

COLORADO SUPREME COURT
2 East 14th Avenue
Denver, Colorado 80203

Original Proceeding Pursuant to §1-40-107(2),
C.R.S. (20210-22)
Appeal from the Ballot Title Board

In the Matter of the Title, Ballot Title, and
Submission Clause for Proposed Initiative 2021-
2022 #110

Petitioner: Scott Wasserman

v.

Respondents: Steven Ward and Suzanne Taheri

v.

Title Board: Theresa Conley, Ed DeCecco, and
Kurt Morrison

▲ COURT USE ONLY ▲

Attorneys for Petitioner:

Edward T. Ramey, #6748
Tierney Lawrence LLC
225 East 16th Avenue, Suite 350
Denver, CO 80203
Telephone: 720-242-7585
Email: eramey@tierneylawrence.com;

Supreme Court Case No.
2022SA128

**PETITION FOR REVIEW OF FINAL ACTION OF TITLE BOARD
CONCERNING PROPOSED INITIATIVE 2021-2022 #110
("PROPERTY TAXES")**

Scott Wasserman (“Petitioner”), a registered elector of the State of Colorado, through undersigned counsel, respectfully petitions this Court pursuant to §1-40-107(2), C.R.S. (2021-22), to review the actions of the Title Board with respect to the title, ballot title, and submission clause set for Proposed Initiative 2021-2022 # 110 (the “Proposed Initiative”).

STATEMENT OF THE CASE

A. Procedural History of Proposed Initiative 2021-2022 #110

Respondents Steven Ward and Suzanne Taheri (“Proponents”) are the designated representatives of the proponents of the Proposed Initiative. Proponents submitted their Proposed Initiative to the Title Board on April 8, 2022. The Title Board held a hearing on April 21, 2022, and set a title, ballot title and submission clause for the Proposed Initiative. Petitioner (as well as one other registered elector – Bernard Buescher) filed a Motion for Rehearing on April 27, 2022, and a rehearing was held on April 28, 2022. At the rehearing, the Title Board made changes to the titles, but denied Petitioner’s Motion with respect to the issue posed in this Petition for Review.

B. Jurisdiction

Petitioner is timely requesting a review of the actions of the Title Board by the Supreme Court pursuant to §1-40-107(2), C.R.S. (2021-22).

As required by §1-40-107(2), C.R.S. (2021-22), appended to this Petition for Review are certified copies of: (1) the final copy of the Proposed Initiative as submitted to the Title Board; (2) the determinations by the Title Board at its initial hearing on the Proposed Initiative on April 21, 2022; (3) the fiscal summary for the Proposed Initiative prepared by the Director of Research of the Legislative Council of the General Assembly pursuant to §1-40-105.5(1.5), C.R.S. (2021-22); (4) the Motions for Rehearing filed by the Petitioners and a separate registered elector on April 27, 2022; and (5) the determinations by the Title Board regarding those motions at the rehearing on April 28, 2022.

GROUND FOR REVIEW

1. The Proposed Initiative violates the single subject requirement of COLO. CONST. art. V, §1(5.5) by broadly limiting increases in “tax revenue on a property” to no more than 2% annually (subject to specified exceptions). This limitation applies to both real and personal property, and the language of the measure would cap aggregate annual increases in revenue generated by a variety of taxes levied upon real property – including general *ad valorem* property taxes, excise taxes, and special assessments among others. This aggregate application (beyond general *ad valorem* “property taxes”) is not apparent from the language of

either the initiative itself or the title, and constitutes an effectively concealed second subject.

2. The language of the Proposed Initiative – particularly it’s core operative term (“tax revenue on a property”) – is sufficiently vague and confusing that the Title Board cannot reach a definitive conclusion as to its meaning and cannot, therefore, set a clear title.

3. By simply tracking the vague, unclear, and confusing language of the Proposed Initiative itself, the Title Board has set a vague, unclear, and confusing title that will mislead and misinform the voters regarding the effects of their votes.

PRAYER FOR RELIEF

Petitioner respectfully requests the Court to reverse the actions of the Title Board and remand the Proposed Initiative with instructions.

Respectfully submitted this 5th day of May, 2022.

s/Edward T. Ramey

Edward T. Ramey, #6748
Tierney Lawrence LLC
225 East 16th Avenue, Suite 350
Denver, CO 80203
Telephone: 720-242-7585; 720-242-7577
Email: eramey@tierneylawrence.com;

CERTIFICATE OF SERVICE

I hereby certify that on the 5th day of May, 2022, a true and correct copy of the foregoing **PETITION FOR REVIEW OF FINAL ACTION OF BALLOT TITLE SETTING BOARD CONCERNING PROPOSED INITIATIVE 2021-2022 #110** was filed through the Colorado Court E-Filing System and served by electronic mail upon the following via the addresses below:

Suzanne Taheri
Maven Law Group
6501 E. Belleview Ave, Suite 375
Englewood, CO 80111
staheri@mavenlawgroup.com
Counsel for Respondents

Michael Kotlarczyk
Colorado Attorney General's Office
1300 Broadway, 6th Floor
Denver, CO 80203
Michael.kotlarczyk@coag.gov
Counsel for Title Board

Mark G. Grueskin
1600 Stout Street, Suite 1400
Denver, CO 80202
mark@rklawpc.com
Counsel for Bernard Buescher

s/Edward T. Ramey
Edward T. Ramey



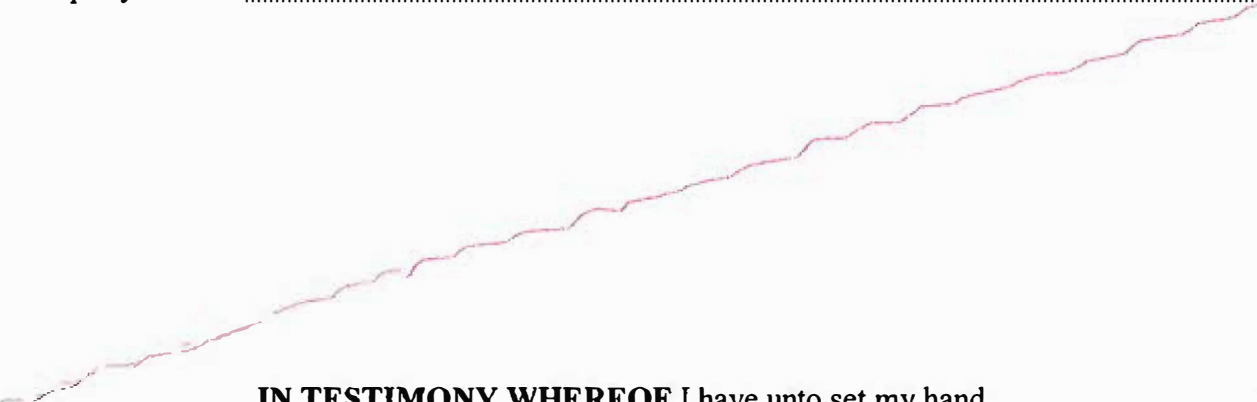
STATE OF COLORADO

DEPARTMENT OF
STATE

CERTIFICATE

I, **JENA GRISWOLD**, Secretary of State of the State of Colorado, do hereby certify that:

the attached are true and exact copies of the filed text, fiscal impact statement and abstract, motion for rehearing, and the rulings thereon of the Title Board for Proposed Initiative "2021-2022 #110 'Property Taxes'"



..... **IN TESTIMONY WHEREOF** I have unto set my hand
and affixed the Great Seal of the State of Colorado, at the
City of Denver this 3rd day of May, 2022.

Jena Griswold

SECRETARY OF STATE



Be it Enacted by the People of the State of Colorado:

SECTION 1. In the constitution of the state of Colorado, **amend** section 3 of article 10 as follows:

(1)(a) Each property tax levy shall be uniform upon all real and personal property not exempt from taxation under this article located within the territorial limits of the authority levying the tax. The actual value of all real and personal property not exempt from taxation under this article shall be determined under general laws, which shall prescribe such methods and regulations as shall secure just and equalized valuations for assessments of all real and personal property not exempt from taxation under this article. Valuations for assessment shall be based on appraisals by assessing officers to determine the actual value of property in accordance with provisions of law, which laws shall provide that actual value be determined by appropriate consideration of cost approach, market approach, and income approach to appraisal. However, the actual value of residential real property shall be determined solely by consideration of cost approach and market approach to appraisal; and, however, the actual value of agricultural lands, as defined by law, shall be determined solely by consideration of the earning or productive capacity of such lands capitalized at a rate as prescribed by law. NO TAX REVENUE ON A PROPERTY SHALL INCREASE MORE THAN 2% ANNUALLY UNLESS THE PROPERTY IS SUBSTANTIALLY IMPROVED BY ADDING MORE THAN 10% SQUARE FOOTAGE TO THE EXISTING BUILDINGS OR STRUCTURES OR ITS USE CHANGED IN WHICH CASE THE PROPERTY'S ACTUAL VALUE SHALL BE REAPPRAISED.

Ballot Title Setting Board

Proposed Initiative 2021-2022 #110¹

The title as designated and fixed by the Board is as follows:

Funding available for counties, school districts, water districts, fire districts, and other districts funded, at least in part, by property taxes shall be impacted by a reduction of \$1.5 billion in property tax revenue by an amendment to the Colorado constitution limiting the annual increase in tax revenue on a property to no more than 2% unless a property's use changes or its square footage increases by more than 10%, in which case, the property's actual value is reappraised.

The ballot title and submission clause as designated and fixed by the Board is as follows:

Shall funding available for counties, school districts, water districts, fire districts, and other districts funded, at least in part, by property taxes be impacted by a reduction of \$1.5 billion in property tax revenue by an amendment to the Colorado constitution limiting the annual increase in tax revenue on a property to no more than 2% unless a property's use changes or its square footage increases by more than 10%, in which case, the property's actual value is reappraised?

Hearing April 21, 2022:

Single subject approved; staff draft amended; titles set.

The Board determined that this proposed initiative adds language to the Colorado Constitution and will require a 55% vote to pass.

Board members: Theresa Conley, Ed DeCecco, Kurt Morrison

Hearing adjourned 5:47 P.M.

Rehearing April 28, 2022:

Motions for Rehearing granted only to the extent that the Board made changes to the titles.

The Board determined that this proposed initiative adds language to the Colorado Constitution and will require a 55% vote to pass.

Board members: Theresa Conley, Ed DeCecco, Kurt Morrison

Hearing adjourned 2:17 P.M.

¹ Unofficially captioned “**Property Taxes**” by legislative staff for tracking purposes. This caption is not part of the titles set by the Board.

Ballot Title Setting Board

Proposed Initiative 2021-2022 #110¹

The title as designated and fixed by the Board is as follows:

Funding available for counties, school districts, water districts, fire districts, and other districts funded, at least in part, by property taxes shall be impacted by a reduction of \$1.5 billion in property tax revenue by an amendment to the Colorado constitution limiting the annual increase in tax revenue on a property to no more than 2% unless the property is substantially improved by adding more than 10% square footage or its use changes.

The ballot title and submission clause as designated and fixed by the Board is as follows:

Shall funding available for counties, school districts, water districts, fire districts, and other districts funded, at least in part, by property taxes be impacted by a reduction of \$1.5 billion in property tax revenue by an amendment to the Colorado constitution limiting the annual increase in tax revenue on a property to no more than 2% unless the property is substantially improved by adding more than 10% square footage or its use changes?

Hearing April 21, 2022:

Single subject approved; staff draft amended; titles set.

The Board determined that this proposed initiative adds language to the Colorado Constitution and will require a 55% vote to pass.

Board members: Theresa Conley, Ed DeCecco, Kurt Morrison

Hearing adjourned 5:47 P.M.

¹ Unofficially captioned “**Property Taxes**” by legislative staff for tracking purposes. This caption is not part of the titles set by the Board.

BEFORE THE COLORADO BALLOT TITLE SETTING BOARD

Bernard Buescher, Objector,

vs.

Suzanne Taheri and Steven Ward, Proponents.

**MOTION FOR REHEARING ON INITIATIVE 2021-2022 #110
("Property Taxes")**

Bernard Buescher, registered elector of the County of Mesa and the State of Colorado, through his undersigned counsel, objects to the Title Board's (the "Board") title and ballot title and submission clause set for Initiative 2021-2022 #110.

The Board set a title for Initiative 2021-2022 #110 on April 21, 2022.¹ The Board designated and erroneously fixed titles for this measure.

I. This measure violates the constitutional single subject requirement.

The single-subject requirement in Article V, sec. 1(5.5) serves two purposes: (1) it ensures that the initiative "depends upon its own merits for passage"; and (2) it "protects against fraud and surprise occasioned by the inadvertent passage of a surreptitious provision 'coiled up in the folds' of a complex bill." *In re Title & Ballot Title & Submission Clause for 2005-2006 #55*, 138 P.3d 273, 277 (Colo. 2006) (citation omitted).

In applying this mandate, the Title Board must evaluate the measure to determine if it is constitutionally compliant. An initiative may not group "distinct purposes under a broad theme" to circumvent the single-subject requirement, nor can it "hide purposes unrelated to the [i]nitiative's central theme" to gain passage of a hidden provision. *Id.* at 277-78.

A. The initiative's ostensible purpose: property tax increase limit of 2%

Initiative #110 purports to only place a 2% cap on increases in any property's tax revenue. The proponents maintain that the single subject of their measure is limiting property tax increases for homeowners.

¹

Funding available for counties, school districts, water districts, fire districts, and other districts funded, at least in part, by property taxes shall be impacted by a reduction of \$1.5 billion in property tax revenue by an amendment to the Colorado constitution limiting the annual increase in tax revenue on a property to no more than 2% unless the property is substantially improved by adding more than 10% square footage or its use changes.

B. The initiative’s added purpose: reinstating the cost approach to appraisal for residential property

Since it was amended at the 1982 general election, Article, X, section 3 of the Colorado Constitution has provided, in relevant part:

Valuations for assessment shall be based on appraisals by assessing officers to determine the actual value of property in accordance with provisions of law, which laws shall provide that actual value be determined by appropriate consideration of cost approach, market approach, and income approach to appraisal. However, the actual value of **residential real property** shall be **determined solely by consideration of cost approach and market approach to appraisal....**

Colo. Const., art. X, sec. 3(1)(a) (emphasis added.) Thus, from 1983 on, residential property could be valued in two ways, using either the cost or the market approach to appraisal.

In 1992, however, Colorado voters adopted TABOR, and that provision contained a provision to restrict valuation methodology for residential property. “**Actual value shall be stated on all property tax bills and valuation notices and, for residential real property, determined solely by the market approach to appraisal.**” Colo. Const. Art. X, Section 20(8)(c) (emphasis added). Thus, instead of using cost *and* market approaches for residential valuation, assessors were to be limited to the market approach only.

A later-adopted measure that expressly conflicts with an earlier measure will be given effect as between the two. “Where an amendment to a constitution is anywise in conflict or in any manner inconsistent with a prior provision of the constitution, the amendment controls.” *In re Interrogatories by General Assembly concerning House Joint Resolution No. 1008, Second Regular Session, Forty-Seventh General Assembly*, 467 P.2d 56, 59 (Colo. 1970); *Colorado Common Cause v. Bledsoe*, 810 P.2d 201, 212 (Colo. 1991) (“To the extent that there is a conflict,... the subsequently enacted constitutional amendment, takes precedence”); *see also People ex rel Attorney General v. Cassidy*, 117 P. 357, 362 (Colo. 1911) (citation omitted).

Since it was adopted, TABOR’s change in the method of valuing residential property (limiting such valuations to the market approach) has been given full effect at all levels.

- The General Assembly amended state statute to reflect this fact. “The actual value of residential real property shall be determined solely by consideration of the market approach to appraisal.” C.R.S. § 39-1-103(5(a)).
- The courts held that the market approach is now the sole means of valuing residential property. *See, e.g., Antolovich v. Brown Group Retail, Inc.*, 183 P.3d 582, 595 (Colo. App. 2007) (citing TABOR’s mandate for using only market approach for such property).
- Assessors value residential property based solely on the market approach. *See, e.g., Jet Black, LLC v. Routt County Bd. of County Comm’rs*, 165 P.3d 744, 749 (Colo. App. 2006); <https://moffatcounty.colorado.gov/government/elected-officials/county->

[assessor/property-classification-and-valuation/real-property](#) (last viewed April 24, 2022)
 (“By law, residential property is valued using only the market approach to appraisal”).

Now, Initiative #110 seeks to amend subsection (1)(a) of article X, section 3, and, as is relevant here, expressly reenacts the sentence with which TABOR conflicted. Initiative #110 would readopt the provision in the Constitution, stating: “the **actual value of residential real property** shall be determined **solely by consideration of cost approach** and market approach to appraisal....” (Emphasis added.)

Voters who read Initiative #110 will see in that text the “cost approach” as a specifically authorized appraisal technique for residential property. When interpreting a voter-approved amendment to the Constitution, the courts strive to implement voter intent based, first, on a measure’s plain wording. *In re Interrogatories Relating to the Great Outdoors Colo. Trust Fund*, 913 P.2d 533, 538 (Colo. 1996). To that end in interpreting such measures, “**each clause** and sentence must be presumed to have **purpose and use.**” *Id.* at 542 (emphasis added); *see also Colo. Water Conservation Board v. Upper Gunnison River Water Conservancy Dist.*, 109 P.3d 585, 597 (Colo. 2005) (“In examining a statute’s plain language, we give effect to every word and render none superfluous”). The single subject requirement protects against a “voter of average intelligence... (from being) surprised” by hidden “procedural aspects” in a measure that otherwise makes substantive changes to the law. *In re Title, Ballot Title & Submission Clause for 2001-2002 #43*, 46 P.3d 438, 446 (Colo. 2002). The average voter will read Initiative #110 and assume he is giving effect to its entire text.

If adopted, Initiative #110 would be the later-enacted measure, and thus the conflict with TABOR is resolved in favor of the new language requiring use of cost and market approaches to appraisal for residential property. Initiative #110 would trump the contrary language in TABOR, a valuation restriction homeowners are familiar with and rely on in their property tax valuations.

Had Proponents sought to only adopt their 2% cap on property taxes, they could have, for instance, added a new subsection (3) to Article X, section 3 and placed the new limit language there. But they didn’t. And that decision must be deemed to have been intentional.

This change in the appraisal practice for one class of property (residential) is a separate subject from the overall, property-by-property tax cap, one that is not limited to any one class of taxable property. *See In re Title, Ballot Title & Submission Clause for 2021-2022 #16*, 2021 CO 55, ¶39, 489 P.3d 1217, 1225 (single subject violation by animal cruelty initiative, where certain provisions dealt with one species of animal and other provisions dealt with all animals).

Given that, Initiative #110 puts the cost approach back in play in valuing residential property, and that topic is separate and distinct from an annual cap on property tax increases, this measure cannot be titled.

II. This measure violates the clear title requirement for initiative titles.

The titles are misleading in that:

- A. They fail to state the initiative reestablishes the cost approach to appraisal as a means for valuing residential property;
- B. They fail to state that, when a property experiences a change in use or a 10% square footage increase, such property will be reappraised in order to determine its valuation; and
- C. The title's use of "is substantially improved" unnecessarily characterizes a property's change in use or its 10% increase in square footage, which changes may not, in reality, "substantially improve" that property, and thus this phrase is misleading and speculative, notwithstanding its use in the initiative text.

RESPECTFULLY SUBMITTED this 27th day of April, 2022.

RECHT KORNFELD, P.C.

s/ Mark G. Grueskin

Mark G. Grueskin
1600 Stout Street, Suite 1400
Denver, CO 80202
Phone: 303-573-1900
Email: mark@rklawpc.com

Objector's Address:
4350 N. Club Ct., Unit B
Grand Junction, CO 81506

CERTIFICATE OF SERVICE

I hereby affirm that a true and accurate copy of the **MOTION FOR REHEARING ON INITIATIVE 2021-2022 #110** was sent this day, April 27, 2022, via email to the proponents via their legal counsel:

Suzanne Taheri
Maven Law Group
STaheri@mavenlawgroup.com

s/ Erin Holweger

BEFORE THE COLORADO BALLOT TITLE SETTING BOARD

Scott Wasserman, Movant

vs.

Suzanne Taheri and Steven Ward, Designated Representatives of Proponents.

**MOTION FOR REHEARING ON INITIATIVE 2021-2022 #110
("Property Taxes")**

Scott Wasserman, a registered elector in the State of Colorado, through his undersigned counsel, respectfully submits the following Motion for Rehearing regarding Proposed Initiative 2021-2022 #110 ("Property Taxes").

I. Proposed Initiative 2021-2022 #110 contains more than a single subject.

Proposed Initiative 2021-2022 adds the following language to Colo. Const. art. X, §3:

NO TAX REVENUE ON A PROPERTY SHALL INCREASE MORE THAN 2% ANNUALLY UNLESS THE PROPERTY IS SUBSTANTIALLY IMPROVED BY ADDING MORE THAN 10% SQUARE FOOTAGE TO THE EXISTING BUILDINGS OR STRUCTURES OR ITS USE CHANGED IN WHICH CASE THE PROPERTY'S ACTUAL VALUE SHALL BE REAPPRAISED.

There was some discussion at the initial Title Board hearing on this measure on April 21, 2022, regarding its potential applicability to taxes other than general *ad valorem* property taxes for the general expenses of local government. The discussion was precipitated in part by the use of the terminology "*no tax revenue on a property shall increase more than 2% annually*" (subject to specified exceptions). The discussion was hi-lighted by the testimony of a particularly well-informed on-line participant who described a number of common assessments – often by municipalities and special districts that fund such specific services as waste water disposition and alley maintenance – that indisputably generate "tax revenue on property" but are neither *ad valorem* in nature nor dedicated to general expenses of government. These would include, for example, both excise taxes and special assessments (both of which are generally referred to a property taxes). *Cf., Bloom v. City of Fort Collins*, 784 P.2d 304, 307-308 (Colo. 1989).

As the plain language of Initiative 2021-2022 #110 limits all increases in “*tax revenue on a property*” to two percent annually, this limit necessarily incorporates such non-*ad-valorem* assessments as well as general property taxes. Tacking this language into Colo. Const. art. X, §3 doesn’t change that; at best it indicates that general *ad valorem* property taxes would have to be reduced – perhaps to zero or lower – should any other “tax revenue on a property” drive a combined total increase on a particular property above two percent. The result is a carefully – perhaps strategically – concealed second subject “coiled in the folds” of the initiative. *Cf., In re Title, Ballot Title and Submission Clause for 2009-2010 #91*, 235 P.3d 1071, 1077 (2010); *In re Title, Ballot Title and Submission Clause for 2007-2008 #17*, 172 P.3d 871, 876 (Colo. 2007).

Additionally, as Colo. Const. art. X, §3 addresses taxes on both real and personal property, its problematic application to the latter is at best a second subject and at worst sufficiently unclear and misleading as to prevent the setting of a comprehensible title.

II. If the language of Proposed Initiative 2021-2022 #110 cannot be understood clearly enough to allow the setting of a clear title, the Title Board must reject the initiative on that basis alone.

There was considerable discussion among the Title Board members, the proponents themselves (inconsistently), and other participants at the initial hearing (including most helpfully the on-line participant) – and now the present movants – as to what the language of the proposed measure (particularly “no tax revenue on a property”) means. At best – and giving every benefit of the doubt to the proponents – the meaning is unclear. The result is that a “single subject” cannot be clearly and comfortably stated.

“Before a clear title can be written, the Board must reach a definitive conclusion as to whether the initiatives encompass multiple subjects.” *In re Title, Ballot Title and Submission Clause, and Summary for 1999-2000 #25*, 974 P.2d 458, 468 (Colo. 1999). “While the Board must give deference to a proponent’s expression of his or her initiative’s intent . . . it may not do so at the expense of its other equally important duties. The Board must simultaneously consider the potential public confusion that might result from misleading titles and exercise its authority in order to protect against such confusion.” *Id.* at 469.

In the present case, the language of the initiative itself – particularly the core term and concept (“tax revenue on a property”) – is sufficiently confusing that the Board, at best, cannot fairly determine if the measure contains multiple subjects. It cannot, therefore, set a clear title.

III. The title set for Proposed Initiative 2021-2022 #110 is unclear and misleading.

Even were the Title Board to conclude that Proposed Initiative 2021-2022 #110 contains a single subject, it cannot formulate a title that “correctly and fairly express[es] the true intent and meaning” of the measure. C.R.S. §1-40-106(3)(b). Nor in this case has it been able to “avoid [a title] for which the general understanding of the effect of a ‘yes/for’ or ‘no/against’ vote will be unclear.” Id. Tracking the language of the measure, the title states the effect of the measure to be “limiting the annual increase in tax revenue on a property to no more than 2% . . .” As with the measure itself, it is wholly unclear at best – if not patently misleading to the voters at worst – as to whether this “tax revenue on a property” is limited to revenue generated only by general *ad valorem* property taxes for general expenses of government or inclusive of targeted excise tax and special assessment “tax revenue on a property” (as the language of the measure would suggest). Nor is its application to personal property discernable.

Movant would very much like to suggest a clearer and more accurate title, but he is in no better a position to do so than the Title Board. The present title – and any alternative we can conjure up – will simply fail to provide the voters any clear or meaningful “understanding of the effect of a ‘yes/for’ or ‘no/against’ vote” on this initiative.

Respectfully submitted April 27, 2022.

_____/s/
Edward T. Ramey
Tierney Lawrence LLC
225 East 16th Avenue, Suite 350
Denver, CO 80203
Phone: 303-949-7676
Email: eramey@tierneylawrence.com

Counsel for Scott Wasserman

CERTIFICATE OF SERVICE

I hereby affirm that a true and accurate copy of this **MOTION FOR REHEARING ON INITIATIVE 2021-2022 #110** was delivered on April 27, 2022 to Proponents via their legal counsel:

Suzanne Taheri
Maven Law Group
STaheri@mavenlawgroup.com

/s/ Edward Ramey



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature

Initiative 110

Fiscal Summary

Date:	April 19, 2022	Fiscal Analyst:	Greg Sobetski (303-866-4105)
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LCS TITLE: PROPERTY TAXES

Fiscal Summary of Initiative 110

This fiscal summary, prepared by the nonpartisan Director of Research of the Legislative Council, contains a preliminary assessment of the measure's fiscal impact. A full fiscal impact statement for this initiative is or will be available at www.colorado.gov/bluebook. This fiscal summary identifies the following impact.

Local government impact. Assuming that the measure first applies to 2022 property taxes paid in 2023, it reduces property tax revenue to local governments by at least \$150 million in 2023, at least \$1.5 billion in 2024, and larger amounts in future years. These estimates are based on school district-level assessed value forecasts. However, this method likely underestimates the measure's impact, particularly with respect to areas that include both fast-growing outlier properties, like many oil and gas producing properties, and other properties with slow growing or declining values.

The measure will require statutory changes to the processes that county assessors use to determine the amount of property tax due. Administrative costs in assessors' offices will depend on implementing legislation, and are expected to be significant in the initial years of implementation.

State revenue. The measure reduces property taxes paid by oil and gas producers, thereby reducing future tax credits that they can claim when calculating their severance taxes. This will increase state cash fund revenue from severance taxes beginning in FY 2023-24. The amount of this impact will depend on producers' specific tax situations and has not been estimated.

State expenditures. The measure reduces the local share of total program funding for school finance, correspondingly increasing the state aid requirement. If the property tax revenue impact for each parcel is distributed proportionally to current local mill levies, the measure is expected to increase the state aid requirement by at least \$75 million in FY 2022-23, at least \$475 million in FY 2023-24, and larger amounts in later years. Subsequent changes in levies by other local governments may reduce the amount of property tax received by school districts, thereby increasing the amount of the required state contribution to school finance.

Economic impacts. Limiting property tax growth will increase the amount of after-tax income available for homeowners and business property owners to spend or save, increasing their spending, saving, or investment elsewhere in the economy. The measure will decrease revenue available for counties, municipalities, school districts, and special districts relative to current law expectations, lowering the amount of funds available for public services. Any overall change in economic activity will depend on the net economic impacts of higher after-tax household and business income and reduced investment in public services.