

## OPINION PIECE SUBMITTED TO MAINE NEWSPAPERS

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Maine finds itself at a fork in the road worthy of the one immortalized by poet Robert Frost in “The Road Not Taken.” The two paths are radically different, and each is somewhat obscured in the mists of an unknowable future. And like Frost, the road Mainers choose to travel will make all the difference for themselves and their children.

Already, Maine has the highest property tax burden in the nation relative to income, and the second highest overall tax burden relative to income, according to the non-partisan Tax Foundation. State spending is growing faster than the inflation rate, and faster than the growth in personal income. Clearly such growth is unsustainable – government spending will take up an ever-greater share of family income.

In short, Maine is on the path to enriching government and impoverishing families and businesses. At some point, more people will depend on handouts from the state than depend on jobs and savings from private activity. At that point, Maine will have crossed the threshold into the territory of a European-style Welfare State.

The other path at this fork in the road leads to a slowing of the growth of government, a lifting of the tax burden on families and businesses, and the reinvigoration of Maine’s private economy. The name of this new path is the Taxpayers Bill of Rights, or TABOR.

A petition to amend Maine’s constitution to include a Taxpayer Bill of Rights is being circulated by veteran Maine activist Mary Adams. Adams is the bundle of energy who, in 1977, led her army of “Freedom Fighters” to repeal the statewide property tax. Since then, Adams has worked tirelessly to defend the hard-working families and small business owners against the big-spending interests in Augusta. TABOR would be the culmination of her almost 30 years of service to the state.

Adam’s TABOR proposal is modeled on the hugely successful Colorado constitutional amendment of the same name. Passed in 1992, Colorado’s TABOR slowed the growth of state spending, avoided the budget crises and tax increases that swept most states in the past few years, and actually cut taxes to the tune of \$3.2 billion while making Colorado’s economy one of the most dynamic in the nation.

The basics of a TABOR proposal are simple. First, spending growth is limited to the rate of inflation plus population growth – spending is maintained at current levels, but it is not allowed to grow faster than people’s ability to pay for it.

Second, taxes can only be increased by a supermajority vote of the legislature, or a vote of the people, or both – guaranteeing that the people have a say in what happens to their taxes.

Finally, excess revenues above the level allowed to be spent by the state are rebated back to the taxpayers – giving Mainers a tax cut to offset their tax overpayments.

If Maine decides to take the TABOR road, what can the people expect? A look at the Colorado experience is instructive. TABOR delivered to Colorado budget stability, tax relief, and economic growth.

**Budget Stability** – Colorado avoided the severe budget crises that gripped almost every other state in 2002, 2003, and 2004.

**Tax Relief** – Colorado residents enjoyed the most tax relief of anyone in the nation during the 1990's. Between 1997 and 2002, Colorado taxpayers received a rebate EVERY YEAR, totaling \$3.2 billion dollars. Notice that this rebate continued until 2002, a year when most states were already struggling with their budgets.

**Economic Growth** – That \$3.2 billion of money left in private hands, combined with a less burdensome government, paid big dividends for Colorado's economy. Colorado became a hotbed of high-paying technology and knowledge workers. It was first in the nation in Gross State Product growth from 1995 to 2000. It was second in the nation in personal income growth from 1995 to 2000. The Corporation for Enterprise Development has ranked Colorado's business climate as best in the nation. All in all, Colorado resident benefited much more than just the \$3.2 billion they saved.

According to U.S. Census Bureau estimates ([www.census.gov/govs/statetax](http://www.census.gov/govs/statetax)), had Maine passed TABOR in the early 1990's like Colorado did, Maine would now enjoy a \$482 million budget surplus, rather than a budget crunch. In addition, the average household in Maine could expect an \$865 tax rebate per year because Mainers would be overpaying their taxes. Over \$800 per year would go a long way toward making life easier for hard-working Maine families.

The people of Maine are at a fork in the road. The big spenders in Augusta hope to continue them along the path of statism, stagnation, and dependence. Mary Adams is pointing the way to competitiveness and growth. A generation from now, Maine's children will look back at the choice you make today and, like Robert Frost, declare "that has made all the difference."