

Growth in Colorado Enterprise Revenue

July 2022

State enterprise revenue in Colorado grew to \$27.1 billion in fiscal year 2021, accounting for 40% of all state spending.ⁱ

A state enterprise is defined as “a government-owned business that receives revenue in return for the provision of a good or service [and] receive[s] up to 10 percent of its annual revenue from state and local government sources combined.”ⁱⁱ

Enterprises are exempt from the spending growth limits of TABOR because they collect “fees” and not taxes.

- In under three decades, enterprise revenue has grown by over \$26 billion dollars—from \$742 million across five enterprises in FY94, when TABOR went into effect, to \$27.1 billion across 18 enterprises in FY21.
- Though some enterprise revenue comes from federal sources, particularly during the last two years due to COVID-19 relief, total enterprise revenue amounted to \$4,665 per Coloradan, up from \$1,998 in FY14 and \$381 in FY04.

Recent transportation funding legislation and a new voter-approved paid leave program will increase fee-based revenue to enterprises by an additional \$1.5 billion in 2024.

- Proposition 117, passed in November 2020, requires that fee increases projected to raise any enterprise’s revenue by at least \$100 million over five years be approved by voters. SB21-260 is projected to raise fee-based revenue by \$200 million in FY24 and a total of \$5.4 billion within a decade. The legislation avoided the voter approval requirement of Prop. 117 by distributing its fee increases across multiple funds and four new enterprises.ⁱⁱⁱ
 - SB21-260 includes a 27-cent delivery fee, which is estimated to raise \$75.9 million in FY23.
- Colorado’s paid family and medical leave program, set to launch in 2023, will be funded by fees paid by most Colorado employers and employees. According to CSI’s modeling, these fees will exceed \$1.3 billion in 2024 and could reach well over \$2 billion per year in the long run.^{iv}

Colorado State Enterprise Revenue

Revenue generated by Colorado state enterprises has grown from \$742 million in FY94 to \$27.1 billion in FY21

	FY94 (\$742 million)	FY04 (\$1.8 billion)	FY14 (\$10.7 billion)	FY21 (\$27.1 billion)
Higher Education Enterprises	\$359,402,000	\$915,219,244	\$7,847,346,334	\$10,829,105,780
Colorado Healthcare Affordability and Sustainability Enterprise				\$4,235,144,603
Collegelvest			\$527,016,026	\$969,557,285
State Lottery	\$288,288,000	\$408,582,297	\$547,956,437	\$789,947,824
College Assist			\$602,270,498	\$231,396,176
Health Insurance Affordability Enterprise				\$227,865,139
Parks and Wildlife			\$209,798,705	\$205,850,333
Correctional Industries	\$19,499,000	\$37,826,111	\$64,207,401	\$48,200,138
State Nursing Homes	\$13,077,000	\$37,826,111	\$53,951,013	\$47,158,027
Statewide Transportation Enterprise			\$22,197,016	\$46,887,142
Petroleum Storage Tank Fund			\$35,765,093	\$35,349,070
Statewide Bridge Enterprise			\$11,383,446	\$12,523,883
Clean Screen Authority			\$5,585,870	\$3,493,861
Brand Board			\$4,992,832	\$3,079,539
Electronic Recording Technology Fund				\$2,618,441
Capitol Parking Authority			\$962,569	\$1,126,708
Front Range Waster Diversion Enterprise				\$940,162
College Access Network		\$73,459,330		
Division of Wildlife		\$89,647,747		
State Fair Authority		\$8,724,599		
Statewide Tolling Authority		\$59,282		
Student Loan Program	\$62,047,000	\$73,459,330		
Unemployment Compensation Section		\$110,464,077		

Chart: Common Sense Institute • Source: TABOR Schedules of Computation Office of the State Controller and Office of the State Auditor • Created with Datawrapper

ⁱ https://drive.google.com/file/d/1Tkdi_yVHqBai5Uo4_Drsz5SjeO6Qcktd/view

ⁱⁱ https://leg.colorado.gov/sites/default/files/interested_persons_memo_regarding_tabor_enterprises_2019.pdf

ⁱⁱⁱ https://leg.colorado.gov/sites/default/files/documents/2021A/bills/fn/2021a_sb260_r1.pdf

^{iv} <https://commonsenseinstitute.org/proposition-118-a-statewide-paid-family-and-medical-leave-program-for-colorado-but-at-what-cost/>