

## **Subpoenas issued in probe alleged abuse of conservation easements**

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DENVER—State officials have issued at least 30 subpoenas to determine whether a popular state program that pays farmers and ranchers to block development on their land is being abused.

The Cortez Journal reported the investigation Thursday.

"We have reason to believe that the practice of some of the players in the conservation easement program may put the entire program in jeopardy," said Rico Munn, director of the Department of Regulatory Agencies.

Erin Toll, director of the division of real estate, said her office "will aggressively pursue appraisers whose valuations of conservation easements are not credible." She would not say to whom or where the subpoenas were issued.

Landowners themselves are not the targets. Many farmers and ranchers don't make enough to even claim the credits.

In 2001, the first year money was doled out, \$2.1 million was allocated. Last year it had increased 40 times to \$85.1 million.

No landowners are targets of the subpoenas. So far, the focus is on appraisers and people involved in buying and selling the tax credits, according to Toll and Securities Commissioner Fred Joseph.

Sen. Jim Isgar, D-Hesperus, said he will introduce a bill to fix the program in early 2008. "If we don't fix these abuses, it's going to be hard to continue the program. I'm confident we will," Isgar said in a telephone interview.

"I'd say a minimum of 10 percent of the easements could be suspect, and that number could go up quite a bit higher," Isgar said.

Munn said the IRS also is investigating the matter.

The Journal said every year, 300 to 500 landowners take advantage of the program. About 1.2 million acres have been protected as open space under the program, about 2 percent of all the land in the state, according to the Colorado Coalition of Land Trusts.