



SB20-153

SHORT TITLE: Water Resource Financing Enterprise

LONG TITLE: Concerning the creation of an enterprise that is exempt from the requirements of section 20 of article X of the state constitution to administer a fee-based water resources financing program.

SPONSORS: Sen Coram

COMMITTEES: Senate Agriculture & Natural Resources

PURPOSE OF THE BILL: To establish a water financing entity that is exempt from the restrictions of TABOR.

PROponents OF THE BILL: Sen. Coram has discussed this approach previously

POTENTIAL STAKEHOLDERS: Water providers, water customers

BACKGROUND: The state has limited resources to develop and maintain water infrastructure. The bill creates an enterprise whose board consists of directors of the CWCB and the Water and Power Development Authority. Monies received and expended by the Enterprise would be exempt from restrictions of TABOR.

How does the bill change current law? This would create a new financing entity based on charges to customers. The enterprise will provide loans to water suppliers, including drinking water suppliers, wastewater treatment providers, and suppliers of raw water for drinking water.

How is the bill implemented? The bill would charge drinking water customers a fee for delivered water that is paid to suppliers that transmit the money to the enterprise. Money received could be used for financing for grants, loans, and in-kind technical assistance in arranging third-party financing, based on considerations including:

- A water provider's ability to pay, including whether the water provider has sought or received other financial assistance;
- Whether a water provider is subject to noncompliance or increased requirements related to the provision of raw water, drinking water, water treatment, or wastewater treatment;
- Whether the proposed use of financing relates to a project identified in and in furtherance of the state water plan; and
- The geographic location and demographic characteristics of the water provider and its customers.

The enterprise shall provide, and a water provider may use, the financing only:

- In connection with the provision of raw water, drinking water, water treatment, or wastewater treatment; and
- for feasibility studies, consulting, planning, permitting, and construction of infrastructure and water conservation projects and related recreational, hydroelectric, and flood control facilities, including necessary enlargement and rehabilitation of facilities but excluding maintenance and operation.

Does the bill affect prior appropriation? No.

Practical considerations: Does it provide an advantage or disadvantage to any particular type of water provider? Does it provide advantage or disadvantage to particular providers?

Fiscal impact: No fiscal note available.

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