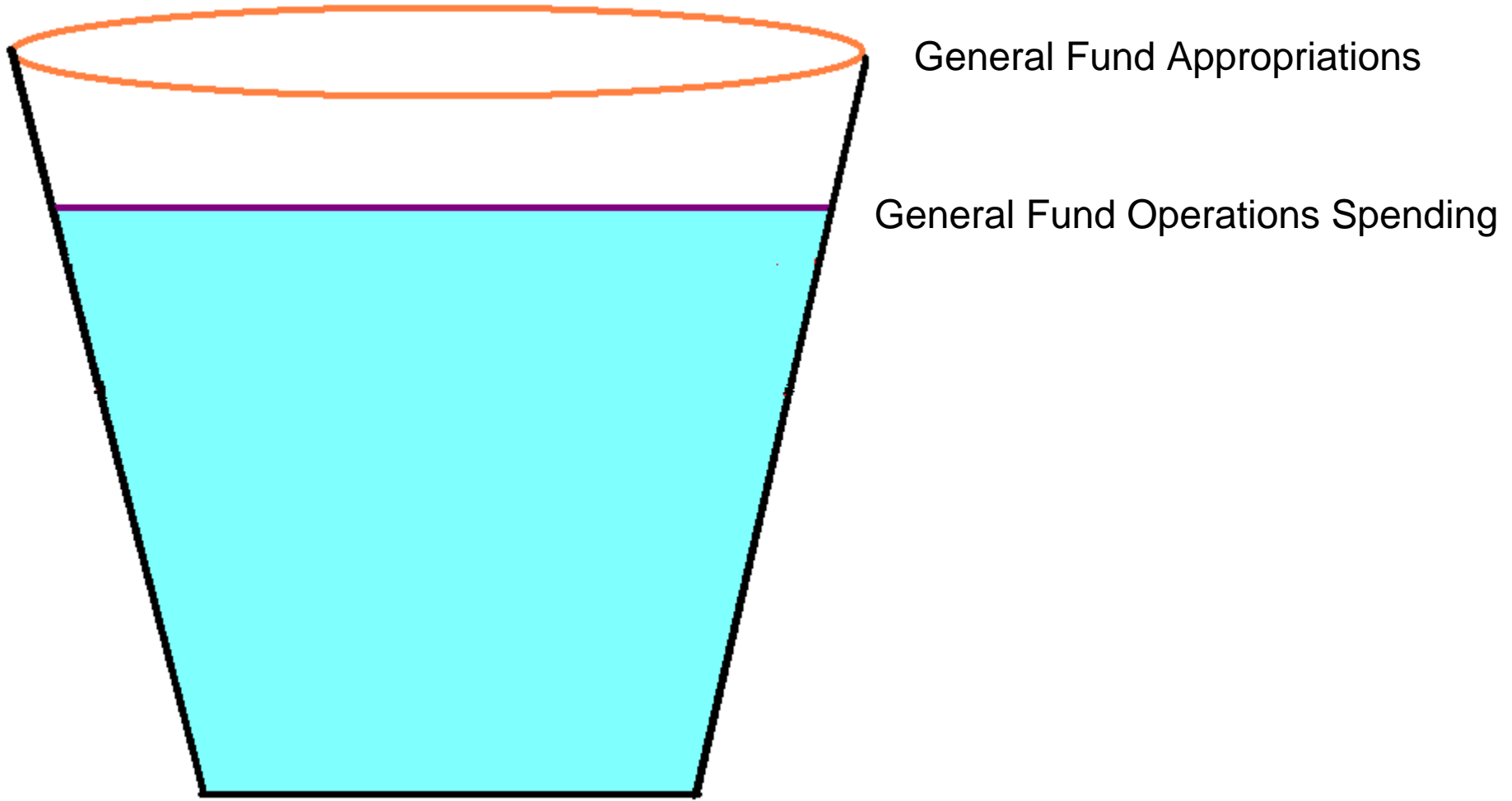


**How Removing the  
Arveschoug-Bird  
Maximizes the Federal  
Stimulus**



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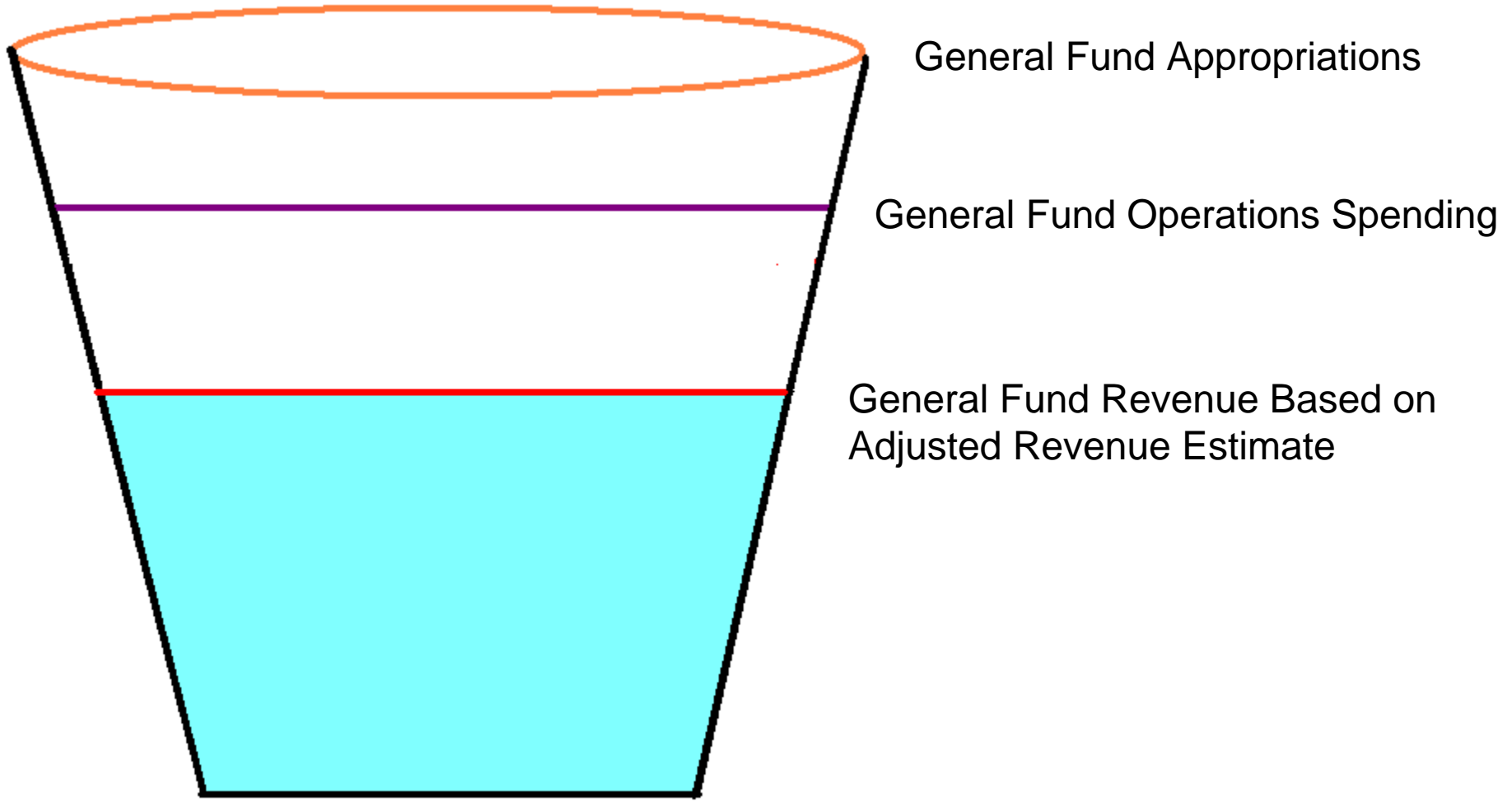
# Simplified Example of The Ratchet Effect of 6% Spending Directive





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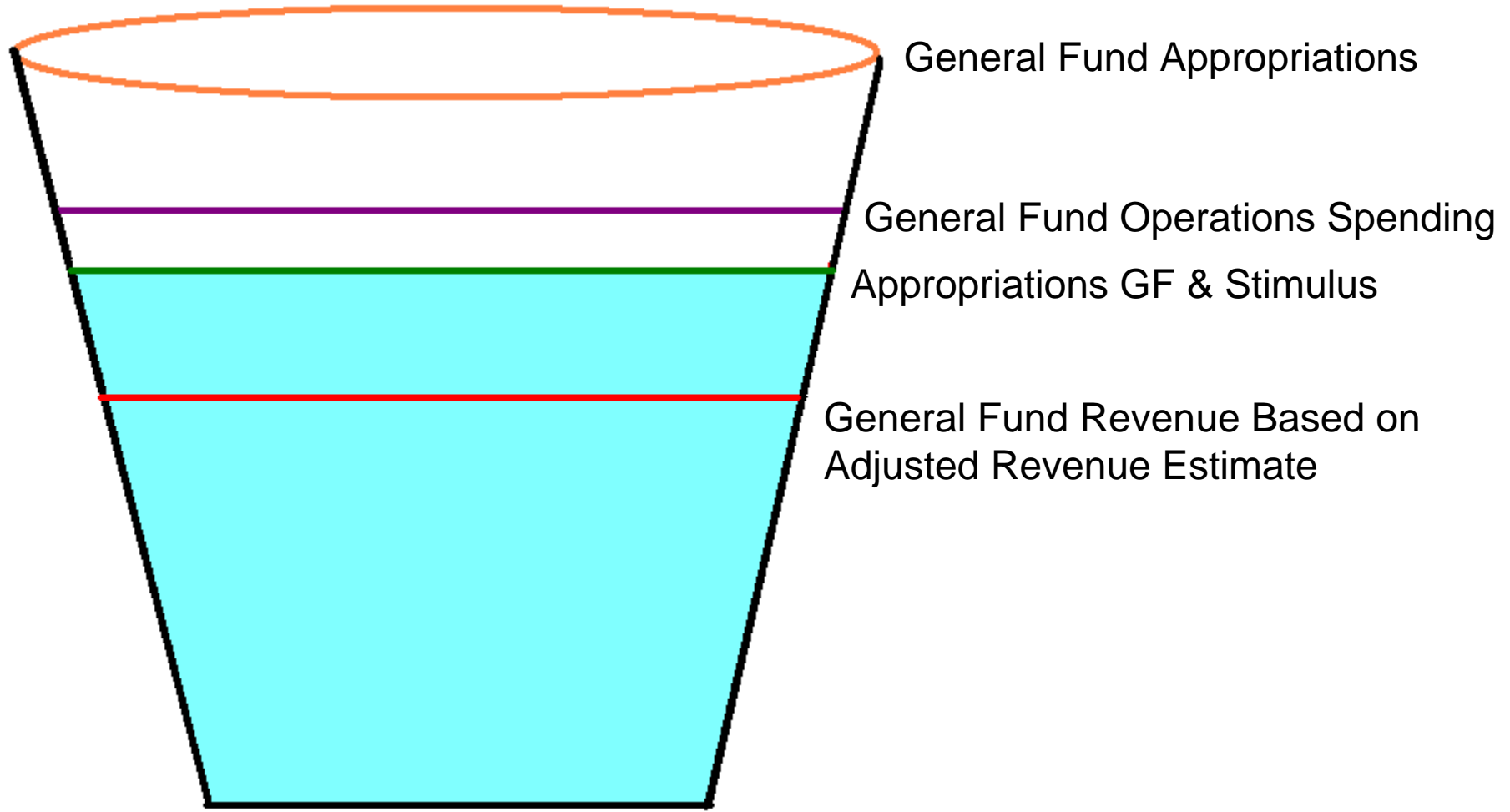
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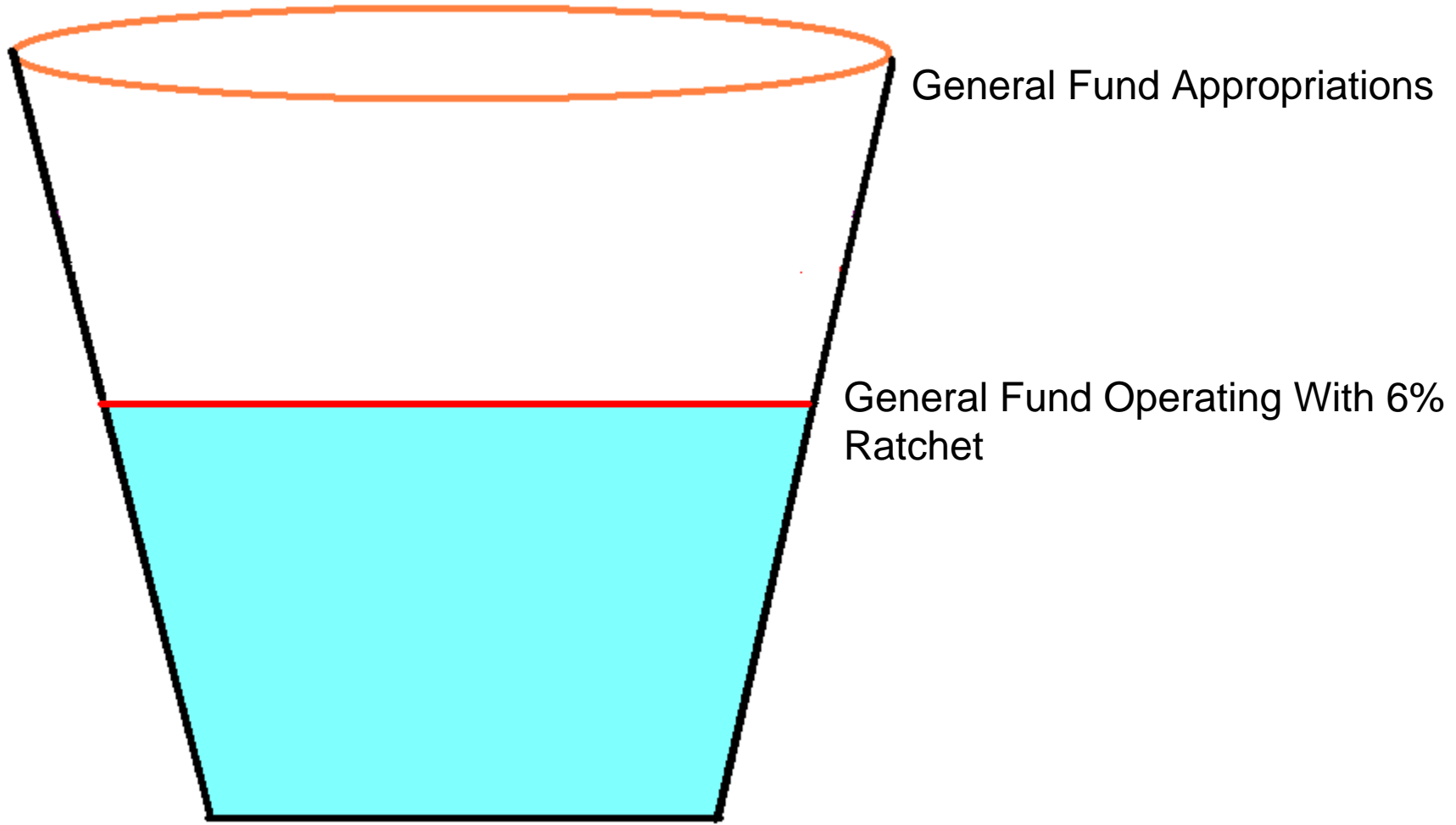
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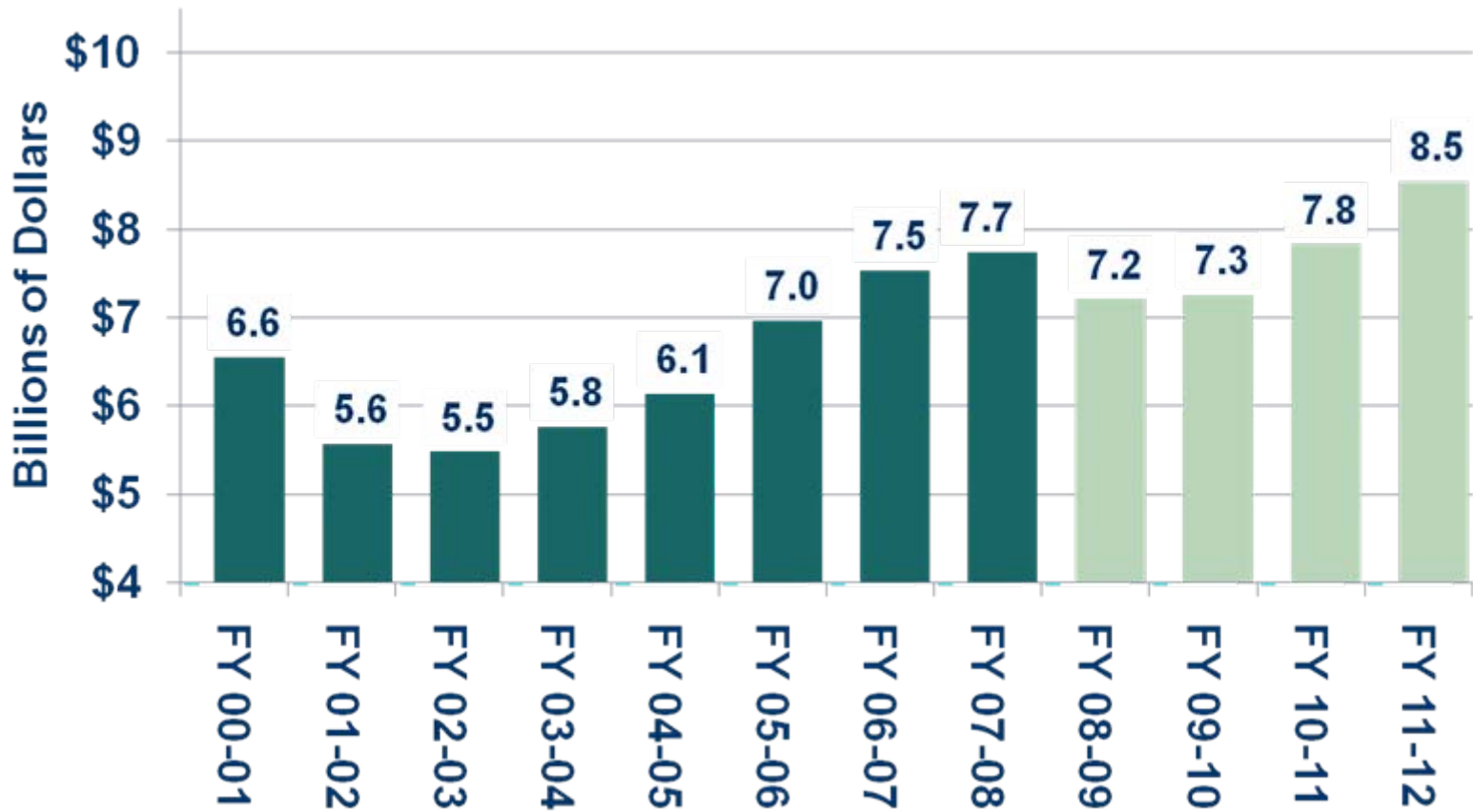
**WHY NOW?**

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**How It Improves  
Colorado's Fiscal  
Future**

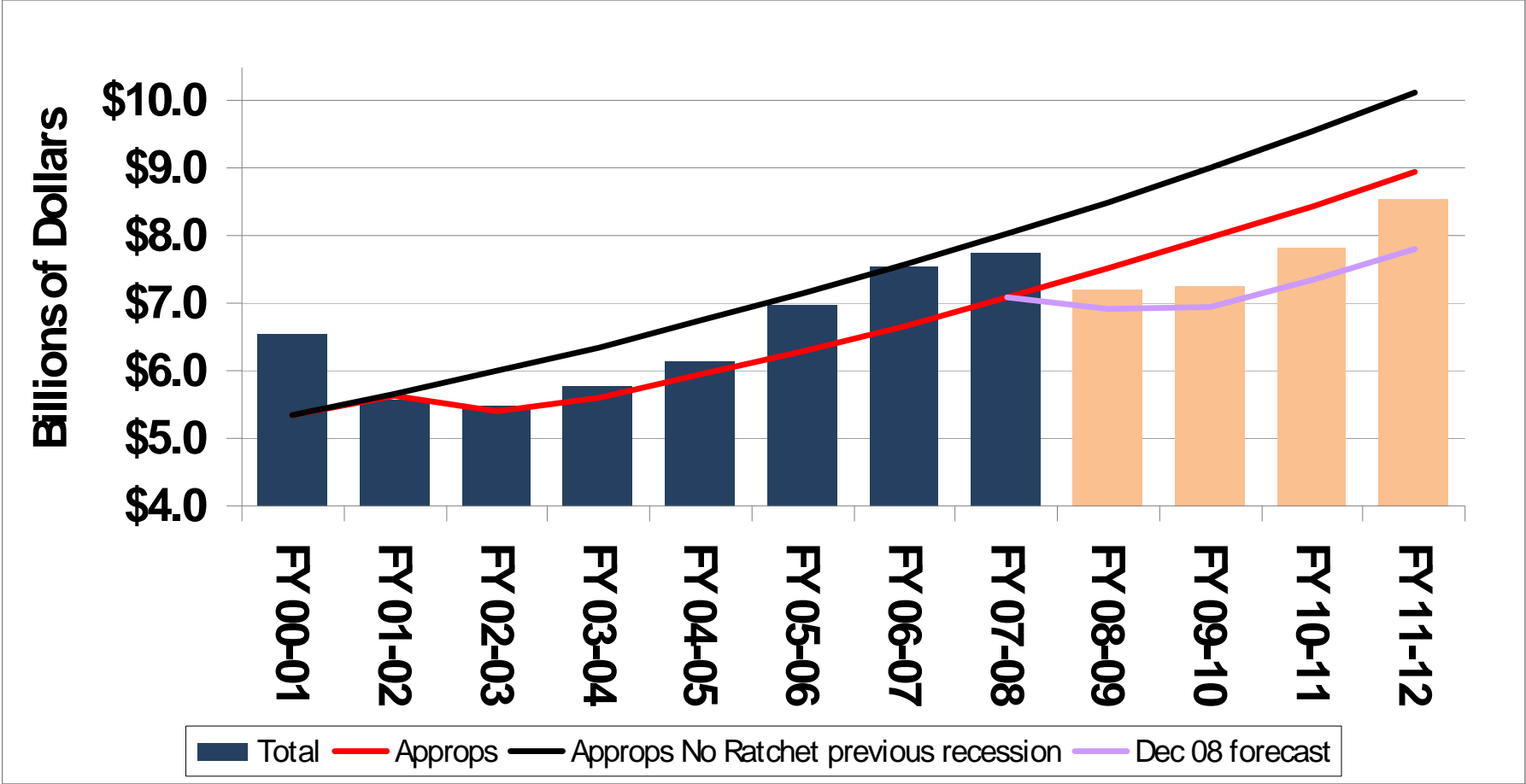
# General Fund Revenue Outlook

December 2008 Forecast



Prepared by Natalie Mullis, Colorado Legislative Council Staff

# General Fund Revenue and Appropriations



Prepared by Natalie Mullis, Colorado Legislative Council Staff

# WHAT CAN YOU DO?

## Action Items:

1. **Organization/ Personal Endorsements**
2. **Newsletters & Outreach Communications**
3. **Letters to the Editor**
4. **Talk to Legislators and State Leaders**
5. **Stay Engaged**

# How do we talk about this plan?

Here is our plan:

- Soften the blow for suffering families and create jobs to get every Coloradoan back to work.
- Thoughtfully cut the budget as required by the Constitution
- Position Colorado for a quick and strong recovery