



EST. 1888

February 19, 2015

Members:

I am writing to you to urge your support of HB 2661 (multi-county water districts; storage tax), sponsored by Rep. Brenda Barton. HB 2661 would extend the authority to levy a four-cent, ad valorem property tax collected in Maricopa, Pima, and Pinal counties beyond its 2017 statutory termination date. The tax is levied by the 15-member, elected Board of Directors of the Central Arizona Water Conservation District (CAWCD), which manages and operates the 336-mile Central Arizona Project (CAP) canal bringing annual Colorado River water supplies to central and southern Arizona.

HB 2661 represents an important funding source for the CAP and will become increasingly so in the near future with the challenge of Colorado River shortage looming, as well as other water reliability and infrastructure issues. In addition, the proceeds of this tax have been used to store more than two million acre-feet of water underground for times of shortage, one of several highlights in Arizona's overall wise water management efforts. Arizona residents and businesses will rely on these water resources in years to come and, without the tax, these preparation and storage efforts for when water supplies are scarce will cease.

A recent study conducted by the Arizona State University demonstrates how significant the availability of Colorado River water is to our state. The study showed that in 2010 alone, the existence of CAP contributed to nearly 50 percent of Arizona's gross state product, positively impacting several business sectors including government, real estate, and healthcare. During the same year, CAP generated more than 1.6 million full-time annual equivalent jobs. Without CAP, it is safe to say that economic development in Arizona would have taken a tremendously altered path.

With these factors in mind, the Greater Phoenix Chamber of Commerce voted to unanimously support HB 2661 at its most recent Public Affairs meeting on February 13. The Chamber has been in existence for more than a century and it represents 2,600 businesses, making it Arizona's largest and best-established business organization. The existence of CAP and its ability to ensure reliable Colorado River water supplies is vital to the promotion of economic development and jobs not only for our members, but also for the entire State of Arizona.

For these reasons, please support the passage of HB 2661. If you have any questions, please do not hesitate to contact me.

Respectfully,

A handwritten signature in black ink that reads 'Todd Sanders'.

Todd Sanders
President & CEO
Greater Phoenix Chamber of Commerce