CONSERVE AND PROTECT COLORADO’S WATER BY LEGALIZING AND TAXING SPORTS BETTING
WHAT IS PROPOSITION DD?

Proposition DD implements a $29 million tax on casinos’ sports-betting proceeds to fund a systematic and bipartisan effort to preserve Colorado’s water future.

A small portion of the revenue from the tax will be used to regulate and enforce gaming, while the vast majority of the proceeds — 93% in all — will be used as a down payment to fund “Colorado’s Water Plan”
DD IS A DOWN PAYMENT ON COLORADO’S WATER PLAN

• The Colorado Water Plan is a comprehensive strategy adopted by a wide-ranging group of water leaders to address Colorado’s future water needs.

• The plan was released in 2015 after the largest civic engagement process in Colorado history.

• Backed by rural and urban water providers, farmers, ranchers, environmentalists and respected leaders on both sides of the aisle, the plan is a broad-based effort to provide clean and safe drinking water to the people of the state in a way that protects the state’s agricultural and recreational industries and assures river and stream health.
WHY IS THE COLORADO WATER PLAN SO IMPORTANT?

• Colorado’s population is expected to double by 2060 and, at current usage rates, our water supply will not keep up with that growth. With these pressures mounting, it is critical that we conserve and protect our water resources to ensure that there is enough water for everyone.

• Colorado and the American West are facing challenges from growing populations to drought. We must invest in our water systems to preserve Colorado’s way of life and water values. We must ensure farms and ranches remain productive, recreation, communities and nature have healthy flowing rivers and cities have reliable, clean, safe drinking water supplies.
“If water conservation is to be part of Colorado’s future water supply portfolio, it must be supported and funded like other supply initiatives.”

Colorado’s Water Plan
WHO PAYS THE NEW TAX AND HOW MUCH WILL IT BE?

Under Proposition DD, only casinos or the vendors who operate a casino’s sports betting would pay the tax. The tax would generate an estimated $29 million annually, according to state projections.
HAS SOMETHING LIKE PROPOSITION DD BEEN DONE BEFORE?

• Proposition DD is modeled after the Colorado Lottery, which funds Colorado’s parks and open space through Great Outdoors Colorado.

• Colorado has a long history of passing narrowly-tailored taxes on specific industries to fund critical state needs. In this case, the new levy is a $29M tax on casino sports betting.
WHY NOW?

• Decades ago, a bill was rushed through the US Congress giving Las Vegas an effective monopoly on sports betting. It succeeded in doing only two things: making Las Vegas casino owners rich and creating a massive unregulated black market on sports betting that’s been estimated at more than $100 billion annually.

• Last year, the Supreme Court ruled the Las Vegas monopoly was unconstitutional and states could decide if they want to offer legal sports betting. In the wake of that decision, 15 states have taken advantage of the new rules, creating a regulated sports betting market in their state, while cracking down on unregulated black-market sports betting.

• Earlier this year, on an overwhelming bipartisan vote, the Colorado State Legislature voted do the same, asking the voters to approve and tax a tightly-regulated sports betting market through Colorado’s mountain casinos. Only the mountain casinos would be eligible for a license to allow sports betting.
WHY “YES”?
<table>
<thead>
<tr>
<th>Number</th>
<th>Key Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1m</td>
<td>Colorado’s population in 1930</td>
</tr>
<tr>
<td>5m</td>
<td>Colorado’s population today</td>
</tr>
<tr>
<td>5m</td>
<td>Amount by which Colorado population is expected to increase by 2060</td>
</tr>
<tr>
<td>&gt;80%</td>
<td>Portion of Colorado’s water which comes from snowpack</td>
</tr>
<tr>
<td>&gt;50%</td>
<td>Amount by which Colorado’s snowpack could decrease by the end of this century</td>
</tr>
<tr>
<td>700,000</td>
<td>Additional acres of Colorado farmland that are at risk of going dry.</td>
</tr>
<tr>
<td>188.95m</td>
<td>Amount of Colorado’s Gross State Product (GSP) that is dependent on the Colorado River.</td>
</tr>
<tr>
<td>59%</td>
<td>Portion of our GSP that is dependent on the Colorado River.</td>
</tr>
<tr>
<td>1st</td>
<td>Rank of the Colorado River among most stressed waterways in the nation.</td>
</tr>
</tbody>
</table>
Prop DD was referred to the ballot by a coalition of Republican and Democratic lawmakers and is supported by diverse groups from across the state because conserving and protecting our water is a non-partisan issue.
Endorsements

American Rivers
Action 22
Arkansas River Outfitters Association
Aspen Skiing Company
Associated Governments of Northwest Colorado
Aurora Chamber of Commerce
Bell Policy Center
Black Hawk Business Improvement District
Business for Water Stewardship
Chamber of Northwest Douglas County
City of Cripple Creek
Colorado Association of Homebuilders
Colorado Association of Mechanical & Plumbing Contractors
Colorado Association of Wheat Growers
Colorado Bankers Association
Colorado Business Roundtable
Colorado Cattlemen’s Association
Colorado Chamber of Commerce
Colorado Concern
Colorado Contractors Association
Colorado Corn Growers Association
Colorado Dairy Farmers
Colorado Farm Bureau
Colorado Forum
Colorado Gaming Association
Colorado Municipal League
Colorado River Water Conservation District
Colorado Trout Unlimited
Colorado Water Trust
Conservation Colorado
Denver Metro Chamber of Commerce
Denver Metro Commercial Association of Realtors
Douglas County Business Alliance
Dvorak Expeditions
Economic Development Council of Colorado
Environmental Defense Fund Action
Grand Junction Area Chamber of Commerce
Greenway Foundation
Jefferson County Economic Development Corporation
Mechanical Contractors Association of Colorado
Mechanical Service Contractors Association of Colorado
National Certified Pipe Welding Bureau, Colorado Chapter
North Platte Basin Roundtable
Northwest Douglas County Economic Development Corporation
Otero County
Outdoor Industry Association
Pro 15
ProgressNow Colorado
Rangely Chamber of Commerce
RepYourWater
Rio Grande Basin Roundtable
Rocky Mountain Farmers Union
Silver Dollar Metro District (Blackhawk)
South Metro Denver Chamber of Commerce
Southeastern Colorado Water Conservancy District
The Greenway Foundation
Trout Unlimited
Veterans for Peace
Western Resource Advocates
Wilderness Aware Rafting
Thirty years ago, we created the Colorado Lottery and used proceeds to pay for parks and open space through the Great Outdoors Colorado (GOCO) program. Prop DD will follow the GOCO model by legalizing sports betting and taxing casinos or their sports betting operators and using more than 90% of the money collected to protect and conserve our water resources.
DD Delivers for

RURAL COLORADO

Farms and ranches are an important part of Colorado’s heritage and our economy. Prop DD will contribute to the development of additional storage and improve the efficiency of water use, so that farms and ranches have the water they need to thrive in Colorado.
DD Delivers

CLEAN, SAFE DRINKING WATER

Programs that promote water conservation and protection are dramatically underfunded in Colorado. Prop DD will help fund critical projects to ensure clean, safe drinking water.
DD Delivers for
RECREATION

Proceeds from the tax on casinos and their sports betting operators will help fund critical projects that protect our water resources so that Colorado’s rivers have enough water flow to support fish and wildlife, and outdoor recreation like fishing, rafting and paddleboarding.
Many Coloradans bet on sports via the black market, bookies and websites. Legalized sports betting will include consumer protections for people who place sports bets, ensuring that they receive their winnings and do not fall victim to fraud or abuse.
VOTE YES ON PROP DD

A WIN FOR COLORADO'S WATER

YesOnDD.com /YesOnPropDD /YesOnPropDD info@YesOnDD.com
HOW WILL PROJECTS BE PICKED?

Projects will be identified and selected based on their ability to meet and achieve the goals identified in the State Water Plan. Projects that provide multiple benefits will be given priority – for example, water diversion structures that improve fish habitat and recreation value. The state's nine basin roundtables have the ability to identify and develop project lists for consideration as do local and regional water interests. This approach offers local input and regional collaboration efforts.
WATER PROJECTS IN KEY SECTORS COULD LOOK LIKE THE FOLLOWING:

ENVIRONMENT AND RECREATION PROJECTS:
• For example, in Durango, $500,000 would begin the first phase of restoration of the watershed damaged in the 416 fire.

MUNICIPAL WATER SUPPLY CONSERVATION PROJECTS:
• Expanding existing reservoirs in an environmentally responsible manner especially to facilitate re-use

AGRICULTURE PROJECTS:
• Water storage and supply projects, including projects that facilitate the development of additional storage and could facilitate water leasing to avoid buy and dry and provide multiple benefits to flows or reuse,

CONSERVATION AND LAND USE PROJECTS:
• Conserving our states pristine landscapes, open spaces, and wildlife populations also requires water. It also requires that we adopt long term planning with an eye towards the future and contingencies for drought.

ENGAGEMENT AND INNOVATION:
• It is more important than ever that we engage and offer educational resources to our residents. Solving our states water problems can’t be done by the state alone and will require the participation of all.