

Colorado Water Conservation Board Resolution
Regarding Amendment 21-Tax Cuts
Adopted July 24, 2000
Ratified August 28, 2000

WHEREAS the Colorado Water Conservation Board (CWCB) was created in 1937 to aid in the protection and development of the waters of the state for the benefit of present and future inhabitants;

WHEREAS the CWCB accomplishes this mission by financing water projects and studies;

WHEREAS water projects are financed through loan contracts with individuals, special districts, water conservation and conservancy districts, and municipalities, hereafter water users;

WHEREAS to obtain funds from the CWCB, a water user must demonstrate that they can repay a loan and have adequate collateral;

WHEREAS these loan contracts require the water user to obligate collateral and make repayments;

WHEREAS much of the collateral and payments made to the CWCB result from tax assessments;

WHEREAS the passage of Amendment 21 would require the water users making payments to reduce their tax collection by \$25 per tax bill per year;

WHEREAS water users have estimated that the passage of Amendment 21 could result in the loss of a majority of the revenue they collect to repay loans;

WHEREAS the resulting loss of revenue could cause water users to default on loans;

WHEREAS the resulting default could jeopardize the solvency of the state Construction Fund and the Severance Tax Trust Fund Perpetual Base Account from which loans are made;

WHEREAS Amendment 21 could prevent money from being loaned in the future and thereby seriously inhibit water users' ability to effectively and efficiently use Colorado compact waters;

THEREFORE, BE IT RESOLVED by the Colorado Water Conservation Board that it opposes Amendment 21 because of the destructive impacts it could have on the Construction Fund, the Severance Tax Trust Fund Perpetual Base Account, water users, and the ability of state's present and future citizens to put their water resources to beneficial use.