Access to Public Lands

Nearly 42 percent of the surface of Colorado is owned by various agencies of the federal or state government. A breakdown of this statistic shows the following:

FEDERAL LANDS			24,146,800 (36.3%)
U.S. Forest Service	14,359,600	(21.6%)	
Bureau of Land Management	8,387,200	(12.6%)	
National Park Service	527,500	(0.8%)	
National Wildlife Service	35,500	(0.05%)	
Other	837,000	(1.2%)	
INDIAN LANDS			751,900 (1.1%)
STATE LANDS			2,989,300 (4.5%)
School Lands	2,782,000	(4.2%)	
Division of Wildlife	190,300	(0.3%)	
Div of Parks & O.R.	17,000	(0.02%)	
PRIVATE AND OTHER LANDS			38,597,800 (58.1%)
TOTAL AREA OF THE STATE			66,485,800 (100.0%)

Colorado's Division of Wildlife estimates there are at least three million acres and perhaps as many as six million acres of public land where access is blocked or difficult to achieve. People who participate in outdoor recreation in Colorado -- sportsmen in particular -- have a growing concern with the access issue. Many specific problems only occur during hunting season, but the issue can be regarded as a broader and more fundamental problem of maintaining access to public lands for the enjoyment of everyone.

There are a number of legitimate reasons for blocking access including: a) environmental protection on federal lands; b) protection of a lessee's rights over state land board administered lands; and c) protection of a private land owner's right to grant access to those he selects although his land adjoins public land. However, these legitimate reasons are often unknown or not acknowledged by those seeking access.

On the other hand, there are a number of explanations for the public's dissatisfaction over the access issue. There is public confusion over what is and what is not public land. This results from the lack of standard maps and insufficient on-site markings by state and federal officials alike. The state's Division of Wildlife, and the U. S. Forest Service, and the Bureau of Land Management can also

be faulted for a public information program that has not adequately explained the necessity for restricting vehicular access.

During the interim, the Colorado Division of Wildlife offered to the committee a report on its efforts in addressing the access problem. The report reads in part as follows:

"In 1958 the Division of Wildlife (then the Game and Fish Department) conducted a statewide survey to determine the number of acres of public land which were not accessible to the public because of closure of adjoining private lands.

"This 1958 survey showed that access problems existed in 28 counties where 236 landowners (or lessees) were blocking access to 1,462,728 acres of public land.

"Since 1958 the Division has worked to gain public access to public lands using the following methods:

"I. Purchasing and leasing land.

"II. Acquiring right-of-way across private land and constructing roads or trails where they did not exist.

"III. Cooperative projects with other public agencies such as the U. S. Forest Service, Bureau of Land Management, counties, and cities. Such projects usually involved paying for the construction of roads, trails, and bridges on lands administered by other agencies.

"In the period from 1958 to February, 1975, the Division has secured or constructed about 531 miles of access road and acquired some 65,964 acres of land at a total cost of about $3,019,400.

"Since 1958 about 508,495 acres of public land have been opened, but at least another 125,594 acres have become inaccessible that were not closed before."

The long appropriations bill for fiscal year 1976 contains a $100,000 appropriation to the Division of Wildlife for the acquisition of access to public lands.

STATEMENT OF THE COMMITTEE ON FEDERAL AND STATE LANDS
OF THE COLORADO GENERAL ASSEMBLY SUBMITTED TO THE
SUBCOMMITTEE ON ENERGY AND THE ENVIRONMENT OF THE
HOUSE INTERIOR AND INSULAR AFFAIRS COMMITTEE

October 24, 1975
Salt Lake City, Utah

The Colorado Legislature's Committee on Federal and State Lands appreciates this opportunity to present a statement to the Subcommittee on Energy and the Environment.

The impact that federal land holdings have upon the Western states is dramatic. This fact is particularly true for Colorado. Over 24 million acres in the state are federal acres. This figure represents 36 percent of the state's total land mass. Almost 65 percent of the total land on the Western Slope of Colorado is federally owned. Public lands comprise as much as 94 percent of a single county's total acreage.

Because of the importance of federal lands to Colorado, three years ago our state legislature established a Committee on Federal and State Lands. The committee was directed to examine the loss to a county's property tax base which results from the existence of federal land, and compare that result with the revenue counties currently derive from the federal government in lieu of ad valorem tax sources. In addition, the committee was asked to study the extent that federal payments meet the costs of public services which must be provided by local jurisdictions for those who utilize federal lands. In July, August, and October of 1974, the committee held public hearings and toured government-owned lands in three large geographic areas of the state: Southwest, Northeast and Northcentral Colorado. For the committee it was a very enlightening experience to hold comprehensive discussions with local, state, and federal officials about local problems and view, first-hand, various categories of federal lands.

During our tours, we heard from Coloradoans representing a broad spectrum of interests in the state's public lands: miners, county commissioners, cattle and sheep ranchers, housewives, mayors, representatives of local, state, and federal agencies, businessmen, and school teachers.

We want to briefly share with you some of the thoughts of these individuals regarding payment in lieu of taxes. We believe their views represent a valid cross section of opinion regarding the status of federally owned land in Colorado. In nearly every county that the committee visited, and in most all communities within those counties, a strong sentiment in favor of a comprehensive system of payments in lieu of taxes was evident. That sentiment was based on a number of factors, a few of which are summarized as follows:

1. The monies derived from the current federal programs of shared payments are significantly less than the revenues state and local governments could collect if the lands were in private ownership and subject to ad valorem taxation. For fiscal year 1975, the major public land related acts provided Colorado counties with approximately $2.6 million in payments passed through at the state level to counties. Over ninety percent of those total revenues resulted from the Mineral Leasing and Federal Forest Revenue Acts.

The $2.6 million figure represents only a slight increase in payments to Colorado counties over monies received in prior years. For example, in 1970 the distribution was $1.06 million; in 1965 the figure was $1.31 million. This lack of predictable growth in shared payments contrasts dramatically with the continued growth in the value of other properties in the state. Growth rates in this area have recently ranged from 10 to 12 percent annually. The total valuation for the sixty-three counties in Colorado for the year 1975 is $8.43 billion, a 12 percent increase over 1974's valuation of $7.49 billion and a 106.3 percent increase over the $4.08 billion reported in 1965.

The value placed on federal land and improvements by local assessors in Colorado is, unfortunately, not a reliable figure. Repeated requests from the state for more accurate assessment of federal holdings by local officials are slowly bearing results. For 1974, the assessment was $676 million. The figure for 1973 was $549 million, an increase from a $206 million figure for 1972. The $676 million does not include an assessment of some 3.1 million acres of federal lands in a half dozen Colorado counties. The 1975 figure should be in excess of 1 billion dollars. Although the value established by local property tax assessors for federal holdings is definitely questionable (significantly low) the figure does give an indication of the impact federal lands have upon the tax base of Colorado counties. Applying the 1974 average county mill levy to the valuation for federal holdings in Colorado for the same year would provide local governments with revenues in excess of $50 million. This figure is staggering in contrast to the $2.6 million received directly by Colorado counties for FY 1975. To be sure, additional monies ($7.98 million) are received by the state from the Mineral Leasing Act. However, because of the provisions of federal and state law which stipulate the distribution and use of Mineral Leasing Act monies, counties receive in direct payments only a portion of the receipts generated in each county.

2. The present programs of shared payments from the federal government bear no relationship to the direct or indirect burdens placed on local governments by the presence of federal lands. The rural areas of Colorado have been severely weakened by the loss of people to the urban and suburban areas. For much of rural America, county government is the main governing body. County government, as many of you know, is facing an increasingly serious financial plight. The property tax has been the primary source of revenue for most county governments. While other means of collecting revenue are available -- such as licenses, sales taxes, fines, and user fees -- the property tax has remained the mainstay of the county tax program.

As with all levels of government, the citizen demand for goods and services has risen significantly. County governments are being asked to provide substantial leadership in the financing of transportation, health, education, law enforcement, welfare, and job training. A large number of these programs are mandated by the federal government but the costs are shouldered by the local entities. Unfortunately the tax receipts have not kept pace with these demands. County governments with small tax bases to work with are hard pressed to find new sources of revenues and have reached the upper limits of effective use of the property tax.

While the receipts from timber sales, mineral leases, and grazing fees fluctuate at an unpredictable rate from year to year, the revenue needs of local government continue to grow -- at a predictable rate.

The fiscal impact of added roads and sewage treatment facilities, two of the several services provided by local government because of the presence of federal lands, was a burden most often mentioned at our committee hearings. For example, Montrose County, in western Colorado, is bearing the heavy impact demanded by these two services. To meet BLM and Forest Service requirements, roads often have to be constructed and maintained at higher standards and serve greater capacities than local residents find necessary. This is also the case with sewage treatment facilities. This means additional costs to local taxpayers, and, in part, accounts for a City of Montrose official reporting that 17 percent of that entity's revenue is received from tourists (most of whom we can assume come to this area because of the attractions on federal lands), while 26 percent of the city's expenditures are attributable to the services necessary to host these tourists. It is also of interest to note that for 1973 and 1974, forest revenue payments for Montrose County decreased 40 percent while monies from the Mineral Leasing Act decreased nearly 10 percent.

The cost of police and fire protection, and search and rescue, particularly around national recreational areas, is another uncompensated burden on local governments. Again, visitors often require more services than local governments afford their own residents. The tourist and sportsman are also spending less in these local recreational areas. These individuals used to stay in local motels and eat at local restaurants but today they arrive in a self-contained living unit supplied with all of their needs for their stay and thus spend less and less money during their visit. The increasing burden on a number of public land counties in Colorado may mean that these governments will have to turn to the state or federal levels for further financial assistance. We in Colorado want to keep local government viable and as free as possible from financial dependence on other entities of government. Financial instability caused by an <u>insufficient tax base</u> cannot sustain strong local government.

3. There is no indication that the number of land holdings of the federal government will decrease; indeed, it appears that additional millions of acres of public domain land may be added to federal holdings with few transfers of federal property to private ownership.

In addition, an increasing number of acreages are being withdrawn from economic use for recreation, wilderness, and primitive designation. Although there are sharp differences in opinion regarding the amount of land that should be given a wilderness designation, the Committee on Federal and State Lands was reminded on several occasions of how this trend impinges on the economic well-being of communities, the ability of individuals to find employment, and the success of this country to meet present as well as future mineral and agricultural needs.

The federal investment in expanding the tax base and improving the overall economic vitality of our rural communities would also be an investment in the future of our urban areas. That is, if in investing our resources in the rural setting, we as a nation stimulate the rural economic climate, the resulting decrease in centralization of our population into the vastly overcrowded and polluted urban centers would serve to minimize the accelerating decay of our cities.

A recent report authored by two U.S. Department of Interior professionals and published by the American Mining Congress shows that nationally, through specific federal governmental actions, nearly 400 million acres have been withdrawn from the operation of the Mining Law of 1872 and over 500 million acres have been withdrawn from the federal leasing laws, with an additional 170 million acres encumbered or managed in such a manner as to constitute a de facto withdrawal of mineral development. This means that there is now more public land withdrawn from mineral development than open for such development. The economic soundness of this trend is highly questionable. At a time that mineral resources are so terribly important to our national economy, such a position is simply bad public policy. The U.S. Geological Survey has recently forecast that within the next twenty-five years this country will be 100 percent dependent on imports for 12 essential mineral commodities, more than 75 percent dependent on imports for 15 commodities, and more than 50 percent dependent on imports for some 26 essential mineral commodities. In short, not only are these land withdrawal policies causing a serious adverse effect on local economies today but they have the potential for causing the same effect on our nation's long-term economic position.

In southwest Colorado, Hinsdale County's total acreage is nearly 95 percent federally owned; the population of the county is approximately three hundred people. Here is a situation of owners of five percent of the land attempting to pay for the entire costs occassioned by all of the county's land. Ouray County is in a similar situation: Ouray County has a population of approximately 1,600 and is 43 percent federally owned. These counties do not advocate the sale of large tracts of public lands, they recognize the key is management of these lands. For each county the mining industry is essential; it maintains their populations, small as they are, and attracts new residents. The mining industry thus supports public schools, private businesses, and every other phase of the counties' economies. The second most important element of the two counties' economies is agriculture. Agriculture is also highly dependent on federal lands. In short, full use of the public lands is the lifeblood of these local entities.

4. If it is in the national interest that large amounts of Colorado land be held by the federal government -- and in many instances withdrawn from any use whatsoever -- then the economic burden resulting from this policy should not fall on Colorado state and local governments, and the local taxpaying resident alone, but instead should be borne by all of the people. The federal government is the landholder; fairness and equity deem that the burden be national.

In summary, there is need for reform of the system of payments to the states and counties. The present system of payments contains a variety of illogical restrictions, the most questionable of which is that counties are restricted to the use of payments for specific purposes.

The overwhelming situation in county after county is that the existing federal payment in lieu of taxes does not approach tax equivalency and that the federal government's financial contribution is not commensurate with its presence in the county's backyard. These lands are a national resource and the individual counties in which these lands are located should not be required to carry the extra burden of an outdated, turn-of-the-century federal payments system which seriously impairs their ability to provide needed human services within the county.

Shown below is a table which indicates those portions of the revenues that are returned directly to a sample of eight geographically contiguous counties by the state for land administered in Colorado by the BLM and the Forest Service. The revenues are receipts for FY 1975 from the U.S. Mineral Leasing, Taylor Grazing, and Lands and Materials Acts (all administered by BLM) and the Forest Revenues and Bankhead-Jones Farm Tenancy Acts (administered by the Forest Service). Also shown are the receipts per acre for federal land administered by the BLM and Forest Service in each of the eight counties. In addition, the proposed return under H.B. 9719 is detailed.

County	Total BLM and Forest Service Acreage	Revenues Returned for FY 1975		County Revenues Per County Acre		Return With Evans Proposal
		BLM	Forest Service	BLM	Forest Service	$ .75 Acre
Delta	397,318	$ 52,837.71	$ 8,183.53	$0.26	$0.04	$ 297,988
Dolores	408,255	143,996.10	22,735.44	2.61	0.06	306,191
La Plata	423,047	9,847.72	25,356.18	0.34	0.06	317,285
Montezuma	432,245	60,845.26	15,670.54	0.32	0.06	324,183
Montrose	963,660	67,232.63	22,983.58	0.11	0.07	722,745
Ouray	165,663	2,996.43	9,435.42	0.08	0.07	124,247
San Juan	219,113	216.40	10,842.21	0.004	0.06	164,334
San Miguel	474,642	74,144.14	13,037.47	0.25	0.07	355,981
TOTALS	3,483,943	$412,116.39	$128,244.37	$0.27	$0.06	$2,612,954

Federal lands comprise approximately 36 percent of the total land area of Colorado. BLM and Forest Service holdings in the state are approximately 22.7 million or 92 percent of the federal holdings. The total acres held in Colorado and revenues returned to counties by BLM and Forest Service lands for FY 1975 are summarized as follows:

	Total Acres	Revenues Returned	Average Revenues Per Acre
Bureau of Land Management	8,331,896	$1,690,077	$0.20
Forest Service	14,364,167	941,010	0.07
Totals	22,696,063	$2,631,088	--

Although the proposal advanced by Congressman Evans is a positive step away from the present antiquated method of compensating states with federally owned lands, it is a proposal we find lacking in several respects.

1. It is almost impossible to establish a fixed formula whether it is $0.25 an acre, $0.75, or $1.25, and attempt to establish it as equitable to the needs of local government, the state, individual taxpayers, and the Federal government. What is needed by each county is a return from the Federal government that we get from similar privately held land.

2. A more equitable approach was proposed by Representative Blatnik and Congressman Evans in the last session of Congress. H.R. 12225 provided that each county containing natural resource lands could choose to continue receiving payments under existing federal shared revenue programs related to public lands within its boundaries; or it could choose to accept a payment based on the assessed value of the federal lands. The counties under the bill were given two years to make this decision and an additional two years to have an assessment of the federal lands completed. The cost of the assessment was to be borne by the county.

3. The proposal by Congressman Evans does not spell out whether Federal monies due counties will be paid directly to them or be distributed by the state. It is essential for these monies to flow directly to the counties. There may be a need in some cases for the establishment of a special fund (similar to the oil shale receipt fund we established in Colorado) for the servicing of special impact areas at the discretion of the state legislature.

In conclusion, it is our understanding that the work of your Subcommittee of the House Interior and Insular Affairs Committee will continue into the next calendar year, and this work may include additional public hearings outside of Washington. We believe your hearing agenda should include a trip to Colorado. Officials and public land users in those Colorado counties having large federal holdings are

deeply concerned over the kinds of legislative proposals that your subcommittee is investigating and hopefully changing. We sincerely feel it would be a mistake for you not to afford them an opportunity to be heard.

COMMITTEE ON FEDERAL AND STATE LANDS

BILL 83

SENATE JOINT RESOLUTION NO.

WHEREAS, In the state of Colorado there are approximately twenty-four million acres of land owned by the federal government which amounts to thirty-six percent of the state's total land area; and

WHEREAS, These federal holdings are immune from taxation by the state and by local governments; and

WHEREAS, The state and local governments are paid a portion of the revenues from these lands by the federal government; and

WHEREAS, Moneys derived from these public land programs are substantially less than the revenues local government would collect if these lands were on the property tax rolls; and

WHEREAS, A number of bills have been introduced in the United States congress which seek to alter the present means of compensating states for the burden of federal lands; and

WHEREAS, The impact that most of the congressional proposals would have upon Colorado would be beneficial to local property taxpayers; and

WHEREAS, The value of seven hundred eighty-eight million dollars placed on federal lands and improvements by local assessors for 1975 is not a realistic figure because it does not represent the same value that would be given the land if it were

owned by county taxpayers; and

WHEREAS, An estimate of the benefits to be derived by the payment in lieu of taxes proposals cannot be made without an accurate value being placed on federal holdings by county assessors; and

WHEREAS, Seven counties with some three million acres of federal lands have not made any assessments of these lands; and

WHEREAS, Repeated requests from the office of the state property tax administrator for more accurate assessments by local officials of the federal holdings are not being fully complied with; now, therefore,

Be It Resolved by the Senate of the Fiftieth General Assembly of the State of Colorado, the House of Representatives concurring herein:

That we, the members of the fiftieth general assembly, do hereby urge the office of the state property tax administrator to supply all necessary information and assistance to help local tax assessors compile accurate assessments of federal lands and improvements, and that local assessors assist the people of their counties by complying with the methodology offered by the property tax administrator.

Be It Further Resolved, That it is the conviction of the general assembly that the compilation of accurate assessment information will greatly assist those sponsors of federal legislation seeking to change the present unrealistic shared revenue system.

Be It Further Resolved, That copies of this resolution be

sent to the governor, the state property tax administrator, the Colorado assessors' association, and each county assessor in the state of Colorado.

COMMITTEE ON FEDERAL AND STATE LANDS

BILL 84

A BILL FOR AN ACT

CONCERNING CLOSURE OF PUBLIC HIGHWAYS.

Bill Summary

(NOTE: This summary applies to this bill as introduced and does not necessarily reflect any amendments which may be subsequently adopted.)

Provides that the closure of a public highway is a class 3 misdemeanor except where such highway has been abandoned, in which case a procedure is provided for closure.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Part 2 of article 2 of title 43, Colorado Revised Statutes 1973, as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

43-2-201.1. Closure of public highways - penalty. (1) Any person, other than a governing body of a municipality or county acting pursuant to part 3 of this article, who intentionally blocks, obstructs, or closes any public highway as described in section 43-2-201, without good cause therefor, commits a class 3 misdemeanor and shall be punished as provided in section 18-1-106, C.R.S. 1973.

(2) Any peace officer of this state, as defined in section 18-1-901 (3) (l), C.R.S. 1973, has the authority to enforce the

provisions of this section.

(3) Notwithstanding the provisions of subsection (1) of this section, any owner of private land who complies with the provisions of this subsection (3) may close a road crossing such land if such road has been abandoned. Said owner shall promptly notify the board of county commissioners of the county in which such road is located of such closure. The board of county commissioners so notified shall publish notice of such closure in a newspaper of general circulation in such county within sixty days after receipt of notice from said owner. If the board of county commissioners receives no objection to such closure within two years after such publication, the road described in such notice shall be closed to public access.

SECTION 2. Effective date. This act shall take effect July 1, 1976.

SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

LEGISLATIVE COUNCIL

COMMITTEE ON DENVER METRO WATER

Members of the Committee

Sen. Robert Johnson,
Chairman
Rep. E. E. Hayes,
Vice-Chairman
Sen. Robert Allshouse
Sen. Dennis Gallagher
Rep. Carl Gustafson
Rep. Steve Hogan
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Lenny Arnold
Research Associate

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Research Assistant

COMMITTEE ON DENVER METROPOLITAN WATER

The Committee on Denver Metropolitan Water, originally established by House Joint Resolution 1042 during the 1974 session, was continued for the 1975 interim by H.J.R. 1046. The original charges under H.J.R. 1042 were to:

(a) Update the 1969 reports prepared by the Denver Regional Council of Governments concerning water resources and water needs of the Denver metropolitan area; and

(b) Make recommendations concerning the delivery of water to the Denver metropolitan area in the future with specific emphasis on the economic, organizational, technical, and legal aspects of such a water delivery system.

The report is divided into two parts. The first part outlines the committee's activities during the 1974 interim, and the second part outlines the committee's 1975 interim activities.

1974 Interim - Update of the 1969 Report

To complete its first charge, the committee contracted with the Denver Regional Council of Governments (DRCOG) for an updated and expanded version of the 1969 reports. As was done with the original water resources and water needs study, DRCOG contracted with the Denver Water Department to provide the primary research data on existing facilities, water rights and yields, financial values, existing and future water right requirements, and the facilities required to meet these demands for the study area. The report, Metropolitan Water Requirements and Resources, 1975-2010, is divided into three parts: the text volume; a primary area appendix covering the urbanized area surrounding Denver; and a secondary area appendix covering the remainder of the nine-county study area.

Primary - secondary study areas. For the purpose of the study, the Denver metropolitan region was divided into a primary and a secondary area. The primary study area included Denver and the urbanized portions of Adams, Arapahoe, Boulder, Douglas, Jefferson, and Weld counties closest to Denver. The secondary study area included Clear Creek and Gilpin counties and the unurbanized portions of Adams, Arapahoe, Boulder, Douglas, and Jefferson counties. Within the primary area, existing water service is discussed in detail, along with requirements and alternatives for the future. Within the secondary area, existing service is inventoried and water demand projected.

Water Resources and Requirements - Findings - Primary Area

Briefly, some of the major findings contained in the study include:

(1) Within the primary study area there are 67 water supply agencies and 142 distribution agencies.

(2) The total population presently being served in the primary area is 1,518,000. Of this total, approximately 85 percent is being served by the following municipalities: 59 percent by Denver, seven percent by Aurora, six percent by Boulder, five percent by Thornton, five percent by Arvada and three percent by Westminster. By the year 2010, the total population is projected to be 3,598,000. At that time, the percentage served by those respective cities is expected to be: Denver - 51 percent, Aurora - eleven percent, Boulder - seven percent, Thornton - five percent, Arvada - five percent, and Westminster - six percent.

With regard to the population estimates used in this study, it should be noted that, early in its deliberations, the committee asked DRCOG to provide a population estimate for the five-county metropolitan area up to the year 2010. Subsequently, the committee was informed that a year 2000 population estimate of 2,350,000 had been developed by DRCOG, and that this policy population estimate was being used for the region's transportation and highway plans and programs and the region's water quality management plan. DRCOG also informed the committee that the year 2000 high population estimate for the region was 4.3 million and the year 2000 low estimate was 2.1 million. The committee noted that the policy population estimate of 2,350,000 was only eleven percent above the low estimate and determined that, because of the long range nature of water utility planning and development, a safety factor should be added to DRCOG's year 2000 estimate. Therefore, the committee decided that a population figure of 3,000,000 by the year 2000 should be used in developing this study.

(3) For the primary area, there is a current annual raw water requirement of 376,000 acre-feet per year and this demand is expected to increase to 944,000 acre-feet per year by the year 2010.

(4) With a dry-year base, the raw water supply currently available to the primary area is 430,000 acre-feet per year, or 562,000 acre-feet if an average year calculation is used. Comparing the supplies currently available with the primary area population and water demand forecasts of 456,000 acre-feet by 1980 indicates that the present supplies are adequate through the late 1970's.

(5) The total of all projects planned by all agencies in the primary area would yield another 280,000 acre-feet per year, bringing the total dry-year yield to 710,000 acre-feet. This would satisfy demands until about 1996. However, to meet the estimated demands through the rest of the study period (to the year 2010), an additional 230,000 acre-feet will be needed.

(6) The cost in current dollars of expanding the existing systems to meet estimated requirements for the year 2010 is estimated at $2.7 billion. Of this total, 52 percent is for the cost of expanding supply, twelve percent is for the cost of expanding treatment facili-

ties, three percent for the cost of expanding storage, two percent for the cost of expanding pumping facilities, thirteen percent for expanding transmission facilities, and eighteen percent for the cost of expanding distribution facilities.

(7) Finally, the study provides some analysis of alternative water systems for the future. Comparisons are made between a continuation of the existing systems and other alternatives including an area-wide raw water wholesale agency, an area-wide treated water wholesale agency, and a single metropolitan total service agency.

1974 Interim Organizational Aspects of a Future Metropolitan Water Delivery System

With regard to its second charge of making recommendations on the economic, organizational, technical, and legal aspects of a future water delivery system for the metropolitan area, the committee began the study by holding a series of public hearings in Aurora, Northglenn, Littleton, Golden, and Denver to survey opinions on future metropolitan water systems.

For the purpose of discussion and public comment, the committee divided the organizational alternatives for a future metropolitan water delivery system into four general categories:

(1) Status quo;

(2) Modification of status quo, to include suburban representation on the Denver Water Board;

(3) Creation of a new entity, such as a special district or regional water agency; and

(4) Creation of a regional service authority.

Subsequent to the hearings, the committee determined that, in order to recommend any of the above organizational alternatives, it would be necessary to make a comparison of their economic and engineering feasibility.

Organizational categories 1 and 2 are both status quo, and would not alter the number of types of capital facilities required or the long-term operation and maintenance costs of the system. While the organizational aspects of categories 3 and 4 would be different, the functional operation of a regional water system would be roughly the same. Therefore, the committee focused its analysis on a comparison between the status quo and different levels of service which could be provided by a regional agency. The three types of functions which a region-wide agency might perform are:

(1) A region-wide raw water supply agency which would delivery raw water to specified treatment plant locations for treatment and distribution by existing agencies.

(2) A region-wide treated water supply system which would deliver treated water at wholesale to specified master meter locations for final distribution by existing agencies.

(3) A region-wide total water supply, treatment, and distribution system which would deliver water at retail to customers, eliminating all other existing water supply, treatment, and distribution agencies.

Metropolitan Denver Water Systems Study, 1975-2010

The committee contracted for a consultant study by Parker and Associates, Inc., to determine the total technical and economic consequences of four alternate water systems for the Denver metropolitan area: (1) the status quo; (2) a regional raw water supply system; (3) a regional wholesale treated water system; and (4) a regional total system.

In the Parker report, the system layouts for the status quo alternate were basically as outlined in the DRCOG report. However, the other three alternatives were based on a primary concept of providing gravity service to a majority of the area. The Parker report stated that this concept would permit system operation with a substantially reduced dependence on energy resources, and would also represent a more hazard-free system from an operational standpoint.

A major "sub-alternate" was analyzed in the report pertinent to an area-wide customer servicing agency. This analysis reflects possible cost savings in the order of $87 million. If the total service alternate were used, it logically would provide such a service concept. This could provide a reduction in cost for the total service alternate of approximately one cent per thousand gallons.

The cost data provided in the Parker report is briefly summarized as follows:

	Const. Cost (Millions of Dollars)	Total Cost (Millions of Dollars)	Total Cost Per Thousand Gallons
Status Quo	$3,066	$7,143	$0.96
Raw Water	3,195	7,100	0.96
Treated Water	3,041	6,744	0.91
Total Service	3,096	6,763	0.91

The data indicate a maximum difference of $100 million in construction cost between the various alternates. However, the report noted that the data were not measurable within appropriate limits of accuracy, therefor, it was concluded that no substantial difference

was evident in total construction costs proposed for any of the four alternates. Neither was any substantial difference evident in the total cost per thousand gallons of water delivered to the ultimate customer. The report further concluded that all alternates were basically equal in cost. The total cost, including system operation, debt service, etc., reflects a maximum difference of approximately $400 million. This represents approximately a six percent difference. For comparative purposes, the Parker report indicated that it may be necessary to increase the cost (per thousand gallons) for status quo by at least two cents and to decrease the treated water or total service cost by one cent. This would reflect comparative costs of 98 to 90 cents per thousand gallons or approximately a nine percent difference. Nine percent is a measurable difference.

In reviewing the financial data, it is important to note that no provision is made for acquisition costs of existing facilities. Acquisition costs for an overall servicing agency do not represent a true cost to the agency, but a proportioning of their value to individual agencies. They do represent a real value to the owner. Generally, water system physical plant values will be in proportion to the number of people served.

In conclusion, the Parker study reflected the following:

(1) A small but definite savings in total cost for a treated water and total service concept;

(2) A more hazard-free total system with the treated water and total service concepts;

(3) With more detailed analysis, potentially a larger saving than indicated for treated water and total service alternates;

(4) A possible saving, through a "customer servicing" concept, for any of the alternates.

It should be noted that, although the Parker report indicated that the cost of the four alternatives would basically be the same, the competition among existing agencies for rapidly dwindling raw water supplies has driven the cost of these supplies up. This trend should continue as population growth occurs in the metropolitan area. A raw water agency for the metropolitan area could lower the cost of raw water supplies in the future. Instead of the continuing competition for raw water supplies among agencies, there could be a consolidated effort towards a rational plan for raw water acquisition.

1975 Interim - Committee Findings and Recommendations

Based on its study, the committee concluded that population growth, in fact, will continue to occur in the Denver metropolitan

area and that, while present raw water supplies may be adequate for the next few years, future projections of water demands versus water supplies indicate that new raw water supplies must be developed in order to meet future raw water requirements. The committee further believes that, due to the long range nature of water resource planning and development, it is essential to begin now to plan for the necessary additional raw water supply to meet future needs.

Recognizing these needs, the committee began the 1975 interim by developing a concept for a metropolitan water district which would acquire and develop future raw water supplies for the metropolitan area.

District Financing

One key element in developing the raw water district concept was to determine the most equitable method of financing the district's necessary, though expensive, water development projects. The committee requested and received invaluable assistance from the Denver Water Department staff in its search for funding alternatives to sales or ad valorem taxes. At the request of the committee, the water department staff conducted a two-part financial analysis based on a "cost of service" concept.

The first part of the financial study included cost factor analysis based on two alternatives established by the committee: (1) construction of one large high altitude storage dam east of the Continental Divide; and (2) construction of four smaller storage dams. The resulting cost figures for the two alternatives were then "matched" with a funding program consisting of:

(1) Water tap fees assessed on all new taps installed within the district;

(2) Surcharge on water sold within the district;

(3) Retroactive surcharge - assessed on average amount of water that would have been consumed had a new tap been in existence when the surcharge was first instituted; and

(4) Revenue and general obligation bonds.

The second part of the financial study considered the annual and total 1977-2010 costs and credits to individual water supply agencies. Costs would include those mentioned above, and credits derived from water and facilities leased or purchased from the individual entity by the district would be used to offset the charges. (Copies of these studies may be obtained in the Legislative Council offices.)

The committee recommends a bill creating the Denver Metropolitan Water District. The following is a synopsis of the major provisions of the bill.

(1) The committee acknowledges the existence of legal questions concerning the proposed district's authority. The central question, which hinges on the district's ultimate ability to fulfill its responsibilities as defined in the bill, is addressed in the legislative declaration:

> 32-12-101. Legislative declaration. (1) It is hereby declared that, to provide for the conservation of all water resources of the state of Colorado and for the greatest beneficial use of all waters, surface and subsurface, within this state, and to encourage recycling of water and the production of electricity, the organization of the Denver metropolitan water district has become a matter of statewide concern transcending the local interests of any single city, county, or city and county lying within the territory designated for such district.
>
> (2) It is further declared that the Denver metropolitan water district is formed, to carry out the purposes of this article when approved by the electors of the district, to promote the cooperation of the various counties and municipalities within the boundaries of the district in the acquisition of new sources of supply in order to insure adequate water supplies for the substantial portion of the state's population which will be dependent upon such supplies in the twenty-first century.
>
> (3) Nothing in this section is intended to limit or impair the use by any municipality within the district of its water rights or any facilities involved in the acquisition, treatment, or use of water by said municipality. (Emphasis added)

The words underlined in the declaration are crucial. The committee endorses the concept of mutual cooperation expressed in subsection (2), and believes that cooperation among the various entities within the district is vital to insuring the development of adequate water supplies.

Although a cooperative effort is essential, the committee realizes that there is a possibility that a conflict between an entity and the district over, for example, water rights owned by the entity but not yet developed, could jeopardize development of needed water supplies. Therefore, the phrase "matter of statewide concern" is included to afford the district authority beyond that of any entity within the district, including the power of dominant eminent domain. The unanswered question is then: Is the establishment of the district of sufficient statewide concern to transcend the authority of a home rule city granted by Article XX of the Colorado Constitution?

(2) The boundaries of the district would include the city and county of Denver, and certain urbanized portions of Adams, Arapahoe, Boulder, Douglas, and Jefferson counties.

(3) The question of approval of the district would be submitted to the voters of the district in 1976. If a majority of the voters approve, the district would assume its powers and duties as of January 1, 1977. The district would be responsible for acquiring and providing all additional water supplies for the area beginning in 1990.

(4) The district would be governed by a seven-member board:

(a) Three members from Denver appointed by the Mayor subject to the approval of the city council.

(b) One member each from Adams, Arapahoe, and Jefferson counties appointed by the county commissioners of each of the respective counties. The appointment must be approved by a majority of the governing bodies in the county. The member appointed from Arapahoe would also represent that part of Douglas County included in the district. The member appointed from Jefferson would represent that part of Boulder County included in the district.

(c) The seventh member would be appointed by the Governor and would reside west of the Continental Divide in a drainage basin affected, either now or in the future, by trans-mountain diversion projects.

(5) Each entity within the district would remain responsible for the treatment, distribution, and sale of water to its present and future customers.

(6) Each entity would also be responsible for developing its own adequate water supply through 1989, at which time all additional raw water needed would be supplied by the district.

(7) The district would undertake to develop comprehensive plans for raw water acquisition projects necessary to meet the district-wide needs for water beginning in 1990. These plans would be taken to public hearing by the board for input from interested parties.

(8) As of 1990, the individual entities would contract with the district to obtain all incremental water supplies required after that time.

(9) The district would lease or purchase all surplus water supplies and water rights which would not be needed by the individual entity before 1990. In 1980 the district would assume the responsibility for the diligence and protection of these water rights.

(10) The district would be primarily financed by a "cost of service" concept, consisting of the following fees and charges starting in 1977:

(a) The district would have the authority to assess a surcharge of not more than five cents per 1,000 gallons of water sold within the district. The entity supplying the water to individual users would collect and remit the surcharges to the district.

(b) A connection charge, or tap fee, would be assessed by the district to all new customers initiating service within the district beginning in 1977. This connection charge would not exceed $1,000 and would be increased by eight percent per year. However, after 1989, the district board of directors would have the authority to change the connection charge, as financial conditions warrant.

(c) The district would have the power to make additional charges it deems necessary for services provided after 1977. An additional charge now being contemplated would be a "retroactive surcharge" based on average water usage. For example, a tap installed in 1985 would be assessed so many cents per thousand gallons that would have been consumed, on the average, during the period 1977 to 1985.

Eagles-Nest Wilderness Area

The development of western slope water supplies and their importance to the Denver metropolitan area was brought to the attention of the committee with respect to pending legislation in Congress establishing the Eagles-Nest Wilderness Area. The size of the wilderness area would affect the development of water resources on the Eagle-Piney rivers. If the boundaries of the wilderness area are established as now conceived, these waters would be available only with the addition of expensive pumping systems. The committee adopted a motion to send a letter to Congress expressing support for the establishment of the Eagles-Nest Wilderness Area only if accomplished in a manner that will allow the full development of gravity collection systems essential to providing adequate water supplies for the Denver metropolitan area.

COMMITTEE ON DENVER METROPOLITAN WATER

BILL 85

A BILL FOR AN ACT

CREATING THE DENVER METROPOLITAN WATER DISTRICT, AND PROVIDING FOR ITS FUTURE OPERATIONS.

Bill Summary

(NOTE: This summary applies to this bill as introduced and does not necessarily reflect any amendments which may be subsequently adopted.)

Creates a metropolitan water district of about 1,000 square miles in the Denver area, and makes its operations contingent on approval at the 1976 general election by a majority vote within the district. If so approved, an appointed board is to proceed to plan for future water acquisition and development on behalf of the municipalities and other entities furnishing water to users within the district. All additional supplies required after 1989 are to be furnished by the district. Mill levies are authorized to pay bonds when approved by the electors. To finance subsequent acquisition and development of new water supplies, the district is authorized at the outset to receive revenues raised by a surcharge on the normal charges billed to all water users by the various municipalities in the district and a tap fee on all new water line connections made within the district. After 1989 revenue bonds may be issued by the district based upon revenues from water sales to municipal and other public entities furnishing water to users within the district.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Title 32, Colorado Revised Statutes 1973, as amended, is amended BY THE ADDITION OF A NEW ARTICLE to read:

ARTICLE 12

Denver Metropolitan Water District

32-12-101. Legislative declaration. (1) It is hereby declared that, to provide for the conservation of all water resources of the state of Colorado and for the greatest beneficial use of all waters, surface and subsurface, within this state, and to encourage recycling of water and the production of electricity, the organization of the Denver metropolitan water district has become a matter of statewide concern transcending the local interests of any single city, county, or city and county lying within the territory designated for such district.

(2) It is further declared that the Denver metropolitan water district is formed to carry out the purposes of this article when approved by the electors of the district, to promote the cooperation of the various counties and municipalities within the boundaries of the district in the acquisition of new sources of supply in order to insure adequate water supplies for the substantial portion of the state's population which will be dependent upon such supplies in the twenty-first century.

(3) Nothing in this article is intended to limit or impair the use by any municipality within the district of its water rights or any facilities involved in the acquisition, treatment, or use of water by said municipality.

32-12-102. Definitions. As used in this article, unless the context otherwise requires:

(1) "Municipality" means a city, city and county, or incorporated town and, except when specified otherwise, it also includes, for convenience of reference in this article only,

special districts and other public entities authorized to supply water to persons residing in the Denver metropolitan water district.

(2) "Ordinance" means a city or town ordinance or a resolution in the case of a water company, water district, water and sanitation district, or county.

(3) "Publication" means three consecutive weekly advertisements with not less than twelve days, excluding the day of first publication, intervening between the first publication and the last publication. Publication shall be complete on the date of the last publication.

(4) "Taxpaying elector" and "elector" of a district have the meanings, respectively, as specified in section 32-1-101 (1).

32-12-103. Creation of district. (1) The Denver metropolitan water district, referred to in this article as the "district", is hereby created, subject to the approval of the electors of the district as provided in section 32-12-104. The district shall include all the area within the boundaries, as such boundaries may be changed from time to time, of the city and county of Denver and those portions of the counties of Adams, Arapahoe, Boulder, Douglas, and Jefferson described as follows: Beginning at the northeast corner of Section 5, Township 1 South, Range 65 West of the 6th Principal Meridian, thence westerly parallel to the north line of said section, said line also being the Weld County line, to the southeast corner of Section 36, Township 1 North, Range 69 West of the 6th Principal Meridian, thence north parallel to the east line of said Section 36, to the

east quarter corner of Section 25, Township 1 North, Range 69 West, thence westerly along the east-west center line of said Section 25, to the west quarter corner of said Section 25, thence south along the west line of said Section 25 to the southeast corner of Section 26, Township 1 North, Range 69 west, thence westerly along the south line of said Section 26 to the south quarter corner of Section 27, Township 1 North, Range 69 West, thence south continuing along the north-south center line of said Section 27, to the center of Section 34, Township 1 North, Range 69 West, thence west along the east-west center line of said Section 34, to the center of Section 33, Township 1 North, Range 69 West, thence north along the north-south center line of Section 33, to the north quarter corner of said Section 33, thence west along the north line of Section 33, Township 1 North, Range 69 West to the northwest corner of said Section 33, thence south along the west line of said Section 33 to the southeast corner of the northeast quarter of the northeast quarter (NE 1/4, NE 1/4) of Section 32, Township 1 North, Range 69 West of the 6th Principal Meridian, thence westerly along the south line of the northeast quarter of the northeast quarter (NE 1/4, NE 1/4) of said Section 32, to the southwest corner of the northwest quarter of the northwest quarter (NW 1/4, NW 1/4) of said Section 32, thence south to the northeast corner of the southwest quarter of the southwest quarter (SW 1/4, SW 1/4) of said Section 32, thence west along the north line or the southwest quarter of the southwest quarter (SW 1/4, SW 1/4) to northwest corner of the southeast quarter of the southeast quarter (SE 1/4, SE 1/4) of

Section 31, Township 1 North, Range 69 West, thence south along the west line of the southeast quarter of the southeast quarter (SE 1/4, SE 1/4) to the south line of said Section 31, thence west along the south line of Section 31, to the southwest corner of said Section 31, Township 1 North, Range 69 West of the 6th Principal Meridian, thence in a southwesterly direction to the southwest corner of Section 31, Township 1 South, Range 70 West of the 6th Principal Meridian, thence continuing southerly to the southwest corner of Section 18, Township 2 South, Range 70 West, thence continuing in a southeasterly direction to the southeast corner of Section 30, Township 2 South, Range 70 West, thence continuing southeasterly to the southwest corner of Section 16, Township 3 South, Range 70 West, thence southerly to the southwest corner of Section 28, Township 3 South, Range 70 West, thence southeasterly to the southwest corner of Section 14, Township 4 South, Range 70 West, thence continuing southeasterly to the southwest corner of Section 36, Township 4 South, Range 70 West, thence continuing southeasterly to the southwest corner of Section 7, Township 5 South, Range 69 West, thence continuing southeasterly to the southwest corner of Section 29, Township 5 South, Range 69 West, thence continuing in a southeasterly direction to the southwest corner of Section 12, Township 7 South, Range 69 West, thence continuing southeasterly to the southwest corner of Section 19, Township 7 South, Range 68 West, thence easterly parallel to the south line of said Section 19 to the southeast corner of Section 22, Township 7 South, Range 68 West, thence northerly parallel to the east line of said Section

22, to the southeast corner of Section 10, Township 6 South, Range 68 West, thence easterly parallel to the south line of said Section 10, to the northeast corner of Section 17, Township 6 South, Range 66 West, thence southerly parallel to the east line of said Section 17, to the southwest corner of Section 21, Township 6 South, Range 66 West, thence easterly parallel to the south line of said Section 21, to the southeast corner of Section 20, Township 6 South, Range 65 West, thence northerly parallel to the east line of said Section 20, to the northeast corner of Section 32, Township 1 North, Range 65 West, said point being the point of beginning. The above described parcel contains 979.1 square miles more or less.

(2) The board of directors of the district may, after the approval of the district's formation by the electors, make minor changes in the boundaries of the district by inclusion, if it finds that small areas contiguous to the district are capable of being served by the district, that all owners of the property involved favor such inclusion, and that it would be in the best interests of the district to permit such inclusion.

32-12-104. Election - approval of district required - election committee. (1) The county clerk and recorder of each county having territory within the district and the president of the election commission of the city and county of Denver shall comprise the membership of the district election committee and shall be responsible for the conduct of an election to be held within the district at the time of the general election in 1976. A majority of the members shall constitute a quorum, and a

chairman shall be elected by the members at their first meeting who may call additional meetings as necessary to accomplish the purposes of the district election committee.

(2) The district election committee shall publish notice of the district election in one newspaper published in each county having territory within the district, each such newspaper to be one of general circulation within that county. Said publications are to be commenced no more than thirty days and completed no less than ten days prior to the date of election. Said notice shall set forth the proposition as set out in subsection (3) of this section.

(3) The proposition to be voted upon at said district election shall be set forth in the notice of said election and on the election ballot and shall call for the voters to cast ballots of "approval" or "disapproval" on the following proposition: "There shall be created, commencing January 1, 1977, a Denver metropolitan water district, to act after the year 1989 as the exclusive state and local agency to acquire, develop, and distribute raw water in the city and county of Denver and in certain parts of Adams, Arapahoe, Boulder, Douglas, and Jefferson counties; to perform other water service functions relating thereto; to be financed by a surcharge on all retail water sales, by tap fees and by revenues from sales of raw water thereafter; and to act through an appointed board." No further steps toward the appointment of a board shall be taken under this article unless a majority of the votes cast by the electors of the district approve said proposition, and no other board or body is

authorized to assume or exercise any of the powers, duties, or functions under the provisions of this article.

(4) The district election committee shall certify the results of the election to the secretary of state within ten days following the election and shall likewise certify the results to the various boards of county commissioners and the council of the city and county of Denver. At such time the district election committee shall be dissolved. The expenses of said election shall be paid by the counties within or partly within the district in proportion to the population residing within the district.

32-12-105. Board of directors. (1) (a) The governing body of the district shall be a board of directors consisting of seven members, referred to in this article as the "board", which shall exercise and perform all powers, rights, privileges, and duties vested or imposed by this article after the approval thereof by the electors of the district as required by section 32-12-104. Members of the board shall be qualified electors of the county or city and county from which appointed.

(b) The exercise of any executive, administrative, or ministerial powers of the district may be delegated by the board to officers and employees of the district.

(2) (a) The boards of county commissioners of the counties of Adams, Arapahoe, and Jefferson shall each be entitled to appoint one member to the board, and the mayor of the city and county of Denver shall be entitled to appoint three members. Appointments by the county commissioners shall be subject to the

approval of a majority of the governing boards of the municipalities in the respective counties, and appointments from the city and county of Denver shall be subject to the approval of the city council thereof.

(b) The seventh member of the board shall be appointed by the governor and shall be a person residing west of the continental divide in a water division from which transmountain diversions of water have been or will likely be made in the future.

(c) The appointment of the seventh member shall be for a two-year term.

(d) Except for the two-year term of the seventh member and except for the terms of the original board members as specified in subsection (3) of this section, regular terms of office of board members shall be for six years.

(3) Appointments of the first members of the board, to take effect January 1, 1977, shall be as follows:

(a) The three members from the city and county of Denver shall be appointed for staggered terms of two, four, and six years;

(b) The three members from the counties of Adams, Arapahoe, and Jefferson shall be appointed for staggered terms of two, four, and six years, the respective terms to be chosen by lot among the three counties.

(4) (a) A change of residence of a member of the board to a place outside the district or outside the county or city and county from which he is appointed shall automatically create a

vacancy on the board. This paragraph (a) does not apply to the board member appointed from the area west of the continental divide.

(b) An appointment to fill a vacancy occurring on the board by reason of death, change of residence, or resignation or for any reason other than the expiration of a term shall be by the respective board of county commissioners, governor, or mayor for the remainder of the unexpired term.

(c) The term of a member of the board appointed to fill a vacancy occurring on the board by reason of the expiration of a term shall be six years, and such term shall commence on January 1 next following the appointment or as soon thereafter as the appointee may qualify.

(5) Each member of the board may receive, as compensation for his service on the board, a sum not in excess of two thousand four hundred dollars per calendar year, payable at the rate of fifty dollars per meeting of the board.

32-12-106. Board duties related to comprehensive planning. In coordination with local and regional planning agencies to provide for comprehensive planning to promote the orderly and efficient development of water acquisition projects of the district and to encourage and assist local governments within the boundaries of the district to plan for future water supplies, the board shall prepare and adopt, after such public hearings as it deems necessary, a comprehensive development plan for water acquisition projects for the district area, consisting of a compilation of policy statements, goals, standards, and programs

relating to such projects. Such compilation shall upon completion become the basis for the comprehensive plan for the development of water acquisition projects.

32-12-107. Powers of district - general. (1) After approval by the electors of the district at the election provided for in section 32-12-104, the district, acting through the board, has the following powers to accomplish its purposes:

(a) To sue and be sued and be a party to suits, actions, and proceedings;

(b) To enter into contracts and agreements affecting the affairs of the district, including but not limited to contracts with the United States and the state of Colorado and any of their agencies or instrumentalities;

(c) (I) To borrow money, to incur indebtedness, and to issue general obligation bonds or other evidence of such indebtedness; except that no such indebtedness shall be created without first submitting, at an election held for that purpose, the proposition of creating such indebtedness. No obligation for which funding is budgeted during the fiscal year the obligation is incurred and for which funds, revenues, and moneys are reasonably anticipated to be available for payment thereof within said fiscal year, as determined on the date said obligation is incurred, shall be deemed to be an indebtedness for purposes of this article.

(II) For the purposes of paying in full, when due, all interest on and principal of general obligation bonds and other indebtedness of the district and any accruing defaults or

deficiencies, all other available sources of revenue of the district having first been taken into consideration, a mill levy may be made in such amount as may be necessary in any year. The board shall, on or before the first day of October of any year in which such levy becomes necessary, certify to the county commissioners of each county wherein the district has territory, and to the appropriate agency in a city and county, the rate so fixed.

(d) To purchase, trade, exchange, acquire, buy, sell, and otherwise dispose of and encumber real and personal property, water, water rights, water works and plants, and any interest therein, including leases and easements;

(e) To refund any general obligation bonded indebtedness of the district without an election. The terms and conditions of refunding bonds shall be as provided in sections 32-12-115 to 32-12-117.

(f) To hire and retain agents, employees, engineers, and attorneys;

(g) To have and exercise the power of eminent domain and, in the manner provided by law for the condemnation of private property for public use, to take any property necessary to exercise the powers granted by this article, either within or without the district. In exercising the power of eminent domain, the procedure established and prescribed in article 1 of title 38, C.R.S. 1973, shall be followed.

(h) To construct and maintain works and to establish and maintain facilities within or without the district, across or

along any public street or highway, in, upon, under, or over any vacant public lands which are now or may become the property of the state of Colorado, or across any stream of water or watercourse; except that the district shall promptly restore any such street or highway to its former state of usefulness as nearly as may be and shall not use the same in such manner as to completely or unnecessarily impair the usefulness thereof;

(i) To fix and, from time to time, increase or decrease rates for the sale of water and to pledge such revenue for the payment of any indebtedness or other obligations, including but not limited to revenue bonds of the district;

(j) After the year 1989, to issue and refund revenue bonds and to pledge the revenues of the district, other than tax revenues, to the payment thereof in the manner provided in part 4 of article 35 of title 31, C.R.S. 1973;

(k) To sell and distribute water within the district, subject to conditions determined by the board, for domestic, municipal, irrigation, recreational, and industrial uses at a rate determined to be fair and reasonable in accordance with recognized and established principles of rate determination;

(l) To appropriate revenues for the purpose of carrying on investigations and searches for the determination of potential sources of water, surface and subsurface, and for the conservation of water;

(m) To invest any surplus money in the district treasury, including such money in any sinking fund established for the purpose of retiring bonds, not required for the immediate

necessities of the district in its own bonds or in treasury notes or bonds of the United States or of this state, and such investment may be made by direct purchase of any issue of such bonds or treasury notes, or part thereof, at the original sale of the same or by the subsequent purchase of such bonds or treasury notes. Any bonds or treasury notes thus purchased and held may, from time to time, be sold and the proceeds reinvested in bonds or treasury notes as provided in this paragraph (m). Sales of any bonds or treasury notes thus purchased and held shall, from time to time, be made in season so that the proceeds may be applied to the purposes for which the money with which the bonds or treasury notes were originally purchased was placed in the treasury of the district.

(n) To manufacture and sell electrical power to public and private corporations, as incidental to the other powers specified in this section.

32-12-108. District's relations with municipalities within district. (1) The district shall devote its primary efforts to providing new water supplies to the inhabitants of the district.

(2) In the performance of its duties, the district shall have the exclusive right to acquire and develop new supplies of water to serve domestic, industrial, and irrigation uses within the district after the year 1969. Nothing in this section is intended to limit the rights of the district with respect to the reuse, successive uses, or the right of disposition of any water nor to impair or adversely affect existing water rights of any municipality within the district.

(3) The district may acquire water rights by means of eminent domain proceedings upon the payment of just compensation and shall have the power of dominant eminent domain to acquire any water right, wherever located, held by any municipality within the district under contract for development which has not been completed on or before January 1, 1990.

(4) (a) In its efforts to provide additional supplies of water for municipalities within the district, the district shall not interfere with any existing source of supply of a municipality, but it shall, commencing in 1977, have the right of first refusal to acquire any supply of water offered for lease, purchase, or other means of acquisition from any municipality within the district.

(b) Commencing in the year 1990, the district shall be obligated to acquire and pay for any supply of water tendered to it by any municipality within the district as being excess water not needed by the municipality for its use as of the end of the year 1989.

(5) Just compensation for water rights, supplies, and facilities acquired by the district pursuant to this section shall be due the municipality from which such rights, supplies, and facilities are received by the district. Such compensation may be in the form of an assumption of liabilities by the district, by credits against service charges or taxes over a period of years, or by any other means of compensation negotiated by the district and the municipality.

(6) Upon the acquisition of any water right from a

municipality under this section, the district shall assume full responsibility for the protection of such right, including compliance with any requirements or due diligence.

(7) All charges for water supplies to be furnished by the district to any municipality shall be based upon contract provisions between said entities agreeing to the sale and purchase of specified volumes of water for the contract period for a specified consideration, which consideration shall be the minimum amount due regardless of whether the municipality subsequently calls for less water than the amount specified in the contract.

(8) The district may also act as an agency for the collection and, if necessary, the delivery of such water to municipalities for the distribution by such municipalities to its users. For such purposes the district is authorized to contract with each municipality within its boundaries either for the furnishing of water to such municipality or for the purchase of water from such municipality to increase the supply of water within the district for the use of other municipalities.

(9) The district may, at the specific request of a municipality, contract to participate in the distribution of water within such municipality and the collection of charges therefor, but otherwise the municipality shall retain full control of its water distribution system.

(10) Any mutual or private company using public rights-of-way for distribution of water by pipelines shall be treated as a municipality for the purposes of this article.

32-12-109. Powers of municipalities within district. (1) The governing body of any municipality or other public entity within the district, for the purpose of aiding and cooperating in any project authorized in this article, upon the terms and with or without consideration and with or without an election, as the governing body determines, has power under this article:

(a) To sell, lease, loan, donate, grant, convey, assign, transfer, and otherwise dispose of any of its water rights, facilities, or improvements, or any combination thereof to the district;

(b) To make available for temporary use or otherwise dispose of to the district any machinery, equipment, facilities, or other property and to make available any agents, employees, persons with professional training, or any other persons to effect the purposes of this article. Any such property owned and persons in the employ of any public body while engaged in performing for the district any service, activity, or undertaking authorized in this article, pursuant to contract or otherwise, shall have all the powers, privileges, immunities, rights, and duties of, and shall be deemed to be engaged in the service and employment of, such public body, notwithstanding such service, activity, or undertaking is being performed in or for a district.

(c) To enter into any agreement or joint agreement between or among the federal government, the district, and any other public body, or any combination thereof, extending over any period not exceeding fifty years, which is mutually agreed

thereby, notwithstanding any law to the contrary, respecting action or proceedings appertaining to any power granted in this article and the use or joint use of any facilities, project, or other property authorized in this article;

(d) To sell, lease, loan, donate, grant, convey, assign, transfer, or pay over to a district any facilities or any project authorized in this article, or any part thereof, or any interest in real or personal property, or any funds available for acquisition, improvement, or equipment purposes, including the proceeds of any securities issued for acquisition, improvement, or equipment purposes which may be used by the district in the acquisition, improvement, equipment, maintenance, or operation of any facilities or project authorized in this article;

(e) To transfer, grant, convey, or assign and set over to a district any contracts which have been awarded by the public entity for the acquisition, improvement, or equipment of any project not begun or, if begun, not completed;

(f) To budget and appropriate, and each municipality or other public entity is required and directed to budget and appropriate, from time to time, general ad valorem tax proceeds, service charges, and other revenues legally available therefor to pay all obligations arising from the exercise of any powers granted in this article as such obligations accrue and become due, including, without limiting the generality of the foregoing, service charges and surcharges fixed by the district;

(g) To prescribe and enforce reasonable rules and regulations, not in conflict with any such rule or regulation of

the district, for the availability of service from, the connection with, the use of, and the disconnection from the water system of the public entity or other facilities thereof;

(h) To provide for an agency, by any agreement authorized in this article, to administer or execute such agreement or any collateral agreement, which agency may be one of the parties to the agreement or a commission or board constituted pursuant to the agreement;

(i) To provide that any such agency shall possess the common power specified in the agreement and may exercise it in the manner or according to the method provided in the agreement. Such power is subject to the restrictions upon the manner of exercising the power of any one of the contracting parties, which party shall be designated by the agreement.

(j) To continue any agreement authorized in this article for a definite term not exceeding fifty years, or until rescinded or terminated, which agreement may provide for the method by which it may be rescinded or terminated by any party.

(2) All powers, privileges, immunities, and rights, all exemptions from laws, ordinances, and rules, and all pension, relief, disability, workmen's compensation, and other benefits which apply to the activity of officers, agents, or employees of any such district or public body when performing their respective functions within the territorial limits of their respective public agencies shall apply to them to the same degree and extent while engaged in the performance of any or their functions and duties extraterritorially under this article.

32-12-110. Financing provisions -- surcharges and other rates and charges. (1) Commencing January 1, 1977, all water supplied by any municipality within the district to users thereof shall be subject to a surcharge of not to exceed five cents per thousand gallons, the proceeds of which shall be remitted to the district monthly by the various municipalities. No supply of water shall be subject to more than one surcharge. The surcharge fees may be recovered by the municipalities from its users either by means of specific measurement thereof or by means of averaging. Such surcharge shall be in effect only until the end of the year 1989, prior to which time the district shall have entered into contracts with each of the various municipalities for supplying all water in excess of the amount delivered to its users by the particular municipality as of the end of the year 1989.

(2) With respect to water supplies furnished after 1989, the district may fix and from time to time increase or decrease rates and charges to municipalities within the district for the water supplies provided by the district and shall have the power to fix and determine minimum charges and charges for availability of service; to pledge such revenue for the payment of any securities or the district; and to enforce the collection of such rates and charges by civil action or by any other means provided by law.

(3) The district may enforce the collection of surcharges as well as other rates and charges it makes to any municipality which fails to pay any such surcharges or rates and charges

within ninety days after said surcharge or other rates and charges become due and payable, in addition to the foregoing powers and not in limitation thereof, by an action in the nature of mandamus or other suit, action, or proceeding at law or in equity to compel the levy without limitation as to rate or amount by the governing body of the municipality and the collection of general ad valorem taxes on and against all taxable property within the municipality sufficient in amount to pay such delinquent surcharge or other rates and charges, together with the expenses of collection, including but not necessarily limited to reasonable penalties for delinquencies, interest on the amount due from any date due at a rate of not exceeding one percent per month, or fraction thereof, court costs, reasonable attorneys' fees, and any other costs of collection. Nothing in this article shall be so construed as to prevent the governing body of any municipality from levying such taxes sufficient for the payment of such surcharge or other rates and charges, as the same become due and payable, nor from applying therefor any other funds that may be in the treasury of the municipality and available for that purpose, whether derived from any surcharge or other rates and charges imposed for the use of or otherwise in connection with its water system or water facilities or from any other source.

32-12-111. Financing provisions -- district's fees for water connections. (1) Commencing January 1, 1977, all new equivalent three-quarter inch connections to the water lines of all municipalities within the district shall be subject to a connection fee to be charged on behalf of the district in the

amount of up to one thousand dollars for each connection made in the calendar year 1977, which fee shall be increased by eight percent of that figure in each calendar year cumulatively through the year 1989, after which such fee shall be as determined by the board. Such connection fees shall be remitted by each municipality to the district monthly after collection by the municipality from the persons contracting for such connection or from the owner or occupant, or both of them, of any real property which directly or indirectly is or has been or will be connected with the municipality's water system.

(2) In addition to the connection fee specified in subsection (1) of this section, the district may, by resolution of the board, impose an additional fee based upon actual or anticipated increases in capital construction costs, as well as factors in the nature of availability of service or facilities, readiness-to-serve capabilities, deferred surcharges, and other equitable factors related thereto.

32-12-112. Power to issue bonds - interest - maturity - denominations. To carry out the purposes of this article, the board is authorized to issue general obligation bonds of the district. Bonds shall bear interest at a rate such that the net effective interest rate of the issue of bonds does not exceed the maximum net effective interest rate authorized, payable semiannually, and shall be due and payable serially, either annually or semiannually, commencing not later than three years after date. The form and terms of said bonds, including provisions for their payment and redemption, shall be determined

by the board. If the board so determines, such bonds may be redeemable prior to maturity upon payment of a premium not exceeding three percent of the principal thereof. Said bonds shall be executed in the name of and on behalf of the district, signed by the chairman of the board, with the seal of the district affixed thereto, and attested by the secretary of the board. Said bonds shall be in such denominations as the board shall determine, and the bonds and coupons thereto attached shall be payable to bearer. Interest coupons shall bear the original or facsimile signature of the chairman of the board.

32-12-113. Debt question submitted to voters -- resolution. (1) Whenever the board determines, by resolution, that the interest of the district and the public interest or necessity require the acquisition, construction, installation, or completion of any works or other improvements or facilities or the making of any contract with the United States or other persons or corporations, to carry out the objects or purposes of the district, requiring the creation of an indebtedness, said board shall order the submission of the proposition of issuing such obligations or bonds or creating other indebtedness at an election held for that purpose. Such election shall be held and conducted, and the results thereof determined, in the manner provided in section 32-1-108. Any such election may be held separately or may be consolidated or held concurrently with any other election authorized by this article.

(2) The declaration of public interest or necessity required and the provision for the holding of such election may

be included within one resolution, which resolution, in addition to such declaration of public interest or necessity, shall recite the objects and purposes for which the indebtedness is proposed to be incurred, the estimated cost of the works or improvements, as the case may be, the amount of principal of the indebtedness to be incurred therefor, and the maximum net effective interest rate to be paid on such indebtedness. Such resolution shall also fix the date upon which such election shall be held, the manner of holding the same, and the method of voting for or against the incurring of the proposed indebtedness.

32-12-114. Effect - subsequent elections. If any proposition is approved at such election in the manner required by section 32-1-108, the district shall thereupon be authorized to incur such indebtedness or obligations, enter into such contracts, or issue and sell such bonds of the district, as the case may be, all for the purposes and objects provided for in the proposition submitted under this article and in the resolution therefor, in the amount so provided and at a price and a rate of interest such that the maximum net effective interest rate recited in such resolution is not exceeded. Submission of the proposition of incurring such obligation or bonded or other indebtedness at such an election shall not prevent or prohibit submission of the same or other propositions at subsequent elections called for such purpose.

32-12-115. General obligation refunding bonds. Any general obligation bonds issued by the district may be refunded without an election by the district issuing them, or by any successor

thereof, in the name of the district issuing the bonds being refunded but subject to provisions concerning their payment and to any other contractual limitations in the proceedings authorizing their issuance or otherwise appertaining thereto, by the issuance of bonds to refund, pay, and discharge all or any part of such outstanding bonds, including any interest on the bonds in arrears or about to become due, for the purpose of avoiding or terminating any default in the payment of interest on and principal of the bonds, of reducing interest costs or effecting other economies, or of modifying or eliminating restrictive contractual limitations appertaining to the issuance of additional bonds or to any system appertaining thereto, or for any combination of such purposes. Refunding bonds may be delivered in exchange for the outstanding bonds refunded or may be sold as provided in this article for an original issue of bonds.

32-12-116. Limitations upon issuance -- general obligation refunding bonds. No general obligation bonds may be refunded under this article unless the holders thereof voluntarily surrender them for exchange or payment or unless they either mature or are callable for prior redemption under their terms within ten years after the date of issuance of the refunding bonds. Provision shall be made for paying the bonds refunded within said period of time. No maturity of any bond refunded may be extended over fifteen years. The interest rates on such refunding bonds shall be determined by the board. The principal amount of the refunding bonds may exceed the principal amount of

the refunded bonds if the aggregate principal and interest costs of the refunding bonds do not exceed such unaccrued costs of the bonds refunded, except to the extent any interest on the bonds refunded in arrears or about to become due is capitalized with the proceeds of refunding bonds. The principal amount of the refunding bonds may also be less than or the same as the principal amount of the bonds being refunded so long as provision is duly and sufficiently made for the payment of the refunded bonds.

32-12-117. Use of proceeds of general obligation refunding bonds. The proceeds of general obligation refunding bonds shall either be immediately applied to the retirement of the bonds being refunded or be placed in escrow in any state or national bank within the state which is a member of the federal deposit insurance corporation to be applied to the payment of the bonds being refunded upon their presentation therefor; except that, to the extent any incidental expenses have been capitalized, such refunding bond proceeds may be used to defray such expenses, and any accrued interest and any premium appertaining to a sale of refunding bonds may be applied to the payment of the interest thereon or the principal thereof, or both interest and principal, or may be deposited in a reserve therefor, as the board may determine. Any such escrow shall not necessarily be limited to proceeds of refunding bonds but may include other moneys available for its purpose. Any proceeds in escrow, pending such use, may be invested or reinvested in bills, certificates of indebtedness, notes, or bonds which are direct obligations of, or

the principal and interest of which obligations are unconditionally guaranteed by, the United States. Such proceeds and investments in escrow, together with any interest to be derived from any such investment, shall be in an amount at all times sufficient as to principal, interest, any prior redemption premium due, and any charges of the escrow agent payable therefrom to pay the bonds being refunded as they become due at their respective maturities or due at any designated prior redemption dates in connection with which the board shall exercise a prior redemption option. Any purchaser of any refunding bond issued under this article shall in no manner be responsible for the application of the proceeds thereof by the district or any of its officers, agents, or employees.

32-12-118. Dissolution of district. (1) If the general assembly, at any time after the district has been in existence for ten years following the approval thereof by the electors pursuant to section 32-12-104, finds that the district has no practical method of financing water acquisition projects as authorized by this article and that no general obligation bonds of the district are either authorized or outstanding and further finds that adequate provision exists for the retirement of any other obligations of the district, the general assembly may by law declare said district dissolved, and the board shall thereupon carry out the provisions of this section.

(2) Any property of the district, other than money, shall be sold or otherwise disposed of as soon as reasonably possible after the board is required to cause the district to be

dissolved.

(3) After all obligations have been liquidated or provision has been made therefor, all surplus funds, if any, remaining in the treasury of the district shall be credited to the general fund of each of the municipalities within the district, pro rata according to amounts received by the district from each municipality in the form of surcharges, connection fees, and any other fees and charges.

(4) All records of the district shall be filed with the secretary of state upon the district's dissolution.

(5) A certified true copy of the resolution adopted by the board declaring the district dissolved shall be filed by the secretary of the board with the secretary of state, the county clerk and recorder of each of the counties of the district, and the clerk and recorder of the city and county of Denver.

(6) The district shall thereupon be dissolved without any other preliminaries or further acts.

32-12-119. Merger, consolidation, or assumption of district. Nothing in this article shall be construed to prevent the merger, consolidation, or assumption of the district with, into, or by a service authority authorized to perform the services which the district is authorized to perform and formed pursuant to the laws and constitution of the state of Colorado so long as adequate and equitable provisions are made upon merger, consolidation, or assumption for the discharge of all obligations of the district and for the protection of the rights of all holders of securities of the district.

SECTION 2. Effective date. This act shall take effect July 1, 1976.

SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

LEGISLATIVE COUNCIL

COMMITTEE ON LEGISLATIVE PROCEDURES

Sen. Fred Anderson, Co-Chairman
Rep. Ruben Valdez, Co-Chairman
Sen. Ray Kogovsek
Sen. Don MacManus
Sen. Richard Plock
Rep. Betty Dittemore
Rep. Bob Kirscht
Rep. Ronald Strahle

COMMITTEE ON LEGISLATIVE PROCEDURES

The Legislative Council appointed a Committee on Legislative Procedures at its September meeting. The committee met four times and submits the following as its report and recommendations.

Recycling Bill Paper

For a number of years, House and Senate bills have been printed on different colors of paper. This was done originally to enable persons using the bills to distinguish readily the house in which the bill originated. In addition, Senate bills are numbered from "1" to "999", and House bills start with the number "1000".

Because of increased costs and shortages of paper, recycling of waste paper has become more important. The colored paper is difficult to recycle because of problems in removing the dyes. Colored paper is worth only $3 per ton for recycling purposes, while white paper is worth $38 per ton. Also, the necessity for separate colors has decreased since each bill is now filed in a separate file folder in a legislator's file drawers.

Thus, the committee recommends that all bills, both House and Senate, be printed on white paper in order that printed bills not used may be recycled at the higher recovery cost. The bill numbering system may still be used to readily distinguish between House and Senate bills.

Distribution of Bills from Bill Room

An analysis of printing costs during the 1975 session, conducted by the Chief Clerk of the House of Representatives, revealed that $122,807.27 was expended during the 1975 session in providing complete sets of bills, journals, calendars, and status sheets through the bill room for both individual pick-up as well as mailing (excluding postage costs). Table 1 shows the analysis on a per page cost.

TABLE 1

PRINTING COSTS

(Journals, Calendars, Bills, Status Sheets)

	Cost Per Page	Total No. Pages	Total Cost
Senate Journals	0.0175	1,994	$ 34.89
House Journals	0.02	2,830	56.60
Senate Calendars	0.0135	1,357	18.22
House Calendars	0.02	920	22.08
Bills	0.009	7,864	73.72
Status Sheets	0.005	1,080	5.40
Index	0.005	984	4.92
			$215.83

Table 2 shows the numbers of individuals, groups, and organizations that have boxes assigned in the bill room and receive a complete set of bills, journals, calendars, and status sheets each day. Table 3 shows the same thing for those who have the complete sets mailed to them.

TABLE 2

BILL ROOM BOXES

Media	36
State Government Agencies	88
City, County, Regional and Federal Government Agencies	38
Individuals & Organizations	206
TOTAL	368

$215.83 x 368 = $79,425.44

TABLE 3

BILL ROOM MAILINGS

Media	10
Schools & School Libraries	32
Libraries	4
City, County & Regional Agencies	90
State Government Agencies	5
Individuals & Organizations	60
TOTAL	201

$215.83 x 201 = $43,381.83

In order to encourage those who request a copy or copies of every bill, journal, calendar, and status sheet to evaluate their need for a copy of everything, and to attempt either to reduce the total cost of printing or to recover a part of the cost, the committee recommends that a charge of $225 per session be made to those private individuals and organizations who have a box in the bill room. A charge of $275 is recommended for those who have a copy of everything mailed to them. The specific exclusions from these charges are: 1) public media representatives; 2) municipalities; 3) counties, i.e., a complete set will be mailed to each county clerk in the state with the expectation that the set will be available to other county officials and the public; 4) one complete set will be made available to each of the nineteen principal departments of the executive branch of state government but to no other state agencies; 5) public libraries within the state; and 6) regional and federal government agencies.

An individual copy of any bill, journal, calendar, or status sheet will be provided free of charge to anyone upon request.

For the convenience of those who will decide against paying the charge and receiving a copy of everything, tables will be placed adjacent to both the Senate and House suites of committee rooms, with copies of everything for use by anyone. Then, if individuals or groups desire a copy of a specific bill, journal, calendar, or status sheet, it will be provided free of charge upon request to the personnel in the bill room.

An amendment to Joint Rule No. 12 has been prepared for consideration by the General Assembly in carrying out this recommendation.

Also recommended is a change in Joint Rule No. 10, to increase the number of bills ordered printed from 600 to 800 copies to bring the joint rule in compliance with the legislative printing contract.

Changes In Status Sheet

Members of the General Assembly have found the daily status sheet of considerable help in readily finding where a bill is in the total legislative process; however, some items of information are not included on the status sheet largely because of lack of space. In the past, the status sheet has been typed on a large sheet of paper and reduced 40 percent in size for purposes of printing.

The Chief Clerk has devised a new status sheet with additional information on it -- particularly concerning conference committee actions -- and has proposed that it be typed horizontally on an 8 1/2" x 11" sheet of paper, instead of vertically, thus eliminating the necessity of such a large reduction in size for purposes of printing. The committee recommends that this revised procedure be implemented in the 1976 session. The committee also recommends that a new collator be purchased for the Legislative Council print shop in order to handle what will be a larger status sheet. The estimated cost is $19,000.

Changes in the Sunshine Law Concerning Lobbyists

Prior to the adoption of the Sunshine Law, the House and Senate issued badges to members, lobbyists, employees, and others for purposes of easy identification. With the adoption of the Sunshine Law, registration of lobbyists was placed in the Office of the Secretary of State. That office simply issues cards, which are placed in plastic holders, indicating that the lobbyist is registered. In addition, several other problems have arisen with the administration and interpretation of the lobbyist portion of the Sunshine Law. The committee did not have sufficient time during the interim to prepare a detailed bill draft; however, one member of the committee has done considerable work on such a proposal, and has agreed to continue working on a draft for review by the leadership of the General Assembly early in the 1976 session. Consequently, the committee recommends that the Governor place the topic of Part 3 of the Sunshine Law on the agenda for the 1976 session in order that the General Assembly may consider changes in that part concerning lobbyists' registration and reporting.

In the meantime, the committee recommends that once a lobbyist has registered with the Secretary of State, as required by the Sunshine Law, he present the registration card to the Chief Clerk of the House and a permanent badge will be ordered, the cost to be borne by the lobbyist. A copy of the House registration will be provided to the Senate. It is further recommended that the badges be worn at all times during sessions of the General Assembly. Also, during the 1976 session, the committee recommends that a form to be furnished by the Secretary of State be placed on a table at the entrance to each committee room for persons to sign if they desire to testify before a committee. The Secretary of State will pick up the forms to check if lobbyists are registering and filing disclosure statements where appropriate.

Fiscal Notes

There is a great deal of dissatisfaction with the current procedure in obtaining fiscal notes on bills that have a revenue or expenditure impact on the budget of the state.

Currently, the Joint Rules require that a copy of each bill introduced be provided to the executive budget office for review. If there is significant fiscal impact, a fiscal note must be prepared. The Joint Budget Committee staff is also required to review each bill for fiscal impact and comment if appropriate.

In actual practice, a copy of each bill introduced is provided to the executive budget office. However, with the deluge of bills introduced, particularly in the odd-year sessions, it is virtually impossible for the staff of the executive budget office to keep up with the introductions. Thus, the staff has requested the assistance of legislators, committee chairpersons, and legislative staffers in setting priorities on which bills the fiscal notes will be prepared and in what order.

The Joint Budget Committee staff, as a matter of practice, primarily reviews those fiscal notes which the executive budget office has submitted, and comments where appropriate. The demands on a relatively small legislative budget staff in working on the several appropriations measures simply precludes writing a fiscal note on every bill introduced.

Still another criticism leveled at the fiscal notes as now prepared derives from the fact that the executive budget staff does rely, to a substantial degree, on help from the agency staff which has proposed a program or which will administer a program. This procedure gives rise to the criticism by legislators that if an agency favors a program or disapproves of a proposal, the fiscal note is slanted accordingly.

The committee recognizes that at this late date in the year it would be impossible for the Joint Budget Committee staff to plan to prepare all fiscal notes. However, it is the belief of the committee that the General Assembly should be prepared by the 1977 session to prepare its own fiscal notes.

Limitation on Number of Bills Each Member May Introduce

During the 1975 session there was discussion about limiting the number of bills each member may introduce during an odd-year session. The committee has explored this topic during this interim and apparently there are only three states that impose such a limit. And, in those instances, there are safety valves such as permission of the body to exceed the limit, or permitting committees to introduce bills rather than individual members, or not counting appropriation measures.

The number most often discussed to which each member might be limited was ten bills. In reviewing the total number of bills introduced in each of the last ten odd-year sessions, it appeared, after excluding appropriation measures, very little (if any) reduction in the number of bills introduced would have occurred if the individual member limit had been set at ten.

Suffice it to say that if the Colorado General Assembly wishes to remain a part-time, citizen legislature, and if the total number of bills introduced each odd-year session continues to grow, a limitation on the number of bills a member may introduce may be essential. However, for the time being the committee makes no recommendation on this subject.

Future Use of Capitol Building

The new Judicial Building will be completed and the judicial branch of the state government will move out of the Capitol Building sometime mid-1977. Previous discussions within the legislative branch, and particularly within previous legislative procedures committees, have centered on reserving the basement and second and third floors of the Capitol Building strictly for legislative use.

The committee has proceeded on the assumption that the General Assembly will preempt the use of the Capitol Building, exclusive of the first floor - at least that portion utilized by the Governor and Lieutenant Governor - once the judicial branch moves out; and, further, that an individual office for each member will be provided - if at all possible.

The committee met on two occasions with a planning and architectural firm concerning problems, plans, and costs of remodeling the Capitol Building for primarily legislative use.

The committee recommends that $290,000 be included in the legislative budget for fiscal year 1976-77 to be utilized by the Committee on Legislative Procedures, in cooperation with the executive branch, to retain a planning and architectural firm, and to arrive at a construction estimate to be appropriated in the 1977 session. This timetable will have to be followed if the Capitol Building remodeling is to be completed in time for the 1979 session. It is further recommended that the Legislative Council reconstitute the existing Committee on Legislative Procedures to function during the 1976 interim, and to supervise the work of the planning and architectural firm.

Preliminary estimates of the ultimate cost of remodeling the Capitol Building total between $2.5 and $3 million.

Public Release of Bills Pre-Filed and Pre-Printed

The committee recommends an addition to the Joint Rule on pre-filing and pre-printing bills which simply indicates that pre-filing of a bill does in fact make it available to the public as soon as it is printed.

Reprinting of Bills After Amendment

Current practice is that a bill is engrossed and printed after second reading with the amendments adopted on second reading embodied in the bill. However, any amendment adopted on third reading is only attached to the original copy of the bill before it is transmitted to the second house; the bill it is not reprinted for the members.

The committee recommends that bills amended on second or third reading be RE-ENGROSSED after third reading and reprinted (either in total or at least those pages amended) prior to forwarding it to the second house.

The committee recommends that the second house, upon amending a bill originating in the opposite house, RE-REVISE the bill after third reading, label it as such, showing by some distinctive marking the part of the bill amended, and reprint the bill.

A proposed Joint Rule to require this procedure has been prepared, and it leaves discretion to the Secretary of the Senate and the Chief Clerk of the House to work out appropriate markings for showing amendments.

Intern Program

For a number of years there has existed what has been called an "intern program" of the Colorado General Assembly. Actually there is no program as such. There are a number of educational institutions, including high schools, which make arrangements with individual legislators to assign a student to work with the individual legislator for a quarter or a semester during sessions of the General Assembly. These arrangements do not constitute an intern program designed and supervised by the General Assembly in cooperation with the educational institutions.

Until the 1975 session of the General Assembly, the leadership, or for that matter anyone else in the General Assembly or the education institutions, could not say how many interns there were in a given legislative session, what the purposes of the "program" were, who the interns were, whether they actually physically showed up, what they were supposed to do, etc.

During the 1975 session, Senator Tilman Bishop, on behalf of the Senate, and Maria Garcia, in the case of the House, were given the responsibility for trying to bring some order out of the chaos that existed. Both concluded something needed to be done.

It was with this background that the committee requested the staff to arrange a meeting with representatives of the educational institutions which were known to have an intern program associated with the General Assembly or had expressed interest in having one. Representatives from the following colleges and universities attended a meeting in Denver on November 7th: University of Colorado, University of Northern Colorado, Colorado State University, University of Denver, University of Denver, College of Law, Fort Lewis College, Metropolitan State College, and Regis College. Three other institutions were invited to participate but were unable to have a representative present.

There seemed to be substantial agreement among those who participated in the meeting that the main objectives of an intern program are to give students first-hand knowledge of the legislative process while affording the opportunity to legislators to have some individual staff assistance.

There was unanimous agreement that it would be desirable for the General Assembly to hire someone who would serve as a focal point for each institutional representative to contact in establishing and conducting an intern program. All present also agreed that each institution should have one person responsible for whatever intern programs the institution had which related to the General Assembly.

Time during this interim simply did not permit the completion of plans to follow through on these recommendations. Prior to the meeting with the representatives of the educational institutions, the President of the Senate and the Speaker of the House of Representatives sent a letter to each member of their respective houses requesting that no commitments to interns be made prior to hearing further from this committee.

In December, the two presiding officers again wrote to each member indicating that the committee was recommending that each legislator have only one intern who would be issued an identification badge and thus would be officially recognized as an intern. Any other students that a legislator would agree to accept would be required to stay off the floor and would not be identified as interns.

The committee recommends that an intern be at least an upper division undergraduate, graduate, or law student. The committee also recommends that each house designate one member to work with the interns and the institutional representatives to attempt to bring some order out of what appears to be numerous intern programs as they exist today.

With over 200 different students having "served" as interns during the 1975 session, the limited space available, and the complete lack of any overall supervision of the several programs that do exist, it seems obvious to the committee that continuous attention must be given to this problem.

It is not the intent of the committee to discourage the intern concept. Quite the contrary, the concept should be encouraged, but the General Assembly simply must have greater control.

Administrative Problems

The committee recommends that the legislative branch be excluded by law from control by the Division of Communications. The process for obtaining approval of the division for making changes in the telephone system used by the legislative branch is slow and cumbersome. The legislative branch should not be subjected to unnecessary delays and obstructions in obtaining what it needs to operate. Consequently, the committee requests that this subject be placed on the agenda for action in the 1976 session.

Inadvertently, the statutory authority for the General Assembly to control space allocation in and around the Capitol, by joint resolution, was eliminated in the bill that transferred the functions of the Division of Public Works to the Office of State Planning and Budgeting.

With increasing interim activities on the part of the legislative branch, it is essential that adequate parking be provided for the members of the General Assembly. It is not being provided during the interim. Again, the committee recommends that control of parking and other space in and around the Capitol be subject to legislative desires, and recommends that this subject be placed on the agenda for the 1976 session.

A bill to accomplish these objectives has been prepared.

Reduction in the Number of Committees

Now that the General Assembly has adopted a regular schedule for committee meetings, it is becoming more difficult for the individual members to find time during a legislative day to work on those measures they are sponsoring or in which they have a considerable interest. Part of the reason for this is the number of committees and the number of committee assignments each member has. Under the present meeting schedule, with eleven committees of reference, there are four categories and a member may be assigned to one committee in each category.

There are only two committees in Category IV, Appropriations and the wildlife committees, and they are scheduled for Friday meet-

ings. Since the wildlife committees have historically had such a small proportion of the total bills introduced, the committee recommends that they be abolished, commencing in 1977, and that the subject matters considered by these committees be assigned to the committees now generally referred to as agriculture and natural resources. The committee recommends that these committees, one in each house, be re-named the Committees on Agriculture, Natural Resources, and Wildlife.

This proposed change will enable the nine substantive committees, other than Appropriations, to be scheduled on the first four days of the week, either as now scheduled or by scheduling all committees for a full half-day meeting twice a week and placing four committees in one category and five in another.

Conference Committee Rules

The committee reviewed the procedure followed by conference committees and concluded that presently there are ambiguities and omissions in the rules which are in need of clarification. Therefore, the committee recommends a joint resolution which would amend the conference committee rules to provide that:

(1) No action could be taken on a minority report unless a majority report were also submitted.

(2) Meetings of conference committees would have to be taped and staffed.

(3) Consent to go beyond the scope of differences could be limited to consideration of a bill's effective date.

(4) An altered report would have to be rewritten by the Legislative Drafting Office and signed by a majority of committee members of each house.

(5) All copies of reports would have to be filed with the Secretary of the Senate or the Chief Clerk of the House.

(6) A conference committee report could not be amended, but could be laid over and a new report could be filed and acted upon as a substitute.

(7) After the filing of a second report that a conference committee cannot agree, a house could move to reject the report and adhere to its original position.

(8) If a house does not recede from its position by the next legislative day after the other house has rejected a report, a bill would be deemed lost.

(9) New conference committee members would have to be appointed to a conference committee created after a prior one failed to report.