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**Competing Ballot Proposals Come Together to Benefit Higher Education,
Renewable Energy, and Wildlife Habitat**

DENVER, CO: Proponents of several potentially competing ballot measures seeking to restore fairness to the severance taxes paid by oil and gas companies to the State of Colorado have agreed to combine forces on a new proposal that would provide greater fiscal security that benefits all citizens of Colorado.

In recent months, several groups have offered numerous proposals to restore fairness to the state's severance tax with the money generated helping to address critical shortfalls in funding, including issues ranging from higher education to preserving open space. The various initiatives also differed widely in how the revenues would be generated.

Today the groups announced that, at the request of Governor Bill Ritter, they have decided to join forces on a new proposal that would help restore funding to higher education, spur the development of renewable energy, preserve wildlife habitat and help offset the impacts of oil and gas development in local communities.

Tony Lewis, of the Donnell-Kay Foundation which supports higher education funding, said, "The initiative brings us closer to what neighboring states charge oil and gas companies and makes investments for our children that will last long after the oil and gas are gone from our state."

"This is a terrific potential boost to higher education in Colorado - and we need it when we are 49th in the country in state support. I appreciate that the Governor has brought key people together for this proposal, and it will be critical that we have all of the players - including the oil

and gas industry - at the table in finalizing this proposal," said Ray Baker, Chairman of the Colorado Commission on Higher Education.

The key distinction of the new proposal is that it does not seek to increase the state severance tax, which is the tax the State of Colorado charges oil and gas producers for the resources they extract from the State. Rather, the proposal seeks to close a 30 year old tax loophole which allows oil and gas companies to take large tax deductions they would otherwise have to pay.

"Having great places of learning and a highly educated workforce is critical for a strong economy," said Daniel Ritchie, Chancellor Emeritus of University of Denver. "This is a positive step in the right direction towards building the coalition needed to ensure that all Coloradans have access to excellent colleges and universities."

"Obviously there were a number of potentially competing proposals on the table," said Elise Jones, Executive Director of the Colorado Environmental Coalition. "The Governor called us together and asked that we try to work together to develop a joint proposal that would provide the greatest benefit to the state. While this could end up being referred or initiated, I think all of us were pleased by the opportunity to do just that."

By closing the ad-valorem tax credit for oil and gas drillers in Colorado, the recently filed initiative would raise approximately \$200 million annually without any cost to state taxpayers.

The funds will be distributed as follows: 15% to renewable and clean energy projects; 15% to wildlife habitat; 60% to colleges and universities; and 10% to transportation projects in communities impacted by oil and gas production.

The proposal also establishes a higher education trust fund that would provide a funding source that would even out year to year revenues from the highly variable income stream.

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