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*Proposed Initiative #37
Original no changes
made.*

**INITIATED PROPOSAL FOR STATUTORY MODIFICATION OF
37-95-104 , DE-AUTHORIZATION OF
THE COLORADO WATER RESOURCES AND POWER
DEVELOPMENT AUTHORITY**

The proposal would modify the Colorado Revised Statutes authorizing the Colorado Water Resources and Power Development Authority, C. R. S. 37-95-101 et. seq., by de-authorizing the Authority in statute.

The motivation for the proposed modification of the statutes regarding the Colorado Water Resources and Power Development Authority includes, but may not be limited to, the following:

- The Colorado Water Resources and Power Development Authority is a state recognized authority whose services are basically duplicative of state agency responsibilities. The purported justification for the existence of the Colorado Water Resources and Power Development Authority is that state of Colorado government agencies are not permitted to issue debt instruments.
- The Colorado Water Resources and Power Development Authority's efforts toward federal assistance for grants and awards regarding the Safe Drinking Water Act and the Clean Water Act are fiscal, not structural.
- Debt instruments issued for state and local projects undertaken by the Colorado Water Resources and Power Development Authority are generally tax-exempt revenue bonds. The revenue bond debt instruments sponsored by the Authority are not General Obligation bonds, and therefore do not require voter approval for the issuance of debt obligations.
- The legislation enabling the Colorado Water Resources and Power Development Authority provides that the Authority can own and encumber water rights to secure debt. Water rights, a property right in Colorado, can be assigned to a non-water use proprietary entity without the consent of the people.
- Financial reserves, retained by the Colorado Water Resources and

Power Development Authority, conflicts with the philosophy of zero-based, annualized, governmental budget-funding process where public participation in government financing is invited by virtue of an annual Legislative review and approval for state government entities.

- The Colorado Water Resources and Power Development Authority can make loans of public money up to \$500 million in its "water development" program without the need for legislative hearings and approval. Moreover, its loan activities are redundant of those at the Colorado Water Conservation Board that has a much lower loan threshold before legislative oversight is mandated. The Colorado Water Conservation Board's list water resource financing and projects list undergoes review and approval through the legislative process.

Be It Enacted by the People of the State of Colorado:

SECTION 1. 37-95-104, COLORADO REVISED STATUTES, IS AMENDED TO READ:

37-95-104. Establishment of authority - board of directors - removal - organization - compensation - dissolution. ~~(1) There is hereby created the Colorado water resources and power development authority, which shall be a body corporate and a political subdivision of the state. The authority shall not be an agency of state government, nor shall it be subject to administrative direction by any department, commission, board, bureau, or agency of the state, except to the extent provided by this article.~~

~~(2) (a) The powers of the authority shall be vested in the governing body of the authority which shall be a board of directors consisting of nine members who shall be appointed by the governor, with the consent of the senate, as follows:~~

~~(I) One member from the Rio Grande drainage basin;~~

~~(II) One member from the North Platte drainage basin;~~

~~(III) One member from the Arkansas drainage basin;~~

~~(IV) One member from the South Platte drainage basin outside the city and county of Denver;~~

~~(V) One member from the city and county of Denver who is familiar with its water problems;~~

~~(VI) One member from the Yampa-White drainage basins;~~

~~(VII) One member from the main Colorado drainage basin;~~

~~(VIII) One member from the Gunnison-Uncompahgre drainage basins;~~

~~(IX) One member from the San Miguel-Dolores-San Juan drainage basins.~~

~~(b) Appointments to the board shall be made so as to include one member who shall be experienced in water project financing, one member who shall be experienced in the engineering aspects of water projects, one member who shall be experienced in the planning and developing of water projects, one member who shall be experienced in public health issues related to drinking water or water quality matters, and one member who shall be experienced in water law. Members of the board shall be representative of the water districts from which they are appointed.~~

~~(c) No more than five members of the board shall be members of the same major political party.~~

~~(3) Members of the board shall be appointed for terms of four years; except that, of the original terms commencing October 1, 1981, three members shall be appointed for terms of one year, two members shall be appointed for terms of two years, two members for terms of three years, and two members for terms of four years, at the governor's discretion. Each member shall hold office for the term of his appointment and until his successor has been appointed and has qualified. A member shall be eligible for reappointment. Any vacancy in the membership occurring other than by expiration of term shall be filled in the same manner as the original appointment but for the unexpired term only.~~

~~(4) Each member may be removed from office by the governor for cause, after a public hearing, and may be suspended by the governor pending the completion of such hearing. Each member, before entering upon his duties, shall take and subscribe an oath to perform the duties of his office faithfully, impartially, and justly to the best of his ability. A record of all such oaths shall be filed in the office of the secretary of state.~~

~~(5) The members of the board shall elect a chairman and a vice chairman. The members of the board shall also elect a secretary and a treasurer who need not be members, and the same person may be elected to serve as both secretary and treasurer. The powers of the board shall be vested in the members thereof in office from time to time, and five members of the board shall constitute a quorum at any meeting thereof. Action may be taken and motions and resolutions adopted by the board at any meeting thereof by the affirmative vote of at least five members of the authority. No vacancy in the membership of the board shall impair the right of a quorum of the members to exercise all the powers and perform all the duties of the board.~~

~~(6) Each member of the board not otherwise in full time employment of the state shall receive a per diem of fifty dollars for each day actually and necessarily spent in the discharge of official duties, and all members shall receive traveling and other necessary expenses actually incurred in the performance of official duties.~~

~~(7) (a) authority may be dissolved IS DE-AUTHORIZED, AND IN CONNECTION THEREWITH, ITS AUTHORITIES DISSOLVED, AND ITS ACTIVITIES TERMINATED by the general assembly on~~

~~condition that~~ BY AN ACT PASSED BY THE VOTERS OF THE STATE OF COLORADO PURSUANT TO SECTION 1 OF ARTICLE V OF THE COLORADO CONSTITUTION.

(b) ACTIVITIES AND SERVICES OF THE AUTHORITY SHALL TERMINATE ON JULY 1, 2009, AND UPON CERTIFICATION BY THE COLORADO STATE AUDITOR THAT the authority has no debts or obligations outstanding, or that provision has been made for the payment or retirement of such debts or obligations. Upon any such dissolution of the authority, all property, funds, and assets thereof shall be vested in the state.

(c) SECTION 24-1-105 (3) AND (4), C.R.S. SPECIFYING **TYPE 3** TRANSFERS FOR ALL OR PARTS OF AN ABOLISHED OR DE-AUTHORIZED ENTITY'S POWERS, DUTIES, FUNCTIONS, RECORDS, PERSONNEL, PROPERTY, AND UNEXPENDED BALANCES OF APPROPRIATIONS, ALLOCATIONS, OR OTHER FUNDS WHEN AN EXISTING ENTITY IS BEING ABOLISHED OR DE-AUTHORIZED, AND ALL OF THE FORMER ENTITY'S EFFECTS ARE BEING TRANSFERRED TO A PRINCIPAL DEPARTMENT, SHALL BE UTILIZED FOR THE TRANSFER OF ELEMENTS BEING TRANSFERRED FROM THE FORMER AUTHORITY TO ANY DESIGNATED GOVERNMENTAL DEPARTMENT.

Proposed Initiative 2007-2008 #37

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