

Adopted July 18, 2017

Revised and readopted July 21, 2020 (combining former separate Funding and Infrastructure policies)

## **Funding: Water Infrastructure and Programs**

### **Colorado River Water Conservation District Policy Statements:**

**The Colorado River Water Conservation District (River District) believes the State of Colorado and the federal government have important roles and responsibilities in water planning and development. Moreover, the state and federal governments should encourage investment in capital maintenance, including extraordinary maintenance, to address and maintain – and upgrade where possible - the full function and benefit of Colorado’s aging water infrastructure.**

**In Colorado, the River District advocates that the state establish reliable and sustainable revenue resources to achieve the above goals. This goal should address full funding of Colorado’s Water Plan.**

**In the meantime, the state must protect revenues dedicated for water projects and programs for their statutorily intended uses (*i.e.*, no more transfers to the General Fund) and develop dedicated revenue sources that provide for consistent and predictable annual appropriations.**

### **Background & Discussion:**

Severance tax and federal mineral leasing (FML) revenues have been the predominant sources of funding for water projects and programs supported and administered by the Colorado Water Conservation Board (CWCB). Historically, all or a portion of these funds have been subject in times of tight state budgets to transfer to the state’s General Fund for non-water related expenditure.

Annual severance tax and FML revenues are largely determined by world energy prices, which fluctuate dramatically year-to-year and are extremely difficult to forecast reliably. An additional challenge to the viability of these funding streams is generated by our society’s push to wean itself from dependence on fossil fuels. These fluctuations, lack of dependable forecasts and an overall declining revenue stream lead to unreliable budgeting and challenging fiscal management. State assistance to water projects and programs is too important to remain reliant on such unpredictable, erratic and declining revenue sources.

In 2019, Colorado voters approved Proposition DD to allow limited sports gambling. Tax revenues, after allocations to prevention programs and administration, will be dedicated to projects and initiatives proscribed in Colorado’s Water Plan. The Colorado River District position is that DD is only a down payment on Colorado’s Water Plan funding and that adoption of additional permanent funding should be a statewide priority.

The River District recognizes that being dependent upon federal and state funding for protection of water resources within the District is not the entire solution and as such the District supports the development of a reliable local funding stream to enable the District to meet its mission of protecting the water resources originating within the District for the use and enjoyment of its constituents.