

1 **INITIATED PROPOSAL FOR STATUTORY MODIFICATION OF**
2 **37-95-101 ET. SEQ., DE-AUTHORIZATION OF**
3 **THE COLORADO WATER RESOURCES AND POWER**
4 **DEVELOPMENT AUTHORITY**

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

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

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15 ● The Colorado Water Resources and Power Development Authority is
16 a state recognized authority whose services are basically duplicative of
17 state agency responsibilities. The purported justification for the existence
18 of the Colorado Water Resources and Power Development Authority is that
19 state of Colorado government agencies are not permitted to issue debt
20 instruments.
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22 ● The Colorado Water Resources and Power Development Authority's
23 efforts toward federal assistance for grants and awards regarding the Safe
24 Drinking Water Act and the Clean Water Act are fiscal, not structural.
- 25
26 ● Debt instruments issued for state and local projects undertaken by
27 the Colorado Water Resources and Power Development Authority are
28 generally tax-exempt revenue bonds. The revenue bond debt instruments
29 sponsored by the Authority are not General Obligation bonds, and therefore
30 do not require voter approval for the issuance of debt obligations.
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32 ● The legislation enabling the Colorado Water Resources and Power
33 Development Authority provides that the Authority can own and encumber
34 water rights to secure debt. Water rights, a property right in Colorado, can
35 be assigned to a non-water use proprietary entity without the consent of
36 the people.
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38 ● Financial reserves, retained by the Colorado Water Resources and
39 Power Development Authority, conflicts with the philosophy of zero-based,
40 annualized, governmental budget-funding process where public

1 participation in government financing is invited by virtue of an annual
2 Legislative review and approval for state government entities.

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4 • The Colorado Water Resources and Power Development Authority
5 water resources financing development programs appear to bypass the
6 legislative hearings process while it appears to be a redundancy that
7 mirrors the list of water development financing projects compiled by the
8 Colorado Water Conservation Board. The Colorado Water Conservation
9 Board's list water resource financing and projects list undergoes review and
10 approval through the legislative process.

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15 **BE IT ENACTED BY THE PEOPLE OF THE STATE OF COLORADO: THE STATUTES OF THE STATE**
16 **OF COLORADO ARE AMENDED TO READ:**

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18 **SECTION 1.** Article 95 of title 37 is amended to read:

19 **37-95-104. Establishment of authority - board of directors - removal -**
20 **organization - compensation - dissolution.** (1) ~~There is hereby created the~~
21 ~~Colorado water resources and power development authority, which shall be a body corporate~~
22 ~~and a political subdivision of the state. The authority shall not be an agency of state~~
23 ~~government, nor shall it be subject to administrative direction by any department, commission,~~
24 ~~board, bureau, or agency of the state, except to the extent provided by this article.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

36 ~~(7) (a) The WATER RESOURCES AND POWER DEVELOPMENT authority may be IS DE-~~
37 ~~AUTHORIZED, ITS AUTHORITIES DISSOLVED, AND ITS ACTIVITIES TERMINATED~~
38 ~~by an act passed by the VOTERS OF THE STATE OF COLORADO PURSUANT TO~~

1 SECTION 1 OF ARTICLE V OF THE COLORADO CONSTITUTION. ~~general assembly on~~
2 ~~condition that.~~

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

9 (c) COLORADO REVISED STATUTES 24-1-105 (3) AND 24-1-105 (4),
10 SPECIFYING TYPE 3 TRANSFERS FOR ALL OR PARTS OF AN ABOLISHED OR DE-
11 AUTHORIZED ENTITY'S POWERS, DUTIES, FUNCTIONS, RECORDS, PERSONNEL,
12 PROPERTY AND UNEXPENDED BALANCES OF APPROPRIATIONS, ALLOCATIONS,
13 OR OTHER FUNDS WHEN AN EXISTING UNIT IS BEING ABOLISHED AND ALL OF
14 THE FORMER UNIT'S EFFECTS ARE BEING TRANSFERRED TO A PRINCIPAL
15 DEPARTMENT SHALL BE UTILIZED FOR THE TRANSFER OF ALL ELEMENTS BEING
16 TRANSFERRED FROM THE FORMER WATER RESOURCES AND POWER
17 DEVELOPMENT AUTHORITY TO ANY DESIGNATED GOVERNMENTAL
18 DEPARTMENT.

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