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CCLP statement on the executive order and Colorado's endless budget catastrophe

Coloradans deserve better than the artificial budget crisis that led to today's crippling cuts.

DENVER, CO — August 28, 2025 — Authorized by an emergency bill enacted during last week's special session, Governor Jared Polis today [signed an executive order](#) enacting a wide-ranging slate of spending reductions. Diverting earmarked funds and suspending programs for struggling Coloradans, these actions amount to \$252.2 million in cuts over the course of the current 2025-2026 fiscal year.

Despite a near constant drumbeat from certain members of Colorado's legislature, Colorado's budget crisis is not the result of overspending. It is a decades-in-the-making result of costs rising faster than the revenue our state is allowed to collect under the misguided, rigid and cynical formula of the Taxpayer Bill of Rights (TABOR). Just as one in four households in Colorado cannot keep up with the ever-rising cost of living, the state is constantly forced to make painful decisions about what to cut. This year those cuts went deeper than ever, touching the lives of nearly every Coloradan, all to meet the impossible demands of a 1992 amendment drafted by small-government fanatics.

To Governor Polis's credit, reviewing the executive order reveals a sincere effort by the administration to limit direct harms to Coloradans, with many surgical cuts and the identification of small blocks of unused funds that could be moved to the general fund. The Governor's office was placed in a no-win situation by our unique budget constraints.

Still, many of the cuts made will have real impact on many Coloradans:

- Significant adjustments to health care provider rates under Medicaid, reducing or wiping out promised increases to providers, may lead to closures of rural hospitals and clinics.
- Ending continuous Medicaid coverage for children to age 3 will not only lead to reduced access to health care by some of the most vulnerable Coloradans; this cut, like all Medicaid reductions, also reduces the federal match dollars already under attack.
- Many outpatient behavioral health treatments will now be subject to onerous prior authorizations, delaying or denying care that helps reduce emergency care and hospitalization.



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These cuts are despite Colorado's booming economy — in fact, our per capita GDP is 11th in the nation. Rather, this crisis is artificial in nature, forced on us by TABOR's arbitrary budget ratchet, and pushed over the edge by a shocking federal budget that, [in the words of Governor Polis just two days ago](#), "increased the deficit of the United States by trillions of dollars and blew a major hole in Colorado's budget that threatened our schools, roads, health care, and more."

CCLP's [Self-Sufficiency Standard report](#), published every few years, tells a story that self-proclaimed budget "hawks" pretend doesn't exist: the cost of everything, for the past 25 years, has grown much faster than incomes. In 2001, one in five Colorado households struggled to make ends meet. By 2019, that number had grown to one in four. Post-COVID, and in the midst of President Trump's economic chaos, we expect that number to only worsen. Families are falling further behind. Our state budget is trapped in the same cycle.

TABOR's formula doesn't account for the real costs of a functioning state, restricting us to a budget that fails to meet the needs of residents and businesses alike. It's not only family supports like SNAP and Medicaid that are vulnerable in this environment, but also critical state infrastructure and the services required to maintain a thriving economy. That's by design. TABOR was a deliberate attempt to starve state and local government of revenue so that the wealthiest Coloradans could stop paying their fair share. Since its passage it has steadily driven Colorado toward the catastrophe we now face.

TABOR was always a handout to those at the top, at the expense of basic services our families depended upon — things like good schools, access to health care, roads, regulations that kept us safe, and investments that gave Colorado businesses the opportunities to compete and thrive. The things that made Colorado a great place to live, work, and grow are slipping by with each passing year, and the cuts of the special session and this executive order only accelerate that trend. Our per capita spending is well below states similar to Colorado. Yet time and again, the loudest voices in the room insist that *any* state spending whatsoever is "reckless," even while the services Coloradans relied upon are cut to the bone.

It does not have to be this way. Colorado deserves a budget that reflects our values and invests in the wellbeing of everyone that calls Colorado home. If we don't change our priorities and our tax policies soon, the state we love will be reduced to nothing but a few mountaintop gated communities and an unaffordable wasteland of broken dreams. Enough is enough. We must change the way we do business in Colorado. TABOR has failed us all.

About Colorado Center on Law and Policy

Founded in 1998, [Colorado Center on Law and Policy](#) is an antipoverty organization advancing the rights of every Coloradan through research, legal advocacy, legislative advocacy, and coalition building. Driven by our core values of equity, integrity, strategic advocacy, collaboration, and community engagement, CCLP envisions a Colorado where everyone has what they need to succeed. Learn more at copolicy.org.