

Looking Forward

THE BELL POLICY CENTER

COLORADO CHILDREN'S CAMPAIGN

COLORADO FISCAL POLICY INSTITUTE

How will **Amendment 61** affect your community?

Amendment 61 will greatly limit the ability of state and local government to invest in our infrastructure and our future by limiting the use of sound, responsible financial tools. Amendment 61 prohibits the state from borrowing and places rigid limitations on local government borrowing, effectively halting construction in Colorado.

Amendment 61 will prohibit the state from any form of borrowing.

- The state will not be able to use practical public financing to address our infrastructure needs such as building and maintaining roads, building hospitals, maintaining schools and managing cash flow.
- Rather than enjoying the use of an asset as it is paid for over time, the state will have to pay for all building and maintenance projects up front, similar to a family buying a house without a mortgage.

Amendment 61 will place strict limitations on all local government borrowing.

- Any local government borrowing must be repaid within ten years, making it more expensive to build in the short run.
- After paying off their debt, a local government must reduce its taxes equal to the amount it paid annually to finance that debt. This will discourage officials from beginning any new infrastructure projects.
- Districts can only borrow up to 10 percent of their assessed value. Due to this limit alone, most local governments will not be able borrow money to finance needed project for approximately eight years.

Borrowing to pay for critical infrastructure needs is not bad; it is a sensible financial tool that enables businesses, families, and governments to invest in the future. By choking our ability to borrow in any form, Amendment 61 will stifle Colorado's ability to build and maintain what we need to be a prosperous and economically viable state.



Looking Forward is a collaboration between the Colorado Fiscal Policy Institute, the Colorado Children's Campaign, and the Bell Policy Center to educate Coloradans about state fiscal policy

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