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News Release

Commissioner Jones Says Colorado Supreme Court Decision Provides Financial Stability for Schools

Commissioner of Education Dwight Jones today commented on the Colorado Supreme Court that affirmed the constitutionality of Senate Bill 07-199. The Colorado Supreme Court ruling was announced today in the case of Mesa County Board of Commissioners vs. State of Colorado.

"The decision provides critical stability for school district revenues," said Commissioner Jones. "Colorado's students are the beneficiaries of this decision."

Commissioner Jones recognized CDE Assistant Commissioner Vody Herrmann for her expertise with Colorado's complex public school funding system. Assistant Commissioner Herrmann was a key witness in the court proceedings. "School districts across the state appreciate her steady guidance on all school finance issues," he said.

By a 6-1 vote, the Colorado Supreme Court ruled there is "ample evidence and authority to find SB 07-199 constitutional."

In the 45-page main opinion, the court found that "local school district elections validly waived the revenue limit at issue in this case" and that the waiver elections "were broadly worded and unlimited in scope."

The ballot language at issue in 174 local school district elections was "clear and unambiguous," the ruling stated.

Background

Senate Bill 07-199 was passed by the General Assembly and signed into law by Governor Ritter in May 2007.

Senate Bill 07-199 stopped the scheduled property tax rollbacks, freeing money the state otherwise would have used for the state share of school spending. The legislation also boosted preschool funding to provide for 5,000 more children in the 2007-2008 school year.

In December 2007, the Mesa County Board of County Commissioners and several other plaintiffs filed a lawsuit in Denver District Court challenging the constitutionality of Senate Bill 07-199. The plaintiffs alleged that the law violated the Taxpayers' Bill of Rights (TABOR) amendment to the Colorado Constitution (article X, section 20).

The Colorado Department of Education (CDE) originally was the only defendant in the case. The governor and the State of Colorado later joined in the case as additional defendants. On May 30, 2008 Judge Christina M. Habas of Denver District Court issued a ruling declaring Senate Bill 07-199 unconstitutional.

CDE, the state and the governor appealed that ruling to the Colorado Supreme Court. In December 2008, the Supreme Court issued a stay of the lower court's ruling, which allowed property tax mill levy rates for calendar year 2009 in the great majority of school districts to be set at the levels called for by Senate Bill 07-199.

The Colorado Supreme Court's 45-page majority opinion, written by Chief Justice Mullarkey, addresses all of the major issues in the case. The court found that the plaintiffs failed to show the law violated constitutional provisions of TABOR; found that the law did not cause a tax policy change directly causing a net tax revenue gain to any district; and that local "waiver elections" fulfilled the requirements of TABOR.

For more information, contact Mark Stevens, 303-866-3898, or Megan McDermott, 303-866-2334, in the CDE Office of Communications. To sign up for the CDE e-mail news service, please visit <http://www.cde.state.co.us/Communications/index.html>.

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