



# Facts You May Not Know About The SCFD

## QUICK FACTS

- \* SCFD organizations contributed over one billion dollars to the greater Denver metro area economy in 2001.
- \* Cultural organizations employed approximately 7,700 people in 2001.
- \* Volunteer hours increased 212% to more than one million hours in 2001.
- \* SCFD distributed \$35 million to recipient organizations in 2002.
- \* In 2001, the average annual per capita tax contribution was only \$14.92.
- \* For comparison, on the purchase of a \$25,000 car, \$25 would be contributed to SCFD. On \$20 movie tickets, 2 cents would go to the organizations.
- \* SCFD is fair, frugal, and accountable.

## SCFD BEGAN IN 1988

SCFD was approved in 1988 by 75% of the voters in the greater Denver metro area. It took more than four years and one failed legislative attempt before the SCFD statute was approved.

## FOUR ORGANIZATIONS LED THE WAY

The SCFD initiative was conceived in 1983 after the Denver Art Museum, Denver Botanic Gardens, Denver Museum of Natural History (as the Denver Museum of Nature and Science was named at the time), and the Denver Zoo lost direct, line-item funding from the State of Colorado. Faced with huge budget cuts, staff layoffs, and program reductions, an immediate stream of funding was needed.

## LOCALS ARE KEY TO VOTER APPROVAL

The creators of the SCFD legislation realized by providing funding for small, local organizations—they could capture widespread political support and bring tangible public benefits to the diverse SCFD counties. Thus, the collaboration between rural, suburban and urban communities was vital to the approval of the 0.1% sales and use tax.

## HOW MUCH IS 0.1%?

The SCFD sales and use tax is 0.1%. Said another way, one penny on every ten dollar purchase made in Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson counties provides supplemental financial support to district organizations.

## THE TIER SYSTEM WAS FORMED

Interestingly, the first legislative attempt failed largely due from opposition from within the cultural community. Seven key regional cultural groups were not included in the initial draft of the legislation.

This led to another collaboration within the cultural community. After discussion, negotiation and compromise, a three-tier distribution system was formed which brought the greatest public benefit, rewarded entrepreneurial spirit (via revenue and attendance factors), and was the most equitable financial solution. Therefore, it was decided Tier I was to receive 65%, Tier II, 25% and Tier III, 10%. This enabled a united cultural community to gain legislative approval and success at the 1988 ballot box.

Another factor in successful passage of the SCFD legislation was to include a “sunset period” that would end the tax in eight years. The then-fledgling SCFD would collect \$14M for the four Tier I regional, seven Tier II regional and 120 local scientific and cultural organizations.

## APPROVED IN '94, BUT BY SLIMMER MARGINS

In 1994, 57% of the greater Denver metro area voters approved the continuation of the SCFD through 2006. The 1994 version modified the statute to how it appears today.

Currently, Tier I regional organizations receive 59% or \$20M, Tier II regional organization receive 28% or \$10M, and Tier III local organizations receive 13% or \$4M.

To ensure fair distribution, a cap was implemented so that no single group could obtain more than 33% of the total Tier II regional funding. Today, the successful Denver Center for Performing Arts (DCPA) is the only organization subject to the Tier II distribution cap.

## THE 2004 SCFD REAUTHORIZATION

Because the SCFD is such an important Colorado cultural and economic asset, the public must come together to support its reauthorization.

The SCFD calls upon citizens of the district to contribute their energy and excitement toward the reauthorization of the SCFD legislation. Together, we can ensure the SCFD continues beyond the last 15 successful years.

## KEY DATE: NOVEMBER 2, 2004

The General Election on November 2, 2004 is another milestone for the SCFD. That's when its reauthorization legislation goes before the voters. Please get out and vote!

Contact the SCFD by phone at (303)860-0588 or visit [www.scfd.org](http://www.scfd.org) to see the entire statute.

