

# AMSD Position on Constitutional Amendments

**T**he Association of Metropolitan School Districts opposes any amendment to the state constitution that would require a supermajority vote to raise taxes or use reserve funds, or would restrict the ability of the legislature and governor to use available resources.

## AMSD BELIEVES

- When lawmakers are limited in their options to develop a budget, they are prone to utilizing short-term fixes like the education shift.
- Such amendments may conflict with the constitutional requirement to provide a “general and uniform system of public schools.”
- Such amendments restrict the ability of state policymakers to respond to changing demographics and unforeseen economic circumstances.

## BACKGROUND

### Constitutional Amendment to Restrict Spending

During the 2011 legislative session, legislation was introduced to restrict the level of state spending.<sup>1</sup> One proposal would limit state spending to 98% of the forecast revenue for the biennium and another would limit spending to the amount of revenue raised in the previous biennium. One proposal identifies limited uses for additional revenue such as additional spending on “public peace, safety or health” needs during “national security or peacetime emergencies” not specifying any voting procedures. Another proposal requires a 3/5 vote majority vote to spend additional revenue only for emergencies involving “health, safety and welfare.”

According to the Minnesota Budget Project, no other state prohibits the use of revenue growth after a recession and only Colorado has a spending limit in its actual constitution but Colorado allows the public to override the restrictions.<sup>2</sup> The Minnesota Budget Project did an

analysis of the impact of Colorado’s revenue limits and found that it failed to improve the state’s business climate or quality of life and forced drastic cuts to education funding.<sup>3</sup>

### Constitutional Amendment to Require Supermajority to Raise Taxes

Another bill introduced during the 2011 legislative session would require a three-fifths supermajority vote in each body of the legislature to pass a tax increase.<sup>4</sup> In the House, the bill passed the Tax Committee and was sent to the Ways and Means Committee.

According to the Center for Fiscal Accountability, in 2011, 16 states had a supermajority requirement to raise taxes.<sup>5</sup> In 2011, Wisconsin passed a law (AB 5) that requires a two-thirds vote in the legislature for an increase in sales, income or franchise tax before it can advance to the Governor.<sup>6</sup>



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<sup>1</sup> SF 1364/HF 1612 (Ortman and Downey), SF 1378 (Ortman, No Companion), SF 1379 (Hoffman, No Companion), SF 1380 (Kruse, No House Companion), SF 1381/HF 1661 (Howe and Hoppe), SF 1382 (Jungbauer, No House Companion), SF 1383 (Pederson, No House Companion), SF 1401 (Michel, No House Companion).

<sup>2</sup> “Constitutional Amendment (House File 1612/Senate File 1364 Would Undermine Minnesota’s Economic Recovery,” Minnesota Budget Project, 2011, Christina Wessel, 5 October 2011 <<http://www.mnbudgetproject.org/research-analysis/minnesota-budget/tax-spending-limits/hf1612.pdf>>.

<sup>3</sup> “Constitutional Revenue Limits Damaged Colorado’s Business Climate, Quality of Life,” Minnesota Budget Project, 2011, Christina Wessel, 5 October 2011 <<http://www.mnbudgetproject.org/research-analysis/minnesota-budget/tax-spending-limits/TABORinColorado.pdf>>.

<sup>4</sup> SF 1384/HF 1598 (Kruse and Drazkowski).

<sup>5</sup> “States with a Supermajority Requirement to Raise Taxes,” Center for Fiscal Accountability, 5 October 2011 <<http://www.fiscalaccountability.org/index.php?content=supersub1>>.

<sup>6</sup> “Which States Require Supermajority Votes in the Legislature to Pass Tax Increases,” CSG Midwest Question of the Month, 2011, Laura Tomaka, 5 October 2011 <[http://www.csamidwest.org/member\\_services/March2011qom.aspx](http://www.csamidwest.org/member_services/March2011qom.aspx)>.