

OPINION

THE DENVER POST

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*"There is no hope
for the satisfied man."*

Post founder Frederick G. Bonfils,
1861-1933

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The Post Editorials

A straitjacket on the state budget

The legislature shouldn't permanently tie a tax on cigarettes to the state's College Opportunity Fund.

Putting the state sales taxes collected on cigarettes toward higher education is a good use of public money. We have no quarrel with the general idea.

But permanently tying a particular revenue to a particular expenditure only adds to the budgetary straitjacket that Colorado is struggling with.

In a compromise last week, state House Democrats agreed to an amendment from Republicans that would continue a 2.9 percent sales tax on cigarettes, but direct it to the state's College Opportunity Fund. The fund provides stipends to in-state students to reduce their tuition.

Make no mistake, bringing down the cost of higher education for Colorado students is an important mission and we have no quarrel with the College Opportunity Fund. But each time state lawmakers lose flexibility in how to apportion a segment of state revenues, they add a layer of complexity to a budget full of caveats and set-asides.

At issue in this deal is \$28 million that would be raised next year from the 2.9 percent tax. The issue of how to apportion the money emerged as House members talked about House Bill 1144, sponsored by Rep. Daniel Kagan, D-Cherry Hills Village.

The bill would permanently elimi-

nate the state sales tax exemption on cigarettes. The state sales tax on cigarettes has been suspended or collected depending upon the state's budgetary situation.

In 2009 and 2011, lawmakers voted to suspend a state sales tax exemption for two years, the net effect being that the state would collect that revenue. Kagan's bill would have made it permanent.

Republicans objected, but in an acknowledgment of Democratic majorities in both houses of the legislature, they sought an amendment that would make the measure more palatable to them. And that was to tie the revenues to a funding destination, an amendment that included language saying money for the fund can't be reduced to negate the additional cigarette tax money.

"I'm not a fan of (adding) \$28 million to the growth of government. But if we're going to do it... I can't think of a better place for this to go than to higher education," said Rep. Mark Waller, R-Colorado Springs, according to an Associated Press story.

It's a worthy expenditure. But if Colorado is ever going to untangle the knots that bind the state budget, there must be efforts to loosen the mandates forcing the state to spend money in certain ways, not increase them.