

Initiative 308: Direct Sporting Goods Sales Tax Revenue for Conservation

Placed on the ballot by citizen initiative • Passes with a majority vote

Initiative 308 proposes amending the Colorado statutes to:

- direct a portion of existing sales tax revenues from purchases and rentals of certain sporting goods to be used for conservation and wildfire prevention; and
- exempt that money from the state’s constitutional revenue limit.

What Your Vote Means

YES

A “yes” vote on Initiative 308 would require that existing sales tax revenue collected from sales of sporting goods be spent on conservation and wildfire prevention, and exempt it from state revenue limitations.

NO

A “no” vote on Initiative 308 would keep the sales tax revenue collected from sporting goods in the state’s general budget, and spending priorities would continue to be decided annually by the legislature.

Summary and Analysis of Initiative 308

What does the measure do?

The measure requires that state sales tax revenue collected from purchases and rentals of sporting goods be spent on certain conservation activities. These include support for state and local parks and open spaces; wildfire risk reduction, forest restoration, and prescribed fire damage claims; water projects and conservation; outdoor education and recreation programs; and outdoor access and equity improvements.

The measure applies to most sporting goods categories, including bicycles, golf equipment, hunting and fishing equipment, camping equipment, boats, recreational vehicles, and campers. It also includes rental services for recreational, sports, and fitness equipment. The measure does not change the amount of tax collected on or the price of sporting goods.

Additionally, the measure exempts this portion of state sales tax revenue from the state’s constitutional revenue limit, known as the Taxpayer’s Bill of Rights (TABOR) limit. The amount to be directed to conservation will be calculated by Legislative Council Staff, the nonpartisan research agency of the General Assembly, based on estimates from federal and state data sources. For state budget year 2027-28, this is currently estimated to be \$175 million, or about 3.5 percent of the state’s total annual projected sales tax revenue.

Will this measure direct revenue to conservation in all future years?

In some years, the measure will not direct the full amount of sales tax revenue collected from sporting goods to conservation. This occurs when exempting sporting goods sales tax revenue from the TABOR limit would cause a reduction of two state tax credits available to low- and moderate-income households.

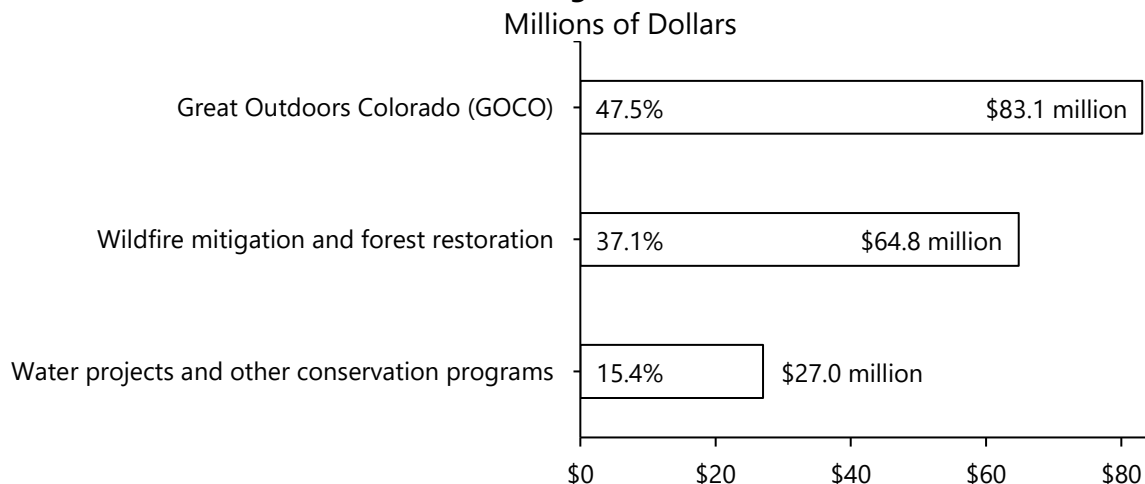
How will the revenue be used?

The measure is estimated to direct about \$175 million per year towards conservation efforts and wildfire prevention, which would be in addition to the approximately \$170 million that the efforts outlined in the measure currently receive. The distribution of sales tax revenue under the measure is shown in Figure 1 and discussed below.

- Great Outdoors Colorado (GOCO): about \$83.1 million would be dedicated to GOCO, a state organization that grants money to local and state natural resource efforts, such as parks facilities, trails, and wildlife. GOCO is largely funded by the state lottery, amounting to about \$90 million annually, and currently receives no state funding from taxes.
- Wildfire mitigation and forest restoration: about \$54.8 million would be dedicated to these efforts, in addition to a one-time \$10.0 million transfer for prescribed fire damage claims in FY 2027-28. These efforts currently receive about \$16.4 million from the state.
- Water projects and other conservation programs: the remaining revenue, about \$27 million, would be dedicated to conservation programs, including water projects and outdoor recreation programs. Water projects receive about \$62 million from the state currently, and outdoor recreation programs receive about \$800,000.

The funding outlined above and in Figure 1 does not include all of Colorado's state-, local-, or federally-funded conservation efforts, but focuses specifically on the programs that will be receiving additional funding under this measure.

Figure 1
Sales Tax Revenue Distribution Under Initiative 308
State Budget Year 2027-28



How does the measure affect TABOR refunds?

TABOR limits state government revenue available for spending to an amount adjusted annually for inflation and population growth. Revenue collected over the limit must be refunded to taxpayers unless voters approve a measure to allow the government to keep and spend it. Under the measure, the dedicated sales tax revenue would be exempt from the TABOR limit. In years where state revenue exceeds the TABOR limit, the measure reduces refunds to taxpayers by the amount of sporting good sales tax revenue the state is allowed to keep. In years where state revenue is below the TABOR limit, the measure does not impact TABOR refunds, but it may reduce the amount of money available for other budget priorities. The state currently expects TABOR refunds for taxpayers through at least the 2027-28 budget year.

Argument For Initiative 308

1) Current state funding sources for conservation programs are not sufficient and have not kept up with increasing needs, and federal support is unreliable. Our outdoors are being loved to death, and wildfires are becoming more devastating and frequent. Colorado has faced budget cuts in recent years, resulting in less money available for conservation efforts. The measure directs more revenue to conservation activities without increasing tax rates or changing the cost of sporting goods, which benefits the economy, the environment, residents, and visitors alike. The measure ensures there is sustainable funding for conservation programs for the benefit of Colorado's outdoor future.

Argument Against Initiative 308

1) The measure is a tax increase in disguise that will reduce future TABOR refunds. Keeping state revenue below the constitutional limit is a critical taxpayer protection that is continuously being undermined by measures like this. The programs targeted by this measure already have dedicated funding sources, and allowing the state to keep even more taxpayer money for conservation has the same effect as taxpayers paying higher taxes. Every dollar retained under this measure is a dollar taken from taxpayers' pockets or diverted from other critical state priorities, stripping away the flexibility needed to respond to changing economic conditions and budgetary needs.

Information about the organizations supporting and opposing this measure is available on the Colorado Secretary of State's website:

www.coloradosos.gov/pubs/elections/Initiatives/ballot/contacts/2026.html

Fiscal Impact of Initiative 308

The fiscal impact will be included in the second draft.