



Sound policy, consistency and predictability help businesses thrive. That's why the Denver Metro Chamber examines policy issues in depth and takes a stand to protect the interests of businesses and their employees. This year, we are taking a stance on eight critical ballot issues. Here is what you need to know about these ballot issues and why they matter to the business community.

Learn more at denverchamber.org/2020ballot.



Amendment B: Repeal Property Tax Assessment Rates

This initiative repeals the Gallagher Amendment of 1982 from our constitution. The Gallagher Amendment requires 45% of the total share of state property taxes come from residential property taxes and 55% of the total share of state property taxes come from non-residential (commercial) property taxes. **Learn more about Amendment B at yesonamendmentb.com.**

Why We Support It:

The Chamber board supports removing all formulas from our constitution. Due to growth in our residential market, the Gallagher formula has forced an imbalance in property taxes in Colorado, causing a 300% increase in the shift of the property tax burden from homeowners to business owners. This has resulted in public safety, transportation and education budget crises for local communities across our state, especially in rural Colorado. Repealing Gallagher stops this continual shifting of taxes to the commercial properties in our state, providing more predictability for businesses.



Proposition EE: Increase Taxes on Nicotine Products

This initiative raises taxes on cigarettes, tobacco and, for the first time, applies a tax to nicotine vaping products equal to the tax on other tobacco products. In the first two and a half years, the resulting revenue would provide relief to state budget cuts caused by the COVID-19 pandemic. After that, the revenue would go to nicotine education and cessation programs and related health care and would increase access to free early childhood education. This proposal is expected to raise about \$82.7 million in fiscal year 2020-2021 and \$167.6 million in fiscal year 2021-2022, with higher amounts in future years as rates increase. **Learn more about Proposition EE at forcokids.com.**

Why We Support It:

This initiative applies consistent tax policy to new products, such as vaping, while also increasing funds for education and health measures that aim to improve public health in Colorado.



Proposition 113: Adopt Agreement to Elect U.S. Presidents by National Popular Vote

This initiative affirms Colorado's participation in the National Popular Vote Interstate Compact (NPVIC). States in the NPVIC agree to give their electoral votes to the presidential candidate who wins the National Popular Vote (NPV), regardless of which candidate wins in that respective state.

Why We Oppose It:

After working hard to reinstate a presidential primary and open primary elections to unaffiliated voters, this measure reduces Colorado's political voice by handing our electoral votes to whichever candidate wins states with larger populations, like California. For the past few decades, Colorado's nine electoral votes out of the 270 needed to win have been highly coveted and contested among presidential candidates. NPV's passage would diminish Colorado's voice in national elections as our population is a mere 1.75% of the national population.



Proposition 114: Restoration of Gray Wolves

This initiative allows for the reintroduction of gray wolves in certain areas west of the Continental Divide by 2024. According to state wildlife officials, the program could cost approximately \$5.7 million over eight years, and a funding source has yet to be identified.

Why We Oppose It:

Lawmakers were forced to slash \$3.3 billion from the state budget this past year due to the devastating impacts of COVID-19, including cuts to education and transportation. We need to prioritize funding to schools and roads over the introduction of more gray wolves, which Colorado Parks and Wildlife Commission have confirmed are already living in the northwest corner of Colorado. Additionally, the Commission has conducted scientific studies of wolves extensively and have decided against reintroducing them into Colorado four separate times, most recently in 2016. And further, this initiative could greatly impact the agriculture industry, in particular ranching, which is already facing great challenges in the current economy.



Proposition 116: State Income Tax Rate Reduction

This initiative decreases the state income tax rate from 4.63% to 4.55%.

Why We Oppose It:

Colorado's income tax rate has not been a hurdle in our economic development efforts. Lowering our taxes at a time when we need investment in critical issues such as transportation and higher education is counterproductive. This reduction would force over \$150 million per year in budget cuts on top of the significant revenue shortfall we already face. Additionally, the state often turns to businesses to recover revenue for its operations.



Proposition 117: Voter Approval Requirement for Creation of Certain Fee-Based Enterprises

This initiative requires voter approval of new state enterprises if the enterprise's projected or actual revenue from fees and surcharges is greater than \$100 million within its first five years. An enterprise fund is a specific type of "state-owned business" authorized by the Colorado constitution under the Taxpayer's Bill of Rights. Their primary purpose is to cover the costs associated with providing a service or regulating an activity. Enterprises in Colorado provide funding for everything from higher education to bridges to health care.

Why We Oppose It:

Fees, when properly identified as fees, can and should be utilized to help fund specific initiatives directly tied to those fees. To be clear, this doesn't mean everything that someone calls a "fee" meets our criteria. That said, if a proposal clearly qualifies as a fee, we believe voter approval should not be required.



Proposition 118: Paid Family and Medical Leave Insurance Program

This initiative establishes a state-administered paid family and medical leave program funded by a payroll tax on employers and workers. The program would pay a portion of workers' wages for up to 12 weeks (and in some instances 16 weeks). **Learn more about Proposition 118 at votenoont118.com.**

Why We Oppose It:

While we support paid family and medical leave, we do not believe a state-run program that mandates a one-size-fits-all approach for small businesses up to large corporations is the answer. This initiative is costly for both employees and employers at a time when many are struggling to keep teams employed, are working to rebuild or even just trying to stay afloat in this economy. Plus, employers are still adjusting to the new federal rules about paid leave that were released shortly after the pandemic hit.



2H: Municipal Broadband Opt-Out

This measure will be on the ballot for Denver voters and would allow the City and County of Denver to enter the internet provider business by opting out of a 2005 state law (SB05-152) that restricts governments from using tax dollars to build broadband networks, including infrastructure.

Why We Oppose It:

Denver is already one of the most connected cities in the state; people in every corner of the city have many choices of internet providers and options to connect with speeds and prices that meet their needs. And even so, we know that not everyone in Denver is able to access the internet they need. We believe increasing equitable access can be accomplished faster and more affordably through our existing investments instead of spending significant taxpayer dollars to duplicate existing infrastructure. We strongly support current public-private partnership efforts to enhance access.