

Colorado Revised Statutes 2016

TITLE 29

GOVERNMENT - LOCAL

GENERAL PROVISIONS

ARTICLE 1

Budget and Services

PART 1

LOCAL GOVERNMENT BUDGET LAW OF COLORADO

29-1-101. Short title. This part 1 shall be known and may be cited as the "Local Government Budget Law of Colorado".

29-1-102. Definitions. As used in this part 1, unless the context otherwise requires:

(1) "Appropriation" means the authorization by ordinance or resolution of a spending limit for expenditures and obligations for specific purposes.

(2) "Basis of budgetary accounting" means any one of the following methods of measurement of timing when revenue and other financing sources and expenditures and other financing uses are recognized for budget purposes:

(a) Cash basis (when cash is received and disbursed);

(b) Modified accrual basis (when revenue and other financing sources are due and available and when obligations or liabilities are incurred for expenditures and other financing uses, except for certain stated items such as, but not limited to, prepaids, inventories of consumable goods, and interest payable in a future fiscal year); or

(c) Encumbrance basis (the modified accrual basis, but including the recognition of encumbrances).

(3) "Budget" means the complete estimated financial plan of the local government.

(4) "Budget year" means the ensuing fiscal year.

(5) "Certified" means a written statement by a member of the governing body or a person appointed by the governing body that the document being filed is a true and accurate copy of the

action taken by the governing body.

(6) "Division" means the division of local government in the department of local affairs.

(7) "Encumbrance" means a commitment related to unperformed contracts for goods or services.

(8) (a) "Expenditure" means any use of financial resources of the local government consistent with its basis of accounting for budget purposes for the provision or acquisition of goods and services for operations, debt service, capital outlay, transfers, or other financial uses.

(b) "Expenditure" shall not include the payment or transfer of moneys by the office of the public trustee created in section 38-37-101, C.R.S., that are received from and required to be paid to another person or entity pursuant to the requirements of article 37, 38, or 39 of title 38, C.R.S., including, but not limited to, recording fees and publication costs pursuant to sections 38-38-101 and 38-39-102, C.R.S., and transfers of excess funds to the county treasurer made pursuant to section 38-37-104 (3), C.R.S.

(9) "Fiscal year" means the period commencing January 1 and ending December 31; except that "fiscal year" may mean the federal fiscal year for water conservancy districts which have contracts with the federal government.

(10) "Fund" means a fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities or balances, and changes therein are recorded and segregated to carry on specific activities or to attain certain objectives in accordance with special regulations, restrictions, or limitations.

(11) "Fund balance" means the balance of total resources available for subsequent years' budgets consistent with the basis of accounting elected for budget purposes.

(12) "Governing body" means a board, council, or other elected or appointed body in which the legislative powers of the local government are vested.

(13) "Local government" means any authority, county, municipality, city and county, district, or other political subdivision of the state of Colorado; any institution, department, agency, or authority of any of the foregoing; and any other entity, organization, or corporation formed by intergovernmental agreement or other contract between or among any of the foregoing. The office of the county public trustee shall be deemed an agency of the county for the purposes of this part 1. "Local government" does not include the Colorado educational and cultural facilities authority, the university of Colorado hospital authority, collegeinvest, the Colorado health facilities authority, the Colorado housing and finance authority, the Colorado agricultural development authority, the Colorado sheep and wool authority, the Colorado beef council authority, the Colorado horse development authority, the fire and police pension association, any public entity insurance or investment pool formed pursuant to state law, any county or municipal housing authority, any association of political subdivisions formed pursuant to section 29-1-401, or any home rule city or town, home rule city and county, cities and towns operating under a territorial charter, school district, or junior college district.

(14) "Object of expenditure" means the classification of fund data by character of expenditure. "Object of expenditure" includes, but is not limited to, personal services, purchased services, debt service, supplies, capital outlay, grants, and transfers.

(15) "Objection" means a written or oral protest filed by an elector of the local government.

(16) "Revenue" means all resources available to finance expenditures.

(17) "Spending agency", as designated by the local government, means any office, unit, department, board, commission, or institution which is responsible for any particular expenditures or revenues.

29-1-103. Budgets required. (1) Each local government shall adopt an annual budget. To the extent that the financial activities of any local government are fully reported in the budget or budgets of a parent local government or governments, a separate budget is not required. Such budget shall present a complete financial plan by fund and by spending agency within each fund for the budget year and shall set forth the following:

(a) All proposed expenditures for administration, operations, maintenance, debt service, and capital projects to be undertaken or executed by any spending agency during the budget year;

(b) Anticipated revenues for the budget year;

(c) Estimated beginning and ending fund balances;

(d) The corresponding actual figures for the prior fiscal year and estimated figures projected through the end of the current fiscal year, including disclosure of all beginning and ending fund balances, consistent with the basis of accounting used to prepare the budget;

(e) A written budget message describing the important features of the proposed budget, including a statement of the budgetary basis of accounting used and a description of the services to be delivered during the budget year; and

(f) Explanatory schedules or statements classifying the expenditures by object and the revenues by source.

(2) No budget adopted pursuant to this section shall provide for expenditures in excess of available revenues and beginning fund balances.

(3) (a) The general assembly finds and declares that the use of lease-purchase agreements by local governments creates financial obligations of those governments and that the disclosure of such obligations is in the public interest and is a matter of statewide concern.

(b) In addition to the governmental entities included in the definition of "local government" in section 29-1-102, the provisions of this subsection (3) shall apply to every home rule city, home rule city and county, school district, and junior college district.

(c) As used in this subsection (3), "lease-purchase agreement" means a capital lease as defined in the generally accepted accounting principles issued by the governmental accounting standards board that the controller prescribes for the state as specified in section 24-30-202 (12), C.R.S.

(d) (I) The budget adopted by every local government shall separately set forth each of the following:

(A) The total amount to be expended during the ensuing fiscal year for payment obligations under all lease-purchase agreements involving real property;

(B) The total maximum payment liability of the local government under all lease-purchase agreements involving real property over the entire terms of such agreements, including all optional renewal terms;

(C) The total amount to be expended during the ensuing fiscal year for payment obligations under all lease-purchase agreements other than those involving real property;

(D) The total maximum payment liability of the local government under all lease-purchase agreements other than those involving real property over the entire terms of such agreements, including all optional renewal terms.

(II) Each budget required to be filed pursuant to section 29-1-113 shall include a supplemental schedule that contains the information described in this paragraph (d).

(e) (I) No local government shall enter into any lease-purchase agreement whose duration, including all optional renewal terms, exceeds the weighted average useful life of the assets being financed. In the case of a lease-purchase agreement involving both real property and other property, the lease-purchase agreement shall provide that the real property involved shall be amortized over a period not to exceed its weighted average useful life and the other property shall be separately amortized over a period not to exceed its weighted average useful life. This provision shall not prevent a local government from releasing property from a lease-purchase agreement pursuant to an amortization schedule reflecting the times when individual pieces of property have been amortized.

(II) Nothing contained in this paragraph (e) shall be construed to apply to any lease-purchase agreement entered into prior to April 9, 1990.

29-1-104. By whom budget prepared. The governing body of each local government shall designate or appoint a person to prepare the budget and submit the same to the governing body.

29-1-105. Budget estimates. On or before a date to be determined by the governing body of each local government, all spending agencies shall prepare and submit to the person appointed to prepare the budget estimates of their expenditure requirements and their estimated revenues for the budget year, and, in connection therewith, the spending agency shall submit the corresponding actual figures for the last completed fiscal year and the estimated figures projected through the end of the current fiscal year and an explanatory schedule or statement classifying the expenditures by object and the revenues by source. In addition to the other information required by this section, every office, department, board, commission, and other spending agency of any local government shall prepare and submit to the person appointed to prepare the budget the information required by section 29-1-103 (3) (d). No later than October 15 of each year, the person appointed to prepare the budget shall submit such budget to the governing body.

29-1-106. Notice of budget. (1) Upon receipt of the proposed budget, the governing body shall cause to be published a notice containing the following information:

(a) The date and time of the hearing at which the adoption of the proposed budget will be considered;

(b) A statement that the proposed budget is available for inspection by the public at a designated public office located within the boundaries of the local government, or, if no public office is located within such boundaries, the nearest public office where the budget is available; and

(c) A statement that any interested elector of the local government may file any objections to the proposed budget at any time prior to the final adoption of the budget by the governing body.

(2) If the governing body has submitted or intends to submit a request for increased property tax revenues to the division pursuant to section 29-1-302 (1), the amount of the increased property tax revenues resulting from such request shall be stated in such notice or in a subsequent notice in the manner provided in subsection (3) of this section.

(3) (a) For any local government whose proposed budget is more than fifty thousand dollars, the notice required by subsection (1) of this section shall be published one time in a newspaper having general circulation in the local government.

(b) Any local government whose proposed budget is fifty thousand dollars or less shall cause copies of the notice required by subsection (1) of this section to be posted in three public places within the jurisdiction of such local government in lieu of such publication.

29-1-107. Objections to budget. Any elector of the local government has the right to file or register his protest with the governing body prior to the time of the adoption of the budget.

29-1-108. Adoption of budget - appropriations - failure to adopt. (1) The governing body of the local government shall hold a hearing to consider the adoption of the proposed budget, at which time objections of the electors of the local government shall be considered. The governing body shall revise, alter, increase, or decrease the items as it deems necessary in view of the needs of the various spending agencies and the anticipated revenue of the local government. Adoption of the proposed budget shall be effective only upon an affirmative vote of a majority of the members of the governing body.

(2) Before the mill levy is certified pursuant to section 39-1-111 or 39-5-128, C.R.S., the governing body shall enact an ordinance or resolution adopting the budget and making appropriations for the budget year. The amounts appropriated shall not exceed the expenditures specified in the budget. Appropriations shall be made by fund or by spending agencies within a fund, as determined by the governing body. Changes to the adopted budget or appropriation shall be made in accordance with the provisions of section 29-1-109.

(3) If the governing body fails to adopt a budget before certification of the mill levy as provided for in subsection (2) of this section, then ninety percent of the amounts appropriated in the current fiscal year for operation and maintenance expenses shall be deemed reappropriated for the purposes specified in such last appropriation ordinance or resolution.

(4) If the appropriations for the budget year have not been made by December 31 of the current fiscal year, then ninety percent of the amount appropriated in the current fiscal year for operation and maintenance expenses shall be deemed reappropriated for the budget year.

(5) Notwithstanding any other provision of law, the adoption of the budget, the appropriation of funds, and the certification of the mill levy shall be effective upon adoption.

(6) All unexpended appropriations, or unencumbered appropriations if the encumbrance basis of budgetary accounting is adopted, expire at the end of the fiscal year.

29-1-109. Changes to budget - transfers - supplemental appropriations. (1) (a) If, after

adopting the budget and making appropriations, the governing body of a local government deems it necessary, it may transfer appropriated moneys between funds or between spending agencies within a fund, as determined by the original appropriation level, in accordance with the procedures established in subsection (2) of this section.

(b) If, after adoption of the budget, the local government receives unanticipated revenues or revenues not assured at the time of the adoption of the budget from any source other than the local government's property tax mill levy, the governing body may authorize the expenditure of such funds by enacting a supplemental budget and appropriation.

(c) In the event that revenues are lower than anticipated in the adopted budget, the governing body may adopt a revised appropriation ordinance or resolution as provided in section 29-1-108.

(2) (a) Any transfer, supplemental appropriation, or revised appropriation made pursuant to this section shall be made only by ordinance or resolution which complies with the notice provisions of section 29-1-106.

(b) For transfers, such ordinance or resolution shall set forth in full the amounts to be transferred and shall be documented in detail in the minutes of the meeting of the governing body. A certified copy of such ordinance or resolution shall be transmitted immediately to the affected spending agencies and the officer or employee of the local government whose duty it is to draw warrants or orders for the payment of money and to keep the record of expenditures as required by section 29-1-114. A certified copy of such ordinance or resolution shall be filed with the division.

(c) For supplemental budgets and appropriations, such ordinance or resolution shall set forth in full the source and amount of such revenue, the purpose for which such revenues are being budgeted and appropriated, and the fund or spending agency which shall make such supplemental expenditure. A certified copy of such ordinance or resolution shall be filed with the division.

29-1-110. Expenditures not to exceed appropriation. (1) During the fiscal year, no officer, employee, or other spending agency shall expend or contract to expend any money, or incur any liability, or enter into any contract which, by its terms, involves the expenditures of money in excess of the amounts appropriated. Any contract, verbal or written, made in violation of this section shall be void, and no moneys belonging to a local government shall be paid on such contract.

(2) Multiple-year contracts may be entered into where allowed by law or if subject to annual appropriation.

29-1-111. Contingencies. In cases of emergency which could not have been reasonably foreseen at the time of adoption of the budget, the governing body may authorize the expenditure of funds in excess of the appropriation by ordinance or resolution duly adopted by a majority vote of such governing body at a public meeting. Such ordinance or resolution shall set forth the facts concerning such emergency and shall be documented in detail in the minutes of the meeting of such governing body at which such ordinance or resolution was adopted. A certified copy of such ordinance or resolution shall be filed with the division.

29-1-112. Payment for contingencies. In case of an emergency and the passage of an ordinance or resolution authorizing additional expenditures in excess of the appropriation as provided in section 29-1-111 and if there is money available for such excess expenditure in some other fund or spending agency which will not be needed for expenditures during the balance of the fiscal year, the governing body shall transfer the available money from such fund to the fund from which the excess expenditures are to be paid. If available money which can be so transferred is not sufficient to meet the authorized excess expenditure, then the governing body may obtain a temporary loan to provide for such excess expenditures. The total amount of the temporary loan shall not exceed the amount which can be raised by a two-mill levy on the total assessed valuation of the taxable property within the limits of the local government of such governing body.

29-1-113. Filing of budget. (1) No later than thirty days following the beginning of the fiscal year of the budget adopted pursuant to section 29-1-108, the governing body shall cause a certified copy of such budget, including the budget message, to be filed in the office of the division. The budget of a special district shall include any resolutions adopting the budget, appropriating moneys, and fixing the rate of any mill levy. Copies of the budget of a local government and of ordinances or resolutions authorizing expenditures or the transfer of funds shall be filed with the officer or employee of the local government whose duty it is to disburse moneys or issue orders for the payment of money.

(2) Notwithstanding the provisions of section 29-1-102 (13), budgets shall be filed with the division by home rule cities, cities and counties, and towns and cities operating under a territorial charter for the purpose of information and research.

(3) If the governing body of a local government fails to file a certified copy of the budget with the division as required by this section, the division, after notice to the affected local government, may notify any county treasurer holding moneys of the local government generated pursuant to the taxing authority of such local government and authorize the county treasurer to prohibit release of any such moneys until the local government complies with the provisions of this section.

29-1-114. Record of expenditures. The officer or employee of the local government whose duty it is to disburse moneys or issue orders for the payment of money shall keep in his office a record showing the amounts authorized by the appropriation and the expenditures drawn against the same and also a record of the transfer of moneys from one fund to another and of any authorized additional expenditures as provided in section 29-1-111. Such record shall be kept so that it will show at all times the unexpended balance in each of the appropriated funds or spending agencies. Such officer or employee shall report on such record as may be required by the governing body. No such officer or employee shall disburse any moneys or issue orders for the payment of money in excess of the amount available as shown by said record or report.

29-1-115. Violation is malfeasance - removal. Any member of the governing body of any local government or any officer, employee, or agent of any spending agency who knowingly or willfully fails to perform any of the duties imposed upon him by this part 1 or who knowingly and willfully violates any of its provisions is guilty of malfeasance in office, and, upon conviction thereof, the court shall enter judgment that such officer so convicted shall be removed from office. Any elector of the local government may file an affidavit regarding suspected malfeasance with the district attorney, who shall investigate the allegations and prosecute the violation if sufficient cause is found. It is the duty of the court rendering any such judgment to cause immediate notice of such removal to be given to the proper officer of the local government so that the vacancy thus caused may be filled.

PART 2

INTERGOVERNMENTAL RELATIONSHIPS

29-1-201. Legislative declaration. The purpose of this part 2 is to implement the provisions of section 18 (2) (a) and (2) (b) of article XIV of the state constitution, adopted at the 1970 general election, and the amendment to section 2 of article XI of the state constitution, adopted at the 1974 general election, by permitting and encouraging governments to make the most efficient and effective use of their powers and responsibilities by cooperating and contracting with other governments, and to this end this part 2 shall be liberally construed.

29-1-202. Definitions. As used in this part 2, unless the context otherwise requires:

(1) "Government" means any political subdivision of the state, any agency or department of the state government or of the United States, a federally recognized tribal entity, and any political subdivision of an adjoining state.

(2) "Political subdivision" means a county, city and county, city, town, service authority, school district, local improvement district, law enforcement authority, city or county housing authority, or water, sanitation, fire protection, metropolitan, irrigation, drainage, or other special district, or any other kind of municipal, quasi-municipal, or public corporation organized pursuant to law.

29-1-203. Government may cooperate or contract - contents. (1) Governments may cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each of the cooperating or contracting units, including the sharing of costs, the imposition of taxes, or the incurring of debt, only if such cooperation or contracts are authorized by each party thereto with the approval of its legislative body or other authority having the power to so approve. Any such contract providing for the sharing of costs or the imposition of taxes may be entered into for any period, notwithstanding any provision of law limiting the length of any financial

contracts or obligations of governments.

(2) Any such contract shall set forth fully the purposes, powers, rights, obligations, and the responsibilities, financial and otherwise, of the contracting parties.

(3) Where other provisions of law provide requirements for special types of intergovernmental contracting or cooperation, those special provisions shall control.

(4) Any such contract may provide for the joint exercise of the function, service, or facility, including the establishment of a separate legal entity to do so.

(5) Any separate legal entity formed pursuant to the provisions of this part 2 may make loans to any government which enters into any contract pursuant to the provisions of this section, which loans may be secured by loan and security agreements, leases, or any other instruments upon such terms and conditions, including, without limitation, the terms and conditions authorized by section 31-35-402 (1) (h), C.R.S., as the board of directors of such intergovernmental entity shall determine.

(6) The provisions of articles 10.5 and 47 of title 11, C.R.S., shall apply to moneys of such separate legal entities.

29-1-203.5. Separate legal entity established under section 29-1-203 - legal status - authority to exercise special district powers - additional financing powers. (1) (a) Any combination of counties, municipalities, special districts, or other political subdivisions of this state that are each authorized to own, operate, finance, or otherwise provide public improvements for any function, service, or facility may enter into a contract under section 29-1-203 to establish a separate legal entity to provide any such public improvements. Any separate legal entity established is a political subdivision and public corporation of the state and is separate from the parties to the contract if the contract or an amendment to the contract states that the entity is formed in conformity with the provisions of this section and that the provisions of this section apply to the entity.

(b) A contract establishing a separate legal entity described in paragraph (a) of this subsection (1) must specify:

(I) The name and purpose of the entity and the functions or services to be provided by the entity;

(II) The establishment and organization of a governing body of the entity, which must be a board of directors in which all legislative power of the entity is vested, including:

(A) The number of directors, their manner of appointment, their terms of office, their compensation, if any, and the procedure for filling vacancies on the board;

(B) The officers of the entity, the manner of their selection, and their duties;

(C) The voting requirements for action by the board; except that, unless specifically provided otherwise, a majority of directors constitutes a quorum, and a majority of the quorum is necessary for any action taken by the board.

(2) (a) Except as otherwise provided in paragraph (b) of this subsection (2), a separate legal entity established by contract pursuant to section 29-1-203 may, to the extent provided by the contract or an amendment to the contract and deemed by the contracting parties to be necessary or convenient to allow the entity to achieve its purposes, exercise any general power of a special district specified in part 10 of article 1 of title 32, C.R.S., so long as each of the parties to the contract may

lawfully exercise the power.

(b) A separate legal entity established by a contract pursuant to section 29-1-203 that specifies that the provisions of this section apply to the entity may not levy a tax or exercise the power of eminent domain.

(c) A separate legal entity established by contract pursuant to section 29-1-203 shall file a copy of the contract and any amendments to the contract with the division of local government in the department of local affairs and the division shall retain the contract and amendments as a public record.

(3) In addition to any other powers set forth in a contract entered into pursuant to section 29-1-203 that establishes a separate legal entity and specifies that the provisions of this section apply to the entity, such an entity has the following powers:

(a) To issue bonds, notes, or other financial obligations payable solely from revenue derived from one or more of the functions, services, systems, or facilities of the separate legal entity, from money received under contracts entered into by the separate legal entity, or from other available money of the separate legal entity. The terms, conditions, and details of bonds, notes, or other financial obligations, including related procedures and refunding conditions, must be set forth in the resolution of the separate legal entity authorizing the bonds, notes, or other financial obligations and must, to the extent practical, be substantially the same as those provided in part 4 of article 35 of title 31, C.R.S., relating to water and sewer revenue bonds; except that the purposes for which the same may be issued are not limited to the financing of water or sewerage facilities. Bonds, notes, or other financial obligations issued under this paragraph (a) are not an indebtedness of the separate legal entity or the cooperating or contracting parties within the meaning of any provision or limitation specified in the state constitution or law. Each bond, note, or other financial obligation issued under this paragraph (a) must recite in substance that it is payable solely from the revenues and other available funds of the separate legal entity pledged for the payment thereof and that it is not a debt of the separate legal entity or the cooperating or contracting parties within the meaning of any provision or limitation specified in the state constitution or law. Notwithstanding anything in this paragraph (a) to the contrary, bonds, notes, and other obligations may be issued to mature at such times not beyond forty years from their respective issue dates, shall bear interest at such rates, and shall be sold at, above, or below the principal amount thereof, at a public or private sale, all as determined by the board of directors of the separate legal entity. Interest on any bond, note, or other financial obligation issued under this paragraph (a) hereof is exempt from taxation except as otherwise may be provided by law. The resolution, trust indenture, or other security agreement under which bonds, notes, or other financial obligations are issued is a contract with the holders thereof and may contain such provisions as the board of directors of the separate legal entity determine to be appropriate and necessary in connection with the issuance thereof and to provide security for the payment thereof, including, without limitation, any mortgage or other security interest in revenue, money, rights, or property of the separate legal entity.

(b) To acquire, lease, and sell property.

(3.5) A separate legal entity established by contract pursuant to section 29-1-203 that has issued bonds, notes, or other financial obligations as authorized by paragraph (a) of subsection (3) of this section is subject to the "Public Securities Information Reporting Act", article 58 of title 11, C.R.S., and shall file an annual information report, to the extent practical, in the manner specified

in section 11-58-105, C.R.S.

(4) A contract entered into pursuant to section 29-1-203 that establishes a separate legal entity and specifies that the provisions of this section apply to the entity shall provide that, upon dissolution of the separate legal entity, all of its property is transferred to, or at the direction of, one or more of the contracting political subdivisions.

29-1-204. Establishment of separate governmental entity. (1) Any combination of cities and towns of this state which are authorized to own and operate electric systems may, by contract with each other or with cities and towns of any adjoining state, establish a separate governmental entity, to be known as a power authority, to be used by such contracting municipalities to effect the development of electric energy resources or production and transmission of electric energy in whole or in part for the benefit of the inhabitants of such contracting municipalities.

(2) Any contract establishing such separate governmental entity shall specify:

(a) The name and purpose of such entity and the functions or services to be provided by such entity;

(b) The establishment and organization of a governing body of the entity, which shall be a board of directors in which all legislative power of the entity is vested, including:

(I) The number of directors, their manner of appointment, their terms of office, their compensation if any, and the procedure for filling vacancies on the board;

(II) The officers of the entity, the manner of their selection, and their duties;

(III) The voting requirements for action by the board; except that, unless specifically provided otherwise, a majority of directors shall constitute a quorum, and a majority of the quorum shall be necessary for any action taken by the board;

(IV) The duties of the board which shall include the obligation to comply with the provisions of parts 1, 5, and 6 of this article;

(c) Provisions for the disposition, division, or distribution of any property or assets of the entity;

(d) The term of the contract, which may be continued for a definite term or until rescinded or terminated, and the method, if any, by which it may be rescinded or terminated; except that such contract may not be rescinded or terminated so long as the entity has bonds, notes, or other obligations outstanding, unless provision for full payment of such obligations, by escrow or otherwise, has been made pursuant to the terms of such obligations.

(3) The general powers of such entity shall include the following powers:

(a) To develop electric energy resources and produce or transmit electric energy in whole or in part for the benefit of the inhabitants of the contracting municipalities;

(b) To make and enter into contracts, including, without limitation, contracts with cities and towns in any adjoining state, irrespective of whether such cities and towns are parties to the contract establishing the separate governmental entity;

(c) To employ agents and employees;

(d) To acquire, construct, manage, maintain, or operate electric energy facilities, works, or improvements or any interest therein;

(e) To acquire, hold, lease (as lessor or lessee), sell, or otherwise dispose of any real or

personal property, commodity, or service;

(f) To condemn property for public use, if such property is not owned by any public utility and devoted to such public use pursuant to state authority;

(g) To incur debts, liabilities, or obligations;

(h) To sue and be sued in its own name;

(i) To have and use a corporate seal;

(j) To fix, maintain, and revise fees, rates, and charges for functions, services, or facilities provided by the entity;

(k) To adopt, by resolution, regulations respecting the exercise of its powers and the carrying out of its purposes;

(l) To exercise any other powers which are essential to the provision of functions, services, or facilities by the entity and which are specified in the contract;

(m) To do and perform any acts and things authorized by this section under, through, or by means of an agent or by contracts with any person, firm, or corporation;

(n) To deposit moneys of the power authority not then needed in the conduct of the power authority affairs in any depository authorized in section 24-75-603, C.R.S. For the purpose of making such deposits, the board of directors may appoint, by written resolution, one or more persons to act as custodians of the moneys of the power authority. Such persons shall give surety bonds in such amounts and form and for such purposes as the board requires.

(o) To acquire or cross railroad rights-of-way in the manner set forth in section 40-5-105, C.R.S.

(4) The separate governmental entity established by such contracting municipalities shall be a political subdivision and a public corporation of the state, separate from the parties to the contract, and shall be a validly created and existing political subdivision and public corporation of the state, irrespective of whether a contracting municipality, including a city or town of an adjoining state, withdraws (whether voluntarily, by operation of law, or otherwise) from such entity subsequent to its creation under circumstances not resulting in the rescission or termination of the contract establishing such entity pursuant to its terms. It shall have the duties, privileges, immunities, rights, liabilities, and disabilities of a public body politic and corporate. The provisions of articles 10.5 and 47 of title 11, C.R.S., shall apply to moneys of the entity.

(5) The bonds, notes, and other obligations of such separate governmental entity shall not be the debts, liabilities, or obligations of the contracting municipalities.

(6) The contracting municipalities may provide in the contract for payment to the separate governmental entity of funds from proprietary revenues for services rendered by the entity, from proprietary revenues or other public funds as contributions to defray the cost of any purpose set forth in the contract, and from proprietary revenues or other public funds as advances for any purpose subject to repayment by the entity.

(7) (a) To carry out the purposes for which the separate governmental entity was established, the entity is authorized to issue bonds, notes, or other obligations payable solely from the revenues derived or to be derived from the function, service, or facility or the combined functions, services, or facilities of the entity or from any other available funds of the entity. The terms, conditions, and details of said bonds, notes, and other obligations, the procedures related thereto, and the refunding thereof shall be set forth in the resolution authorizing said bonds, notes, or other obligations and

shall, as nearly as may be practicable, be substantially the same as those provided in part 4 of article 35 of title 31, C.R.S., relating to water and sewer revenue bonds; except that the purposes for which the same may be issued shall not be so limited and except that said bonds, notes, and other obligations may be sold at public or private sale. Bonds, notes, or other obligations issued under this subsection (7) shall not constitute an indebtedness of the entity or the cooperating or contracting municipalities within the meaning of any constitutional or statutory limitation or other provision. Each bond, note, or other obligation issued under this subsection (7) shall recite in substance that said bond, note, or other obligation, including the interest thereon, is payable solely from the revenues and other available funds of the entity pledged for the payment thereof and that said bond, note, or other obligation does not constitute a debt of the entity or the cooperating or contracting municipalities within the meaning of any constitutional or statutory limitations or provisions. Notwithstanding anything in this section to the contrary, such bonds, notes, line and other obligations may be issued to mature at such times not beyond forty years from their respective issue dates, shall bear interest at such rates, and shall be sold at, above, or below the principal amount thereof, all as shall be determined by the board of the entity. Notwithstanding anything in this section to the contrary, in the case of short-term notes or other obligations maturing not later than one year from the date of issuance thereof, the board of the entity may authorize officials of the entity to fix principal amounts, maturity dates, interest rates, and purchase prices of any particular issue of such short-term notes or obligations, subject to such limitations as to maximum term, maximum principal amount outstanding, and maximum net effective interest rates as the board shall prescribe by resolution. Such action may be taken by the board of the entity only at a public meeting preceded by adequate notice, and the action of the board shall be properly recorded on the permanent records of the board.

(b) The resolution, trust indenture, or other security agreement under which any bonds, notes, or other obligations are issued shall constitute a contract with the holders thereof, and it may contain such provisions as shall be determined by the board of the entity to be appropriate and necessary in connection with the issuance thereof and to provide security for the payment thereof, including, without limitation, any mortgage or other security interest in any revenues, funds, rights, or properties of the entity. The bonds, notes, and other obligations of the entity and the income therefrom shall be exempt from taxation, except inheritance, estate, and transfer taxes.

(8) A separate governmental entity established by contracting municipalities shall, if the contract so provides, be the successor to any nonprofit corporation, agency, or other entity theretofore organized by the contracting municipalities to provide the same function, service, or facility, and such separate governmental entity shall be entitled to all rights and privileges and shall assume all obligations and liabilities of such other entity under existing contracts to which such other entity is a party.

(9) The authority granted pursuant to this section shall in no manner limit the powers of governments to enter into intergovernmental cooperation or contracts or to establish separate legal entities pursuant to the provisions of section 29-1-203 or any other applicable law or otherwise to carry out their powers under applicable statutory or charter provisions, nor shall such authority limit the powers reserved to cities and towns by section 2 of article XI of the state constitution. Nothing in this part 2 constitutes a legislative declaration of preference for electric systems owned by separate governmental entities over electric systems owned by other or different entities.

(10) For the purposes of subsection (1), paragraph (b) of subsection (3), and subsection (4) of this section, "cities and towns of any adjoining state" means any city or town located in any state sharing a common border with the state of Colorado which owns an electric system and which is located not more than fifteen miles from the common border of the state of Colorado and such adjoining state.

29-1-204.2. Establishment of separate governmental entity to develop water resources, systems, facilities, and drainage facilities. (1) Any combination of municipalities, special districts, or other political subdivisions of this state that are authorized to own and operate water systems or facilities or drainage facilities may establish, by contract with each other, a separate governmental entity, to be known as a water or drainage authority, to be used by such contracting parties to effect the development of water resources, systems, or facilities or of drainage facilities in whole or in part for the benefit of the inhabitants of such contracting parties or others at the discretion of the board of directors of the water or drainage authority.

(2) Any contract establishing such separate governmental entity shall specify:

(a) The name and purpose of such entity and the functions or services to be provided by such entity;

(b) The establishment and organization of a governing body of the entity, which shall be a board of directors in which all legislative power of the entity is vested, including:

(I) The number of directors, their manner of appointment, their terms of office, their compensation, if any, and the procedure for filling vacancies on the board;

(II) The officers of the entity, the manner of their selection, and their duties;

(III) The voting requirements for action by the board; except that, unless specifically provided otherwise, a majority of directors shall constitute a quorum, and a majority of the quorum shall be necessary for any action taken by the board;

(IV) The duties of the board, which shall include the obligation to comply with the provisions of parts 1, 5, and 6 of this article;

(c) Provisions for the disposition, division, or distribution of any property or assets of the entity;

(d) The term of the contract, which may be continued for a definite term or until rescinded or terminated, and the method, if any, by which it may be rescinded or terminated; except that such contract may not be rescinded or terminated so long as the entity has bonds, notes, or other obligations outstanding, unless provision for full payment of such obligations, by escrow or otherwise, has been made pursuant to the terms of such obligations;

(e) The conditions or requirements to be fulfilled for adding or deleting parties to the contract in the future or for providing water services and drainage facilities to others outside the boundaries of the contracting parties.

(3) The general powers of such entity shall include the following powers:

(a) To develop water resources, systems, or facilities or drainage facilities in whole or in part for the benefit of the inhabitants of the contracting parties or others, at the discretion of the board of directors, subject to fulfilling any conditions or requirements set forth in the contract establishing the entity;

- (b) To make and enter into contracts;
 - (c) To employ agents and employees;
 - (d) To acquire, construct, manage, maintain, or operate water systems, facilities, works, or improvements, or drainage facilities, or any interest therein;
 - (e) To acquire, hold, lease (as lessor or lessee), sell, or otherwise dispose of any real or personal property utilized only for the purposes of water treatment, distribution, and wastewater disposal, or of drainage;
 - (f) To condemn property for use as rights-of-way only if such property is not owned by any public utility and devoted to such public use pursuant to state authority;
 - (g) To incur debts, liabilities, or obligations;
 - (h) To sue and be sued in its own name;
 - (i) To have and use a corporate seal;
 - (j) To fix, maintain, and revise fees, rates, and charges for functions, services, or facilities provided by the entity;
 - (k) To adopt, by resolution, regulations respecting the exercise of its powers and the carrying out of its purpose;
 - (l) To exercise any other powers which are essential to the provision of functions, services, or facilities by the entity and which are specified in the contract;
 - (m) To do and perform any acts and things authorized by this section under, through, or by means of an agent or by contracts with any person, firm, or corporation;
 - (n) To permit other municipalities, special districts, or political subdivisions of this state that are authorized to supply water or to provide drainage facilities to enter the contract at the discretion of the board of directors, subject to fulfilling any and all conditions or requirements of the contract establishing the entity; except that rates need not be uniform between the authority and the contracting parties;
 - (o) To provide for the rehabilitation of any surfaces adversely affected by the construction of water pipelines, facilities, or systems or of drainage facilities through the rehabilitation of plant cover, soil stability, and other measures appropriate to the subsequent beneficial use of such lands;
 - (p) To justly indemnify property owners or others affected for any losses or damages incurred, including reasonable attorney fees, or that may subsequently be caused by or which result from actions of such corporations.
- (4) The separate governmental entity established by such contracting parties shall be a political subdivision and a public corporation of the state, separate from the parties to the contract. It shall have the duties, privileges, immunities, rights, liabilities, and disabilities of a public body politic and corporate. The provisions of articles 10.5 and 47 of title 11, C.R.S., shall apply to moneys of the entity.
- (5) The bonds, notes, and other obligations of a water or drainage authority formed under the provisions of this section shall not be the debts, liabilities, or obligations of the original contracting parties or parties that may enter the establishing contract in the future.
- (6) The contracting parties may provide in the contract for payment to the separate governmental entity of funds from proprietary revenues for services rendered by the entity, from proprietary revenues or other public funds as contributions to defray the cost of any purpose set forth in the contract, and from proprietary revenues or other public funds as advances for any purpose

subject to repayment by the entity.

(7) (a) To carry out the purposes for which the separate governmental entity was established, the entity is authorized to issue bonds, notes, or other obligations payable solely from the revenues derived from the function, service, system, or facility or the combined functions, services, systems, or facilities of the entity or from any other available funds of the entity. The terms, conditions, and details of said bonds, notes, and other obligations, the procedures related thereto, and the refunding thereof shall be set forth in the resolution authorizing said bonds, notes, or other obligations and, as nearly as may be practicable, shall be substantially the same as those provided in part 4 of article 35 of title 31, C.R.S., relating to water and sewer revenue bonds; except that the purposes for which the same may be issued shall not be so limited and except that said bonds, notes, and other obligations may be sold at public or private sale. Bonds, notes, or other obligations issued under this subsection (7) shall not constitute an indebtedness of the entity or the cooperating or contracting parties within the meaning of any constitutional or statutory limitations or other provision. Each bond, note, or other obligation issued under this subsection (7) shall recite in substance that said bond, note, or other obligation, including the interest thereon, is payable solely from the revenues and other available funds of the entity pledged for the payment thereof and that said bond, note, or other obligation does not constitute a debt of the entity or the cooperating or contracting parties within the meaning of any constitutional or statutory limitation or provision. Notwithstanding anything in this section to the contrary, such bonds, notes, and other obligations may be issued to mature at such times not beyond forty years from their respective issue dates, shall bear interest at such rates, and shall be sold at, above, or below the principal amount thereof, all as shall be determined by the board of directors of the entity.

(b) The resolution, trust indenture, or other security agreement under which any bonds, notes, or other obligations are issued shall constitute a contract with the holders thereof, and it may contain such provisions as shall be determined by the board of directors of the entity to be appropriate and necessary in connection with the issuance thereof and to provide security for the payment thereof, including, without limitation, any mortgage or other security interest in any revenues, funds, rights, or properties of the entity. The bonds, notes, and other obligations of the entity and the income therefrom shall be exempt from taxation by this state, except inheritance, estate, and transfer taxes.

(8) A separate governmental entity established by contract, if the contract so provides, shall be the successor to any nonprofit corporation, agency, or other entity theretofore organized by the contracting parties to provide the same function, service, system, or facility, and such separate governmental entity shall be entitled to all rights and privileges and shall assume all obligations and liabilities of such other entity under existing contracts to which such other entity is a party.

(9) The authority granted pursuant to this section shall in no manner limit the powers of governments to enter into intergovernmental cooperation or contracts or to establish separate legal entities pursuant to the provisions of section 29-1-203 or any other applicable law or otherwise to carry out their powers under applicable statutory or charter provisions, nor shall such authority limit the powers reserved to cities and towns by section 2 of article XI of the state constitution. Nothing in this part 2 constitutes a legislative declaration of preference for water systems or facilities or for drainage facilities owned by separate governmental entities over water systems or facilities or over drainage facilities owned by other or different entities.

29-1-204.5. Establishment of multijurisdictional housing authorities. (1) Any combination of home rule or statutory cities, towns, counties, and cities and counties of this state may, by contract with each other, establish a separate governmental entity to be known as a multijurisdictional housing authority, referred to in this section as an "authority". Such an authority may be used by such contracting member governments to effect the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, and operation of housing projects or programs pursuant to a multijurisdictional plan:

(a) To provide dwelling accommodations at rental prices or purchase prices within the means of families of low or moderate income; and

(b) To provide affordable housing projects or programs for employees of employers located within the jurisdiction of the authority.

(2) Any contract establishing any such authority shall specify:

(a) The name and purpose of such authority and the functions or services to be provided by such authority;

(a.5) The boundaries of the authority, which boundaries may include less than the entire area of the separate governmental entities and may be modified after the establishment of the authority as provided in the contract;

(b) The establishment and organization of a governing body of the authority, which shall be a board of directors, referred to in this section as the "board", in which all legislative power of the authority is vested, including:

(I) The number of directors, their manner of appointment, their terms of office, their compensation, if any, and the procedure for filling vacancies on the board;

(II) The officers of the authority, the manner of their selection, and their duties;

(III) The voting requirements for action by the board; except that, unless specifically provided otherwise, a majority of directors shall constitute a quorum, and a majority of the quorum shall be necessary for any action taken by the board;

(IV) The duties of the board, which shall include the obligation to comply with the provisions of parts 1, 5, and 6 of this article;

(c) Provisions for the disposition, division, or distribution of any property or assets of the authority;

(d) The term of the contract, which may be continued for a definite term or until rescinded or terminated, and the method, if any, by which it may be rescinded or terminated; except that such contract may not be rescinded or terminated so long as the authority has bonds, notes, or other obligations outstanding, unless provision for full payment of such obligations, by escrow or otherwise, has been made pursuant to the terms of such obligations;

(e) The expected sources of revenue of the authority and any requirements that contracting member governments consent to the levying of any taxes or development impact fees within the jurisdiction of such member. If the authority levies any taxes or development impact fees, the contract shall further include requirements that:

(I) Prior to and as a condition of levying any such taxes or fees, the board shall adopt a resolution determining that the levying of such taxes or fees will fairly distribute the costs of the

authority's activities among the persons and businesses benefited thereby and will not impose an undue burden on any particular group of persons or businesses;

(II) Each such tax or fee shall conform with any requirements specified in subsection (3) of this section; and

(III) The authority shall designate a financial officer who shall coordinate with the department of revenue regarding the collection of a sales and use tax authorized pursuant to paragraph (f.1) of subsection (3) of this section. This coordination shall include but not be limited to the financial officer identifying those businesses eligible to collect the sales and use tax and any other administrative details identified by the department.

(3) The general powers of such authority shall include the following powers:

(a) To plan, finance, acquire, construct, reconstruct or repair, maintain, manage, and operate housing projects and programs pursuant to a multijurisdictional plan within the means of families of low or moderate income;

(a.5) To plan, finance, acquire, construct, reconstruct or repair, maintain, manage, and operate affordable housing projects or programs for employees of employers located within the jurisdiction of the authority;

(b) To make and enter into contracts with any person, including, without limitation, contracts with state or federal agencies, private enterprises, and nonprofit organizations also involved in providing such housing projects or programs or the financing for such housing projects or programs, irrespective of whether such agencies are parties to the contract establishing the authority;

(c) To employ agents and employees;

(d) To cooperate with state and federal governments in all respects concerning the financing of such housing projects and programs;

(e) To acquire, hold, lease (as lessor or lessee), sell, or otherwise dispose of any real or personal property, commodity, or service;

(f) To condemn property for public use, if such property is not owned by any governmental entity or any public utility and devoted to public use pursuant to state authority;

(f.1) (I) Subject to the provisions of subsection (7.5) of this section, to levy, in all of the area within the boundaries of the authority, a sales or use tax, or both, at a rate not to exceed one percent, upon every transaction or other incident with respect to which a sales or use tax is levied by the state, excluding the sale or use of cigarettes. The tax imposed pursuant to this paragraph (f.1) is in addition to any other sales or use tax imposed pursuant to law. The executive director of the department of revenue shall collect, administer, and enforce the sales or use tax, to the extent feasible, in the manner provided in section 29-2-106. However, the executive director shall not begin the collection, administration, and enforcement of a sales and use tax until such time as the financial officer of the authority and the executive director have agreed on all necessary matters pursuant to subparagraph (III) of paragraph (e) of subsection (2) of this section. The executive director shall begin the collection, administration, and enforcement of a sales and use tax on a date mutually agreeable to the department of revenue and the authority.

(II) The executive director shall make monthly distributions of the tax collections to the authority, which shall apply the proceeds solely to the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, and operation of housing projects or programs within the means of families of low or moderate income.

(III) The department of revenue shall retain an amount not to exceed the cost of the collection, administration, and enforcement and shall transmit the amount retained to the state treasurer, who shall credit the same amount to the multijurisdictional housing authority sales tax fund, which fund is hereby created in the state treasury. The amounts so retained are hereby appropriated annually from the fund to the department to the extent necessary for the department's collection, administration, and enforcement of the provisions of this section. Any moneys remaining in the fund attributable to taxes collected in the prior fiscal year shall be transmitted to the authority; except that, prior to the transmission to the authority of such moneys, any moneys appropriated from the general fund to the department for the collection, administration, and enforcement of the tax for the prior fiscal year shall be repaid.

(f.2) Subject to the provisions of subsection (7.5) of this section, to levy, in all of the area within the boundaries of the authority, an ad valorem tax at a rate not to exceed five mills on each dollar of valuation for assessment of the taxable property within such area. The tax imposed pursuant to this paragraph (f.2) shall be in addition to any other ad valorem tax imposed pursuant to law. In accordance with the schedule prescribed by section 39-5-128, C.R.S., the board shall certify to the board of county commissioners of each county within the authority, or having a portion of its territory within the district, the levy of ad valorem property taxes in order that, at the time and in the manner required by law for the levying of taxes, such board of county commissioners shall levy such tax upon the valuation for assessment of all taxable property within the designated portion of the area within the boundaries of the authority. It is the duty of the body having authority to levy taxes within each county to levy the taxes provided by this subsection (3). It is the duty of all officials charged with the duty of collecting taxes to collect such taxes at the time and in the form and manner and with like interest and penalties as other taxes are collected and when collected to pay the same to the authority ordering the levy and collection. The payment of such collections shall be made monthly to the authority or paid into the depository thereof to the credit of the authority. All taxes levied under this paragraph (f.2), together with interest thereon and penalties for default in payment thereof, and all costs of collecting the same shall constitute, until paid, a perpetual lien on and against the property taxed, and such lien shall be on a parity with the tax lien of other general taxes.

(f.5) (I) To establish, and from time to time increase or decrease, a development impact fee and collect such fee from persons who own property located within the boundaries of the authority who apply for approval for new residential, commercial, or industrial construction in accordance with applicable ordinances, resolutions, or regulations of any county or municipality.

(II) Notwithstanding the provisions of subparagraph (I) of this paragraph (f.5), an impact fee may only be imposed by an authority if all of the following conditions have been satisfied:

(A) No portion of the authority is located in a county with a population of more than one hundred thousand;

(B) The fee is not levied upon the development, construction, permitting, or otherwise in connection with low or moderate income housing or affordable employee housing;

(C) The rate of the fee is two dollars per square foot or less; and

(D) The authority also imposes a sales and use tax pursuant to paragraph (f.1) of this subsection (3), an ad valorem tax pursuant to paragraph (f.2) of this subsection (3), or both.

- (g) To incur debts, liabilities, or obligations;
 - (h) To sue and be sued in its own name;
 - (i) To have and use a corporate seal;
 - (j) To fix, maintain, and revise fees, rents, security deposits, and charges for functions, services, or facilities provided by the authority;
 - (k) To adopt, by resolution, regulations respecting the exercise of its powers and the carrying out of its purposes;
 - (l) To exercise any other powers that are essential to the provision of functions, services, or facilities by the authority and that are specified in the contract;
 - (m) To do and perform any acts and things authorized by this section under, through, or by means of an agent or by contracts with any person, firm, or corporation;
 - (n) To establish enterprises for the ownership, planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, or operation, or any combination of the foregoing, of housing projects or programs authorized by this section on the same terms as and subject to the same conditions provided in section 43-4-605, C.R.S.
- (4) The authority established by such contracting member governments shall be a political subdivision and a public corporation of the state, separate from the parties to the contract, and shall be a validly created and existing political subdivision and public corporation of the state, irrespective of whether a contracting member government withdraws (whether voluntarily, by operation of law, or otherwise) from such authority subsequent to its creation under circumstances not resulting in the rescission or termination of the contract establishing such authority pursuant to its terms. It shall have the duties, privileges, immunities, rights, liabilities, and disabilities of a public body politic and corporate. The authority may deposit and invest its moneys in the manner provided in section 43-4-616, C.R.S.
- (5) The bonds, notes, and other obligations of such authority shall not be the debts, liabilities, or obligations of the contracting member governments.
- (6) The contracting member governments may provide in the contract for payment to the authority of funds from proprietary revenues for services rendered or facilities provided by the authority, from proprietary revenues or other public funds as contributions to defray the cost of any purpose set forth in the contract, and from proprietary revenues or other public funds as advances for any purpose subject to repayment by the authority.
- (7) (Deleted by amendment, L. 2001, p. 966, § 1, effective August 8, 2001.)
- (7.1) The authority may issue revenue or general obligation bonds, as the term bond is defined in section 43-4-602 (3), C.R.S., and may pledge its revenues and revenue-raising powers for the payment of such bonds. Such bonds shall be issued on the terms and subject to the conditions set forth in section 43-4-609, C.R.S.
- (7.3) The income or other revenues of the authority, all properties at any time owned by an authority, any bonds issued by an authority, and the transfer of and the income from any bonds issued by the authority are exempt from all taxation and assessments in the state.
- (7.5) (a) No action by an authority to establish or increase any tax or development impact fee authorized by this section shall take effect unless first submitted to a vote of the registered electors of the authority in which the tax or development impact fee is proposed to be collected.
- (b) No action by an authority creating a multiple-fiscal year debt or other financial obligation

that is subject to section 20 (4) (b) of article X of the state constitution shall take effect unless first submitted to a vote of the registered electors residing within the boundaries of the authority; except that no such vote is required for obligations of enterprises established under paragraph (n) of subsection (3) of this section or for obligations of any other enterprise under section 20 (4) of article X of the state constitution.

(c) The questions proposed to the registered electors under paragraphs (a) and (b) of this subsection (7.5) shall be submitted at a general election or any election to be held on the first Tuesday in November of an odd-numbered year. The action shall not take effect unless a majority of the registered electors voting thereon at the election vote in favor thereof. The election shall be conducted in substantially the same manner as county elections and the county clerk and recorder of each county in which the election is conducted shall assist the authority in conducting the election. The authority shall pay the costs incurred by each county in conducting such an election. No moneys of the authority may be used to urge or oppose passage of an election required under this section.

(7.7) (a) For the purpose of determining any authority's fiscal year spending limit under section 20 (7) (b) of article X of the state constitution, the initial spending base of the authority shall be the amount of revenues collected by the authority from sources not excluded from fiscal year spending pursuant to section 20 (2) (e) of article X of the state constitution during the first full fiscal year for which the authority collected revenues.

(b) For purposes of this subsection (7.7), "fiscal year" means any year-long period used by an authority for fiscal accounting purposes.

(8) An authority established by contracting member governments shall, if the contract so provides, be the successor to any nonprofit corporation, agency, or other entity theretofore organized by the contracting member governments to provide the same function, service, or facility, and such authority shall be entitled to all the rights and privileges and shall assume all the obligations and liabilities of such other entity under existing contracts to which such other entity is a party.

(9) The authority granted pursuant to this section shall in no manner limit the powers of governments to enter into intergovernmental cooperation or contracts or to establish separate legal entities pursuant to the provisions of section 29-1-203 or any other applicable law or otherwise to carry out their individual powers under applicable statutory or charter provisions, nor shall such authority limit the powers reserved to cities and towns by section 2 of article XI of the state constitution. Nothing in this part 2 constitutes a legislative declaration of preference for housing projects owned by authorities over housing projects owned by other or different entities.

(10) An authority and the property of an authority shall be exempt from all taxes and special assessments on the same basis and subject to the same conditions as provided for city housing authorities in sections 29-4-226 and 29-4-227.

29-1-205. List of contracts - contracts establishing power authorities. (1) Within thirty days after receiving a written request from the division of local government, a political subdivision shall provide the division with a current list of all contracts in effect with other political subdivisions. The list must contain the names of the contracting political subdivisions, the nature of the contract, and the expiration date thereof.

(2) Within ten days after the execution of a contract establishing a separate governmental entity pursuant to section 29-1-204, or an amendment or a modification thereof, the contracting local governments shall file a copy of such contract, amendment, or modification with the division.

(3) Failure to make any filing under this section does not invalidate any contract referred to in this section.

29-1-206. Law enforcement agreements. (1) Any county in this state that shares a common border with a county in another state, and any municipality located in such a bordering county of this state, may enter into an agreement with the bordering county of the other state or with a municipality located in the bordering county of the other state to provide for reciprocal law enforcement between the entities. The agreement shall meet the requirements of section 29-1-203 and shall include, but shall not be limited to, an additional requirement that any person who is assigned to law enforcement duty in this state pursuant to such intergovernmental agreement and section 29-5-104 (2) shall be certified as a peace officer in the other state and shall apply to the peace officers standards and training board created pursuant to section 24-31-302, C.R.S., for recognition prior to an assignment in Colorado.

(2) Repealed.

29-1-206.5. Emergency services - agreements - immunity from liability - definitions. (1) Any county, municipality, or designated special district in this state may enter into an agreement with a county, municipality, or special district from a state bordering this state to provide emergency services. The agreement must meet the requirements of section 29-1-203.

(2) If the governor declares an emergency and activates the "Emergency Management Assistance Compact", part 29 of article 60 of title 24, C.R.S., any provision of an agreement authorized under this section that conflicts with a provision of the compact or a procedural plan or program created in accordance with the compact is void and unenforceable.

(3) (a) Any person from another state who is performing a function in this state under an agreement to provide emergency services authorized in this section has the same immunity from liability as a person from the county, municipality, or designated special district of this state performing the same function.

(b) Any person from this state who is performing a function in another state under an agreement to provide emergency services authorized in this section has the same immunity from liability in the other state that he or she would have when performing the same function in this state.

(4) As used in this section, "designated special district" means a fire protection district, fire protection authority, ambulance district, or health service district.

29-1-207. Notification to military installations by local governments of land use changes - legislative declaration - definitions. (Repealed)

PART 3

ANNUAL LEVY - INCREASE OR REDUCTION - LIMITATION

29-1-301. Levies reduced - limitation. (1) (a) All statutory tax levies for collection in 1989 and thereafter when applied to the total valuation for assessment of the state, each of the counties, cities, and towns not chartered as home rule except as provided in this subsection (1), and each of the fire, sanitation, irrigation, drainage, conservancy, and other special districts established by law shall be so reduced as to prohibit the levying of a greater amount of revenue than was levied in the preceding year plus five and one-half percent plus the amount of revenue abated or refunded by the taxing entity by August 1 of the current year less the amount of revenue received by the taxing entity by August 1 of the current year as taxes paid on any taxable property that had previously been omitted from the assessment roll of any year, except to provide for the payment of bonds and interest thereon, for the payment of any contractual obligation that has been approved by a majority of the qualified electors of the taxing entity, for the payment of expenses incurred in the reappraisal of classes or subclasses ordered by or conducted by the state board of equalization, for the payment to the state of excess state equalization payments to school districts which excess is due to the undervaluation of taxable property, or for the payment of capital expenditures as provided in subsection (1.2) of this section. For purposes of this subsection (1), the amount of revenues received as taxes paid on any taxable property that had been previously omitted from the assessment roll shall not include the amount of such revenues received as taxes paid on oil and gas leaseholds and lands that had been previously omitted from the assessment roll due to underreporting of the selling price or the quantity of oil or gas sold therefrom. In computing the limit, the following shall be excluded: The increased valuation for assessment attributable to annexation or inclusion of additional land, the improvements thereon, and personal property connected therewith within the taxing entity for the preceding year; the increased valuation for assessment attributable to new construction and personal property connected therewith, as defined by the property tax administrator in manuals prepared pursuant to section 39-2-109 (1) (e), C.R.S., within the taxing entity for the preceding year; the increased valuation for assessment attributable to increased volume of production for the preceding year by a producing mine if said mine is wholly or partially within the taxing entity and if said increase in volume of production causes an increase in the level of services provided by the taxing entity; and the increased valuation for assessment attributable to previously legally exempt federal property which becomes taxable if such property causes an increase in the level of services provided by the taxing entity.

(b) For property tax years beginning on or after January 1, 1991, any taxing entity may apply to the division of local government in the department of local affairs for authorization to exclude the following from the computation of the limitation set forth in paragraph (a) of this subsection (1): All or any portion of the increased valuation for assessment attributable to new primary oil or gas production for the preceding year from any producing oil and gas leasehold or land if such oil and gas leasehold or land is wholly or partially within the taxing entity and if such new primary oil or gas production has caused or will cause an increase in the level of services provided by the taxing entity.

(c) Any application submitted by a taxing entity pursuant to paragraph (b) of this subsection (1) shall contain the following information:

(I) An explanation of the causal relationship between the new primary oil or gas production specified in paragraph (b) of this subsection (1) and the increase in the level of services provided or to be provided by the taxing entity;

(II) The statutory mill levy and estimated amount of revenue that the taxing entity would collect if said exclusion is authorized;

(III) The statutory mill levy and estimated amount of revenue that the taxing entity would collect if said exclusion is not authorized;

(IV) The nature and amount of the expenditures which would be made from any increased amount of revenues collected if said exclusion is authorized.

(d) Upon receipt of an application which complies with the provisions of paragraph (c) of this subsection (1), the division of local government may grant or deny authority to the taxing entity to exclude all or any portion of such increased valuation for assessment specified in paragraph (b) of this subsection (1). Any authorization granted pursuant to this paragraph (d) shall specify the amount of such valuation for assessment which may be excluded. If said exclusion is authorized by said division, the taxing entity shall deposit any increased amount of revenues collected as a result of said exclusion into a fund created by the taxing entity which shall consist solely of such revenues. Moneys in such fund shall be used exclusively for any increase in the level of services provided by the taxing entity which occurs as a result of the new primary oil or gas production specified in paragraph (b) of this subsection (1).

(e) Upon receipt of an application which complies with the provisions of paragraph (c) of this subsection (1), the division of local government shall provide a copy of such application to the oil and gas operators of record wherein the taxing jurisdiction the increased valuation from new primary oil and gas production has occurred.

(f) Standing to challenge any determination made by the division of local government pursuant to this subsection (1) shall be limited to the owners of taxable property located wholly or partially within the taxing entity on the date the taxing entity is granted or denied authorization to make an exclusion pursuant to this subsection (1).

(1.2) (a) The limitation provided for in subsection (1) of this section shall not apply for the purpose of raising revenue to pay for capital expenditures. Such revenue shall not be included in determining the limitation in following years. For the purposes of this paragraph (a), "capital expenditure" means an expenditure made by a taxing entity for long-term additions or betterments, which expenditure, under generally accepted accounting principles, is not properly chargeable as an expense of operation and maintenance. This paragraph (a) shall apply to counties, cities, and towns.

(b) If a county imposes an increased mill levy pursuant to paragraph (a) of this subsection (1.2) for a one-time, nonrecurring expenditure for a county road or bridge capital project or county road or bridge capital asset, the county may also request that the division of local government waive application of the provisions of section 43-2-202 (2), C.R.S., to the revenue received from that increased levy. In that event, said division shall notify the governing body of each municipality in the county of the request and of the period of time, not less than twenty days, during which the division will receive comment on the request. In considering whether to waive application of said section 43-2-202 (2), C.R.S., the division shall consider, among other relevant matters, the benefit

of the project or asset to the municipalities in the county, the need for the project or asset, and alternative methods of and timing for financing the project or asset. No approval for such waiver shall be granted or continued until the division determines that the property tax revenues in the road and bridge fund, excluding the revenues from such increased levy, for the year for which the increase is imposed bear at least the same proportion to all countywide property tax revenues as in the immediate prior year budget.

(c) Any decision to exceed the limitation for the purpose of raising revenue for capital expenditures pursuant to this subsection (1.2) shall conform with the advertising and public hearing requirements of this paragraph (c). No taxing entity may exceed the limitation to raise such revenue unless the governing board of such taxing entity has advertised its intention to do so and unless such excess has been approved by at least two-thirds of the members of such governing board voting at a public hearing. The advertisement specified in this paragraph (c) shall be in a newspaper published within the taxing entity, and, if there is no newspaper published within the taxing entity, then by publication in a newspaper published within the county which has general circulation within the taxing entity and shall appear twice therein. The second such appearance shall not be more than eight days prior to the date upon which the public hearing is to be held. The advertisement shall be no less than one-quarter page in size and shall have a caption in capital letters in a type no smaller than twenty-four-point stating "a public hearing shall be held to consider increasing your property taxes for capital expenditures". Such advertisement shall be in a type no smaller than eighteen-point and shall not be placed in that portion of the newspaper in which legal notices and classified advertisements appear. Such advertisement shall state that such board will hold a public hearing, at a time and place fixed in the advertisement, and the purpose of such hearing and shall apprise the general public of its right to attend the hearing and make comments regarding the proposed matter. Such advertisement shall also state what the property taxes would be without such excess and what the property taxes will be with such excess and the percentage difference between such property taxes. Any public hearing held pursuant to this paragraph (c) shall be open to the general public. An opportunity shall be provided for all persons to present oral testimony within such reasonable time limits as shall be set by the board conducting the hearing. Prior to the conclusion of the public hearing, the governing board of the taxing entity shall publicly announce the percent by which the mill levy required to raise such excess exceeds the mill levy computed without such excess.

(1.3) Repealed.

(1.5) All property tax revenues, except such revenues as are exempted in subsection (1) of this section, raised from any property tax levied by a taxing entity which is subject to this section, shall be combined for the purpose of determining the total amount of property tax revenue which the taxing entity is allowed to raise subject to the limitation imposed by this section. The limitation shall be applied to such aggregate property tax revenues. However, such aggregate amount shall not include any property tax revenue which is raised by or on behalf of a district, authority, or area which is within but is not comprised of the entire taxing entity and which is raised by a tax upon only property within such district, authority, or area; such property tax revenue is subject to a limitation independent of the limitation which is applied to the taxing entity within which such district, authority, or area is located. No statute establishing a set mill levy or establishing a maximum mill levy or authorizing an additional mill levy for a special purpose shall be construed as authorizing the taxing entity to exceed the limitation imposed by this section.

(1.7) For property tax years commencing on or after January 1, 1988, any taxing entity which is subject to the provisions of this section shall not levy any property tax for purposes which are exempt from the limitation imposed by subsection (1) of this section in an amount which is greater than the amount of revenues required to be raised for such purposes during any year as specified by the provisions of any contract entered into by such taxing entity or any schedule of payments established for the payment of any obligation incurred by such taxing entity. Where bonds, contractual obligations, or capital expenditures have been approved, but actual revenues required for such purposes are not known at the time the levy is set, the taxing entity may base its levy on the estimated revenues which are so required for one year only and in subsequent years the levy shall be based on the actual revenues which are so required. Nothing in this subsection (1.7) shall preclude refunding of any obligation or contract.

(2) If an increase over said limitation is allowed by the division of local government in the department of local affairs or voted by the electors of a taxing entity under the provisions of section 29-1-302, the increased revenue resulting therefrom shall be included in determining the limitation in the following year. However, any portion of such increased revenue which is allowed as a capital expenditure pursuant to section 29-1-302 (1.5) shall not be included in determining the limitation in the following year.

(3) The limitations of this part 3 shall apply to home rule counties unless provisions are included in the county home rule charter which are, as determined by the division of local government, equal to or more restrictive than the provisions of this part 3.

(4) In the event of a consolidation or merger, in whole or in part, of two or more political subdivisions or taxing entities, the surviving entity or the entity assuming service responsibilities shall use a direct proportion of the combined entities' prior year property tax revenues as the base for computing the limitation in the year first succeeding such consolidation or merger.

(5) Repealed.

(6) Where a taxing entity exceeds the limitation imposed by subsection (1) of this section during any year, the division of local government shall order a reduction in the authorized revenue of the taxing entity for the subsequent year in an amount which offsets the excess revenues levied in the preceding year. Such order shall be preceded by notice to the taxing entity of the proposed order and an opportunity for the taxing entity to respond prior to issuance of the order.

29-1-301.1. Levies reduced - limitation - 1988. (Repealed)

29-1-302. Increased levy - submitted to people at election. (1) If the board of any special district authorized to levy a tax or any officer charged with the duty of levying a tax in any special district is of the opinion that the amount of tax limited by section 29-1-301 will be insufficient for the needs of such special district for the current year, the question of an increased levy may be submitted to the division of local government in the department of local affairs, and it is the duty of said division to consider the public awareness of the question, the public support therefor, and the public objection thereto and to examine the needs of such special district and ascertain from such examination the financial condition thereof, and, if in the opinion of the division such special district

is in need of additional funds, the said division may grant an increased levy for such special district above the limits specified in this part 3, and such special district is authorized to make such excess levy. The division of local government shall not under any circumstance grant an increased levy based upon increased valuation for assessment purposes from reappraisals. As used in this section, "special district" means any district organized pursuant to law, except school districts operating pursuant to title 22, C.R.S., which is authorized to levy an ad valorem tax on property within its boundaries, and the term includes, but is not limited to, districts organized under article 20 of title 30, C.R.S., articles 25 and 35 of title 31, C.R.S., and titles 32 and 37, C.R.S.

(1.5) (a) The general assembly recognizes the need for periodic increased levies in order to finance capital projects and purchases of capital assets which are a one-time, nonrecurring expenditure. It is the intent of the general assembly that the division of local government may grant an increased levy for such expenditures if, in its opinion, a special district, to which section 29-1-301 (1.2) (a) does not apply, is in need of additional funds for such expenditures. Any increased levy granted by the division of local government in a given year which is designated by it as a capital expenditure shall not be included in determining the limitation in the following year. If the division is of the opinion that such additional funds will be needed for two or more years after reviewing the long-range plan of the special district concerning the expenditure of such funds, it may grant an increased levy, and such increased levy shall automatically be allowed for each year during which such additional funds will be needed. During such years, the increased levy for each year shall not be included in determining the limitation in the following year.

(b) Repealed.

(2) (a) In case the division of local government, after consideration of the public awareness of the question, the public support therefor, and the public objection thereto, refuses or fails within ten days after submission to it of an adopted budget to grant an increased levy to a special district pursuant to subsection (1) or (1.5) of this section, the question may be submitted to the qualified electors of said district at a general or special election called for the purpose and in the manner provided by law for calling special elections in such special district.

(b) Any taxing entity to which section 29-1-301 (1) applies may, at its discretion, submit the question of an increased levy directly to an election of the qualified electors without first submitting the question of an increased levy to the division of local government.

(c) In lieu of utilizing the provisions of section 29-1-303, any city or town having a population of two thousand or less, based upon the latest estimates of the department of local affairs, may utilize the provisions of subsections (1) and (1.5) of this section and paragraph (a) of this subsection (2).

(3) Due notice of submission of the question of whether to grant the increased levy shall be given as required by articles 1 to 13 of title 1, C.R.S. If a majority of the votes cast at any such election is in favor of the increased levy, then the officers charged with levying taxes may make such increased levy for the year or years voted upon.

(4) to (6) Repealed.

**29-1-303. Revenue-raising limitation exemption - public disclosure of tax levy.
(Repealed)**

29-1-304. Funding for state-mandated programs. (Repealed)

29-1-304.5. State mandates - prohibition - exception. (1) No new state mandate or an increase in the level of service for an existing state mandate beyond the existing level of service required by law shall be mandated by the general assembly or any state agency on any local government unless the state provides additional moneys to reimburse such local government for the costs of such new state mandate or such increased level of service. In the event that such additional moneys for reimbursement are not provided, such mandate or increased level of service for an existing state mandate shall be optional on the part of the local government.

(2) The provisions of subsection (1) of this section shall not apply to:

(a) Any new state mandate or any increase in the level of service for an existing state mandate beyond the existing level of service which is the result of any requirement of federal law;

(b) Any new state mandate or any increase in the level of service for an existing state mandate beyond the existing level of service which is the result of any requirement of a final state or federal court order;

(c) Any modification in the share of school districts for financing the state public school system;

(d) Any new state mandate or any increase in the level of service for an existing state mandate beyond the existing level or service which is the result of any state law enacted prior to the second regular session of the fifty-eighth general assembly or any rule or regulation promulgated thereunder;

(e) Any new state mandate or any increase in the level of service for an existing state mandate beyond the existing level of service which is undertaken at the option of a local government which results in additional requirements or standards; and

(f) Any order from the state board of education pertaining to the establishment, operation, or funding of a charter school or any modification of the statutory or regulatory responsibilities of school districts pertaining to charter schools.

(3) For purposes of this section:

(a) "Increase in the level of service for an existing state mandate" does not include any increase in expenditures necessary to offset an increase in costs to provide such service due to inflation or any increase in the number of recipients of such service unless such increase results from any requirement of law which either enlarges an existing class of recipients or adds a new class of recipients.

(b) "Local government" means any county, city and county, city, or town, whether home rule or statutory, or any school district, special district, authority, or other political subdivision of the state.

(c) "Requirement of federal law" means any federal law, rule, regulation, executive order, guideline, standard, or other federal action which has the force and effect of law and which either requires the state to take action or does not directly require the state to take action but will, according to federal law, result in the loss of federal funds if state action is not taken to comply with such

federal action.

(d) "State mandate" means any legal requirement established by statutory provision or administrative rule or regulation which requires any local government to undertake a specific activity or to provide a specific service which satisfies minimum state standards, including, but not limited to:

(I) Program mandates which result from orders or conditions specified by the state as to what activity shall be performed, the quality of the program, or the quantity of services to be provided; and

(II) Procedural mandates which regulate and direct the behavior of any local government in providing programs or services, including, but not limited to, reporting, fiscal, personnel, planning and evaluation, record-keeping, and performance requirements.

29-1-304.7. Programs delegated by the general assembly - termination or reduction - requirements. (1) Any local government which, pursuant to section 20 (9) of article X of the state constitution, intends to reduce or terminate its subsidy to any program delegated to such local government by the general assembly for administration shall provide written notice of such intention to the governor, the president of the senate, the speaker of the house of representatives, the chairman of the joint budget committee of the general assembly, and the head of any state department or agency affected.

(2) The notice required by this section shall contain information sufficient to identify the program and shall state whether the local government intends to reduce or terminate its subsidy to the program. If a reduction is intended, the notice shall also specify the amount of such reduction.

(3) The notice may specify an effective date for such reduction or termination; except that in no event shall the reduction or termination take effect prior to ninety days after receipt of the notice by all of the parties named in subsection (1) of this section.

(4) Any reduction or termination for which notice is given pursuant to this section shall take place over a three-year period in three equal annual amounts.

(5) The director of the division of local government of the department of local affairs is authorized and empowered, after consultation with the affected departments or agencies, if any, to promulgate, adopt, amend, and repeal such rules and regulations, as may be necessary for the implementation and administration of this section.

29-1-304.8. Programs not delegated by the general assembly. (1) A local district, within the meaning of section 20 (2) of article X of the state constitution, shall not reduce or end its subsidy pursuant to section 20 (9) of said article to any program if:

(a) The program is one of the inherent powers, duties, or functions of an officer whose office is created as a county office by the state constitution, including but not limited to the county clerk and recorder, the county sheriff, the county coroner, the county treasurer, the county surveyor, the county assessor, and the county attorney; or

(b) The program is required by the state constitution to be administered by the local district, including but not limited to duties related to the maintenance of the state court system and the equalization of property tax assessments.

(2) Nothing in the general assembly's enactment of a requirement that a local district contribute toward the funding of a program operated by an agency or officer which is not under the jurisdiction of that local district, including but not limited to the requirement that counties pay a portion of the costs of maintaining the office of the district attorney, shall imply that the general assembly has delegated the program to the local district for administration within the meaning of section 20 (9) of article X of the state constitution.

(3) A board of county commissioners shall not cease exercising or performing its inherent legislative, executive, or quasi-judicial powers, duties, or functions in the guise of reducing or ending its subsidy to a program pursuant to the provisions of section 20 (9) of article X of the state constitution.

(4) As used in this section:

(a) "Administration" means the executive management or superintendence of public affairs, as distinguished from policy-making.

(b) "Inherent" means in the essential character of or belonging by nature or settled habit to.

29-1-304.9. Fiscal note. (1) For any proposed legislation introduced after December 31, 2009, that may have a fiscal impact on a county, school district, or board of cooperative services, the staff of the legislative council shall consider and provide in the local government impact section of the accompanying fiscal note, when possible, taking into account reasonable time constraints, the following:

(a) A reasonable and timely estimate of the fiscal impact on the counties, school districts, or boards of cooperative services chosen in accordance with subsection (2) of this section that would result from the proposed legislation; and

(b) Potential staffing and other administrative aspects of the proposed legislation.

(2) In order to compile the information required by subsection (1) of this section, the staff of the legislative council shall request from a statewide association of county commissioners or the department of education fiscal information regarding the impact of the proposed legislation on certain counties to be determined by the association, school districts, or boards of cooperative services, to be determined by the department of education.

(3) The staff of the legislative council shall consider the information received from the association, school districts, or boards of cooperative services, if any, when completing the local government impact section of any fiscal note.

29-1-305. Mill levy limits - temporary exceptions - repeal. (Repealed)

PART 4

ASSOCIATIONS OF POLITICAL SUBDIVISIONS

29-1-401. Associations formed - purpose. Two or more of the political subdivisions of the state may, in their discretion and in addition to powers granted before April 22, 1957, form and maintain associations for the purposes of promoting through investigation, discussion, and cooperative effort interests and welfare of the several political subdivisions of the state of Colorado and to promote a closer relation between the several political subdivisions of the state.

29-1-402. Instrumentality of subdivision. Any such association so formed shall be an instrumentality of the political subdivisions which are members thereof.

29-1-403. Legislative representation - expenses - definitions. (1) The legislative bodies of local, political subdivisions may enter into associations and, through a representative of the association, attend the general assembly of the state of Colorado and the United States Congress and any committees thereof, and present information to aid the passage of legislation which the association deems beneficial to the local agencies in the association or to prevent the passage of legislation which the association deems detrimental to the local agencies in the association. The cost and expense incident thereto are proper charges against the local agencies comprising the association; but proper expenditures of the association shall include only the actual and necessary expenses for one representative of each association and shall not include any expenditures for expenses, travel, or entertainment of any persons other than the representative of the association.

(2) "Local agency", as used in this part 4, means county, city, or city and county. "Legislative body", as used in this part 4, means board of county commissioners in the case of a county or city and county and city council or board of trustees in the case of a city or town.

PART 5

LOCAL GOVERNMENT UNIFORM ACCOUNTING LAW

29-1-501. Short title. This part 5 shall be known and may be cited as the "Colorado Local Government Uniform Accounting Law".

29-1-502. Definitions. As used in this part 5, unless the context otherwise requires:

(1) "Auditor" means the state auditor.

(2) "Local government" means any authority, county, municipality, city and county, district, or other political subdivision of the state of Colorado, any institution, department, agency, or authority of any of the foregoing, including any county or municipal housing authority; and any other entity, organization, or corporation formed by intergovernmental agreement or other contract between or among any of the foregoing. Effective January 1, 1990, the office of the county public trustee shall be deemed an agency of the county for the purposes of this part 5. "Local government" does not include the fire and police pension association, any public entity insurance pool formed

pursuant to state law, the university of Colorado hospital authority created in section 23-21-503, C.R.S., or any association of political subdivisions formed pursuant to section 29-1-401.

29-1-503. Appointment of advisory committee - powers and duties. (1) The governor, with the advice and consent of the senate, shall appoint an advisory committee on governmental accounting to assist the auditor in formulating and prescribing a classification of accounts which shall consist of six members, one of whom shall be a member of the Colorado society of certified public accountants and the remaining five of whom shall be active in finance matters either as elected officials or finance officers employed by a unit of local government as defined in section 29-1-502 and each of whom shall represent one of the following levels of local government: Counties, cities and counties, cities and towns, school districts and junior college districts, and local improvement or special service districts and other local entities having authority under the general laws of this state to levy taxes or impose assessments.

(2) Prior to June 15, 1987, the terms of the members shall be six years, except for initial appointments when two members shall be appointed for terms of two years, two members shall be appointed for terms of four years, and two members shall be appointed for terms of six years. Persons holding office on June 15, 1987, are subject to the provisions of section 24-1-137, C.R.S. Thereafter, members shall be appointed for terms of four years each.

(3) The state auditor and the controller shall be ex officio nonvoting members of the advisory committee on governmental accounting; except that the state auditor shall act as chairman of the committee and shall cast a vote only in the case of a tie.

(4) Any decision shall be adopted only upon the majority vote of the members present.

(5) (Deleted by amendment, L. 93, p. 674, § 10, effective May 1, 1993.)

29-1-504. Auditor - powers and duties. (1) The auditor shall formulate, prescribe, and publish a classification of accounts with the approval of the advisory committee on governmental accounting which shall be uniform for every level of local government as defined in section 29-1-502; except that each level of government may be classified according to population, and, in that event, each classification of accounts shall be uniform within each class; and except that the classification of accounts prescribed for the purpose of public schools shall be subject to the approval of the state board of education; and further except that the classification of accounts prescribed for the purpose of junior college districts shall be subject to the approval of the state board for community colleges and occupational education.

(2) Upon completion of the classification of accounts for each level of government, the auditor shall distribute the published copies of the classification of accounts promulgated by his office to each unit of local government defined in section 29-1-502 and may distribute such copies to other interested parties. Any amendments or alterations to the original published copies shall also be distributed to each unit of local government in the same manner.

(3) Upon request of the local government officials, the auditor shall assist local government officials in implementing the classification of accounts promulgated under the provisions of this section. Any travel and subsistence expense incurred by the auditor in performing such requests shall

be paid by the local government.

(4) In accordance with the provisions of subsection (1) of this section, the auditor shall formulate classifications of inventory accounts for local governments; such accounts shall be required to be kept only with respect to items of property having an original cost that equals or exceeds an amount established by the governing body of each local government, unless such items having a value of less than the amount established by such governing body are required to be inventoried by directive of the state auditor. In no event shall the amount established by the governing body of any local government pursuant to this subsection (4) exceed the amount specified in rules promulgated by the state controller pursuant to section 24-30-202, C.R.S., regarding inventory accounts for items of state property.

29-1-505. Annual compendium. (1) Upon completion of the first calendar year following the completion of the classification of accounts and at the close of each calendar year thereafter, the division of local government in the department of local affairs shall publish or cause to be published an annual compendium of local government as derived from the annual audit reports filed under the provisions of the Colorado local government audit law and shall include audit reports for any fiscal years ending within the calendar year. The compendium shall be arranged by the type of local government and by classes within each type as required by the classification of accounts promulgated under section 29-1-504; but, if an annual compendium of any type of local government is published by any state agency, such compendium may be accepted by the division of local government as a part of the annual compendium set out in this section.

(2) The division, with the approval of the executive director of the department of local affairs, may include such other information as may be deemed important for use by local government officials to promote and encourage sound fiscal management.

29-1-506. Continuing inventory. (1) The governing body of each local government shall make or cause to be made an annual inventory of property, both real and personal, belonging to such political subdivision; except that an inventory shall be required only with respect to items of property having an original cost that equals or exceeds an amount established by the governing body of each local government, unless such items having a value of less than the amount established by such governing body are required to be inventoried by directive of the state auditor. In no event shall the amount established by the governing body of any local government pursuant to this subsection (1) exceed the amount specified in rules promulgated by the state controller pursuant to section 24-30-202, C.R.S., regarding inventory accounts for items of state property.

(2) Repealed.

PART 6

LOCAL GOVERNMENT AUDIT LAW

29-1-601. Short title. This part 6 shall be known and may be cited as the "Colorado Local Government Audit Law".

29-1-602. Definitions. As used in this part 6, unless the context otherwise requires:

(1) "All funds and activities" means all financial activities of the reporting local government as those activities are defined by generally accepted accounting principles for governments.

(2) "Auditor" means a certified public accountant licensed to practice in Colorado as an individual, partnership, or professional corporation pursuant to article 2 of title 12, C.R.S., who makes an audit and prepares a report thereon as provided in this part 6.

(3) "Financial statement" means a report made by a local government summarizing the results of all funds and activities of the local government for a particular period, the duration of that period to be determined by the local government.

(4) "Fiscal year" means the period commencing January 1 and ending December 31; except that, for school districts and junior college districts, "fiscal year" means the period commencing July 1 and ending June 30, and "fiscal year" may mean the federal fiscal year for water conservancy districts which have contracts with the federal government.

(5) (a) "Local government" means any authority, county, municipality, city and county, district, or other political subdivision of the state of Colorado; any institution, department, agency, or authority of any of the foregoing; and any other entity, organization, or corporation formed by intergovernmental agreement or other contract between or among any of the foregoing. Effective January 1, 1990, the office of the county public trustee shall be deemed an agency of the county for the purposes of this part 6.

(b) Except for purposes of sections 29-1-603, 29-1-604, and 29-1-606, "local government" does not include the fire and police pension association, any county or municipal housing authority, any public entity insurance pool formed pursuant to state law, the Colorado sheep and wool authority, the Colorado beef council authority, the Colorado horse development authority, the statewide internet portal authority, or any association of political subdivisions formed pursuant to section 29-1-401.

29-1-603. Audits required. (1) The governing body of each local government in the state shall cause to be made an annual audit of the financial statements of the local government for each fiscal year. To the extent that the financial activities of any local government, or of any other entity, organization, or corporation formed by intergovernmental agreement or other contract between or among local governments, are fully reported in the audit or audits of a parent local government or governments, a separate audit is not required. Such audit shall be made as of the end of the fiscal year of the local government, or, at the option of the governing body, audits may be made at more frequent intervals. As part of the audit of a school district, the auditor shall ensure that the school district is complying with the provisions of section 22-44-204 (3), C.R.S., concerning the use of the financial policies and procedures handbook adopted by the state board of education. The audit report shall contain a fiscal year report of receipts and expenditures of each fund with designated program reports in accordance with the financial policies and procedures handbook. The supplemental

schedules of receipts and expenditures for each fund shall be in the format prescribed by the state board of education and shall be in agreement with the audited financial statements of the school district. The department of education shall provide assistance to auditors and school districts in implementing and following these requirements.

(1.5) Notwithstanding the provisions of this part 6, beginning January 1, 2013, the office of the county public trustee of any trustee who is appointed by the governor pursuant to section 38-37-102 (1), C.R.S., shall cause to be made an annual audit of the financial activities of the office of the public trustee that is separate from the audit made pursuant to subsection (1) of this section, and such offices of the public trustee need not be included in the county audit made pursuant to subsection (1) of this section. The office of the county public trustee of any trustee who is the county treasurer pursuant to section 38-37-102 (2), C.R.S., shall continue to be included in the county audit made pursuant to subsection (1) of this section.

(2) The audits of each local government shall be conducted in accordance with generally accepted auditing standards by an auditor, as defined in section 29-1-602, but in no event shall any auditor audit the records, books, or accounts which he has maintained.

(3) The expenses of audits required by this part 6, whether ordered by the local government or the state auditor, shall be paid by the local government for which the audit is made. It is the duty of the governing body of the local government to make provision for payment of said expenses.

(4) The entities listed in section 29-1-602 (5) (b) shall annually have an audit made by a certified public accountant and shall file a copy of the audit report made pursuant to such audit with the state auditor no later than thirty days after the report is received by such entity.

(5) For the audit for the 1994-95 budget year and budget years thereafter, the audit report of each school district shall include a calculation of the school district's fiscal year spending under section 20 of article X of the state constitution; except that, if a school district has received voter approval to retain revenues in excess of its spending limits under said section 20 (7), the school district shall include a calculation of its fiscal year spending for the first fiscal year following said voter approval but need not include such calculation for fiscal years thereafter.

29-1-604. Exemptions. (1) Any local government where neither revenues nor expenditures exceed one hundred thousand dollars in any fiscal year commencing on or after January 1, 1998, may, with the approval of the state auditor, be exempt from the provisions of section 29-1-603.

(2) (a) Any local government where revenues or expenditures for any fiscal year commencing on or after January 1, 2004, but prior to January 1, 2015, are at least one hundred thousand dollars but not more than five hundred thousand dollars may, with the approval of the state auditor, be exempt from the provisions of section 29-1-603.

(b) Any local government where revenues or expenditures for any fiscal year commencing on or after January 1, 2015, are at least one hundred thousand dollars but not more than seven hundred fifty thousand dollars may, with the approval of the state auditor, be exempt from the provisions of section 29-1-603.

(3) The governing body of any local government wishing to claim exemption from the audit requirements pursuant to subsection (1) or (2) of this section shall file an application for exemption from audit. Any application filed pursuant to subsection (1) of this section shall be prepared by a

person skilled in governmental accounting. Any application filed pursuant to subsection (2) of this section shall be prepared by an independent accountant with knowledge of governmental accounting. Any application filed pursuant to this subsection (3) shall be completed in accordance with regulations issued by the state auditor and shall be personally reviewed, approved, and signed by a majority of the members of the governing body. The application is to be filed with the state auditor within three months after the close of the local government's fiscal year. No exemption shall be granted prior to the close of said fiscal year. Failure to file such application shall cause the local government to lose its exemption from the provisions of section 29-1-603 for that fiscal year and the ensuing fiscal year.

29-1-605. Contents of report. (1) All reports on audits of local governments shall contain at least the following:

(a) Financial statements which shall be prepared, insofar as possible, in conformity with generally accepted governmental accounting principles setting forth the financial position and results of operation of each fund and activity of the local government and a comparison of actual figures with budgeted figures for each fund or activity for which a budget has been prepared, which financial statements shall be the representations of the local government;

(b) The unmodified opinion of the auditor with respect to the financial statements of the local government or, if an unmodified opinion cannot be expressed, a modified opinion or disclaimer of opinion containing an explanation of the reasons therefor;

(c) Full disclosure by the auditor of violations of state or local law which come to his attention.

(2) In addition to the information required by subsection (1) of this section, the report on the audit of a special district, as defined in section 32-1-103 (20), C.R.S., that has authorized but unissued general obligation debt as of the end of the fiscal year of the special district shall specify the amount of the authorized but unissued debt and any current or anticipated plan to issue the debt.

29-1-606. Submission of reports. (1) (a) Except as otherwise required in paragraph (b) of this subsection (1), each audit required by this part 6 shall be completed and the audit report thereon submitted by the auditor to the local government within six months after the close of the fiscal year of the local government.

(b) The audit required by this part 6 for school districts shall be completed and the audit report thereon submitted by the auditor to the school district within five months after the close of the fiscal year of the school district.

(c) The audit required by this part 6 for housing authorities shall be completed and the audit report thereon submitted by the auditor to the housing authority within seven months after the close of the fiscal year of the housing authority.

(2) One copy of the audit report shall be maintained by the local government as a public record for public inspection at all reasonable times at the principal office of the local government.

(3) The local government shall forward a copy of the audit report to the state auditor within thirty days after receipt of said audit. The state auditor shall retain such copy in his office as a public

record where it shall be available for public inspection at all reasonable times. In the case of a school district, a copy of the audit report shall also be submitted to the commissioner of education within thirty days after the audit report is received.

(4) If within one month after the time period provided in subsection (1) of this section the local government is unable to file an audit report with the state auditor, the governing body of the local government shall submit to the state auditor a written request for extension of time to file. Such request for extension shall be submitted no later than one month after the time period provided in subsection (1) of this section. The state auditor may authorize an extension of such time for not more than sixty days.

(5) (a) If the audit report of a local government is not filed with the state auditor within two months after the time period provided in subsection (1) of this section and the local government has not been granted an extension or exemption from the filing requirement, the state auditor shall make written notice to the local government of its delinquent status.

(b) If the audit report of a local government is not filed with the state auditor within three months after the time period provided in subsection (1) of this section, the state auditor shall either:

(I) Notify any county treasurer holding moneys of the local government which were generated pursuant to the taxing authority of such local government of the delinquent audit status of such local government and authorize such county treasurer to prohibit the release of any such moneys until the local government submits an audit report to the state auditor; or

(II) Make or cause such audit to be made at the expense of the local government. The local government shall reimburse the state auditor for all amounts advanced for the making of such audit, including any legal and court costs incurred in the making of such audit.

(6) Repealed.

(7) In addition to the other requirements of this section, a special district, as defined in section 32-1-103 (20), C.R.S., that has authorized but unissued general obligation debt as of the end of the fiscal year of the special district shall submit its audit report or a copy of its application for exemption from audit to the board of county commissioners or the governing body of the municipality that adopted a resolution of approval of the special district pursuant to section 32-1-204.5 or 32-1-204.7, C.R.S.

(8) Notwithstanding any other requirement of this part 6, in preparing the audit report required by section 29-1-603 (4), the entities listed in section 29-1-602 (5) (b) shall be subject to the additional requirements of this section to the extent practicable regardless of whether the entity is otherwise subject to the requirements of this part 6.

29-1-607. Duties of state auditor. (1) The state auditor shall examine all reports submitted to him to determine whether the provisions of this part 6 have been complied with. If the state auditor finds that they have not been complied with, he shall notify the governing body of the local government and the auditor who submitted said audit report by submitting to them a statement of deficiencies. If the deficiencies are not corrected within ninety days from the date of the statement of deficiencies or within twelve months after the end of the fiscal year of the local government, whichever is later, the state auditor shall proceed in the same manner as provided in section 29-1-606 (5) as though no report had been filed.

(2) If the state auditor, in examining any audit report, finds an indication of violation of state law, he shall, after making such investigation as he deems necessary, consult with the attorney general, and if after such investigation and consultation he has reason to believe that there has been a violation of state law on the part of any person, he shall certify the facts to the district attorney of the judicial district in which the alleged violation occurred who shall cause appropriate proceedings to be brought.

(3) The auditor shall formulate classifications of inventory accounts for local governments, which accounts shall be required to be kept only with respect to items of property having an original cost that equals or exceeds an amount established by the governing body of each local government, unless such items having a value of less than the amount established by such governing body are required to be inventoried by directive of the state auditor. In no event shall the amount established by the governing body of any local government pursuant to this subsection (3) exceed the amount specified in rules promulgated by the state controller pursuant to section 24-30-202, C.R.S., regarding inventory accounts for items of state property.

29-1-608. Violations - penalties. (1) If it appears that an auditor has knowingly issued an audit report under the provisions of this part 6 containing any false or misleading statement, the state auditor shall report the matter in writing to the state board of accountancy and to the local government.

(2) Any member of the governing body of the local government or any member, officer, employee, or agent of any department, board, commission, or other agency who knowingly and willfully fails to perform any of the duties imposed upon him by this part 6, or who knowingly and willfully violates any of the provisions of this part 6, or who knowingly and willfully furnishes to the auditor or his employee any false or fraudulent information is guilty of malfeasance and, upon conviction thereof, the court shall enter judgment that such person be removed from office or employment. It is the duty of the court rendering such judgment to cause immediate notice of such removal from office or employment to be given to the proper officer of the local government so that the vacancy thus caused may be filled.

PART 7

CONSTRUCTION BIDDING FOR STATE-FUNDED LOCAL PROJECTS

29-1-701. Short title. This part 7 shall be known and may be cited as the "Construction Bidding for State-funded Local Projects Act".

29-1-702. Legislative declaration. The general assembly hereby declares that the procedures for procurement by local government of construction projects which will be funded in whole or in part by the state through the highway users tax fund is a matter of statewide concern; that the identification and widespread publication of such projects will increase the competition for such

projects leading to a decreased cost to taxpayers throughout the state; that increased privatization of such projects by local governments will aid in the development and retention of local small businesses, industries, and construction firms, will broaden the economic base of local areas, and will contribute to increased economic vitality throughout the state; and that the provisions of this part 7 are enacted in the exercise of the police powers of this state for the purpose of protecting the health, peace, safety, and welfare of the people of this state.

29-1-703. Definitions. As used in this part 7, unless the context otherwise requires:

(1) "Agency of local government" means any municipality, county, home rule county, or home rule city or any agency, department, division, board, bureau, commission, institution, or other authority thereof which is a budgetary unit exercising construction contracting authority or discretion and which is located in a county of thirty thousand persons or more, or a city or town of thirty thousand persons or more, according to the state demographer.

(2) "Construction contract" or "contract" means any agreement to construct, alter, improve, repair, or demolish any state-funded public project of any kind.

(3) "Cost" means the total cost of labor, materials, provisions, supplies, equipment rentals, equipment purchases, insurance, supervision, engineering, and clerical and accounting services; the reasonable value of the use of equipment, including its replacement value, owned by the agency; and the reasonable estimates of other administrative or indirect costs not otherwise directly attributable to the state-funded public project which may be reasonably apportioned to such project in accordance with generally accepted cost-accounting principles and standards. To determine the reasonable value of the use of equipment owned by the agency, the agency may utilize rates established in the department of transportation's published equipment rate schedule in force at the time of the estimate or rates established in any other similar, generally accepted, published equipment rate schedule. To determine administrative and indirect costs, the agency may utilize a good faith percentage estimate of not less than fifteen percent of the total direct costs.

(4) "Defined maintenance project" means any project that involves a significant reconstruction, alteration, or improvement of any existing road, highway, bridge, structure, facility, or other public improvement, including but not limited to repairing or seal coating of roads or highways or major internal or external reconstruction or alteration of existing structures. "Defined maintenance project" does not include routine maintenance activities such as snow removal, minor surface repair of roads or highways, cleaning of ditches, regrading of unsurfaced roads, repainting, replacement of floor coverings, or minor reconstruction or alteration of existing structures.

(5) "State-funded public project" means any construction, alteration, repair, demolition, or improvement by any agency of local government of any land, structure, facility, road, highway, bridge, or other public improvement suitable for and intended for use in the promotion of the public health, welfare, or safety and any defined maintenance project, which are funded in whole or in part from the highway users tax fund and which may be reasonably expected to exceed one hundred fifty thousand dollars in the aggregate for any fiscal year.

29-1-704. Construction of public projects - competitive sealed bidding. (1) All

construction contracts for state-funded public projects shall be awarded by competitive sealed bidding except as provided in subsection (2) of this section.

(2) Competitive sealed bidding shall not be required for:

(a) A state-funded public project for which the agency of local government receives no bids or for which all bids have been rejected;

(b) A state-funded public project for which the responsible officer determines it is necessary to make emergency procurements or contracts because there exists a threat to public health, welfare, or safety under emergency conditions, but such emergency procurements or contracts shall be made with such competition as is practicable under the circumstances; however, a written determination of the basis for the emergency and for the selection of the particular contractor shall be included in the contract file.

(3) Nothing in this part 7 shall be construed to affect or limit any additional requirements imposed upon an agency of local government for awarding contracts for state-funded public projects.

29-1-705. Agency of local government to submit cost estimate. (1) Whenever an agency of local government proposes to undertake the construction of a state-funded public project, by any means or method other than by a contract awarded by competitive bid, it shall prepare and submit a cost estimate in the same manner as other bidders. Such agency of government itself may not undertake the proposed state-funded public project unless it shows the lowest and most responsive cost estimate.

(2) Agencies of local government shall not be required to be bonded when performing the work on a state-funded public project.

29-1-706. Finality of determinations. The determinations required by section 29-1-704 (2) are final and conclusive unless they are clearly erroneous, arbitrary, capricious, or contrary to law or are not supported by substantial evidence.

29-1-707. Prohibition of dividing work of state-funded public project. It is unlawful for any person to divide the work of a state-funded public project into two or more separate projects for the sole purpose of evading or attempting to evade the requirements of this part 7.

PART 8

LAND DEVELOPMENT CHARGES

29-1-801. Legislative declaration. The general assembly hereby finds and determines that statewide standards governing accountability for land development charges imposed by local governments to finance capital facilities and services are necessary and desirable to ensure reasonable certainty, stability, and fairness in the use to which moneys generated by such charges

are put and to promote public confidence in local government finance. The general assembly therefore declares that this part 8 is a matter of statewide concern.

29-1-802. Definitions. As used in this part 8, unless the context otherwise requires:

(1) "Capital expenditure" means any expenditure for an improvement, facility, or piece of equipment necessitated by land development which is directly related to a local government service, has an estimated useful life of five years or longer, and is required by charter or general policy of a local government pursuant to resolution or ordinance.

(2) "Land development" means any of the following:

(a) The subdivision of land;

(b) Construction, reconstruction, redevelopment, or conversion of use of land or any structural alteration, relocation, or enlargement which results in an increase in the number of service units required; or

(c) An extension of use or a new use of land which results in an increase in the number of service units required.

(3) "Land development charge" means any fee, charge, or assessment relating to a capital expenditure which is imposed on land development as a condition of approval of such land development, as a prerequisite to obtaining a permit or service. Nothing in this section shall be construed to include sales and use taxes, building or plan review fees, building permit fees, consulting or other professional review charges, or any other regulatory or administrative fee, charge, or assessment.

(4) "Local government" means a county, city and county, municipality, service authority, school district, local improvement district, law enforcement district, water, sanitation, fire protection, metropolitan, irrigation, drainage, or other special district, any other kind of municipal, quasi-municipal, or public corporation, or any agency or instrumentality thereof organized pursuant to law.

(5) "Service unit" means a standard unit of measure of consumption, use, generation, or discharge of the services provided by a local government.

29-1-803. Deposit of land development charge. (1) All moneys from land development charges collected, including any such moneys collected but not expended prior to January 1, 1991, shall be deposited or, if collected for another local government, transmitted for deposit, in an interest-bearing account which clearly identifies the category, account, or fund of capital expenditure for which such charge was imposed. Each such category, account, or fund shall be accounted for separately. The determination as to whether the accounting requirement shall be by category, account, or fund and by aggregate or individual land development shall be within the discretion of the local government. Any interest or other income earned on moneys deposited in said interest-bearing account shall be credited to the account. At least once annually, the local government shall publish on its official website, if any, in a clear, concise, and user-friendly format information detailing the allocation by dollar amount of each land development charge collected to an account or among accounts, the average annual interest rate on each account, and the total amount disbursed from each account, during the local government's most recent fiscal year.

(2) (Deleted by amendment, L. 2011, (HB 11-1113), ch. 23, p. 58, § 1, effective December 31, 2011.)

29-1-804. Exceptions - state-mandated charges. This part 8 shall not apply to rates, fees, charges, or other requirements which a local government is expressly required to collect by state statute and which are not imposed to fund programs, services, or facilities of the local government.

PART 9

LOCAL GOVERNMENT-FINANCED ENTITY

29-1-901. Definitions. As used in this part 9, unless the context otherwise requires:

(1) "Local government-financed entity" means any organization, group, or entity other than a political subdivision that:

(a) Is composed of members that are political subdivisions or who are officials or employees of political subdivisions; and

(b) Derives any of its annual operating budget from dues, contributions, or other payments received from political subdivisions.

(2) "Political subdivision" means a county, city and county, city, town, service authority, school district, local improvement district, law enforcement authority, water, sanitation, fire protection, metropolitan, irrigation, drainage, or other special district, or any other kind of municipal, quasi-municipal, or public corporation organized pursuant to law.

29-1-902. Local government-financed entity - records - public inspection. (1) A local government-financed entity shall make the following information available for public inspection and copying during regular business hours:

(a) A list of the members of the entity;

(b) The annual operating budget of the entity that is government financed;

(c) The compensation paid to officers and employees of and to any other person performing services for the entity, including expense allowances and benefits;

(d) The name of any person lobbying, as defined in section 24-6-301 (3.5), C.R.S., on behalf of the entity and the total amount expended by the entity for lobbying over the previous twelve months;

(e) The most recent disclosure statement filed by the entity or by any person lobbying on behalf of the entity pursuant to section 24-6-302, C.R.S.

PART 10

LIMITATIONS ON SOURCES OF REVENUE

29-1-1001. Moratorium on taxes, fees, and charges - internet and online services - definitions. (1) (a) From May 1, 1998, to and including April 30, 2001, there shall be a temporary moratorium during which no statutory or home rule city and county, county, city, or town, nor any political subdivision of the state, including, without limitation, a special purpose authority, special district, or school district, shall impose, assess, or collect any tax, fee, or charge, however designated, upon the direct charges for provision of internet access services.

(b) Paragraph (a) of this subsection (1) shall not apply to taxes on internet access services actually collected and enforced by a home rule city on or before April 15, 1998.

(c) Paragraph (a) of this subsection (1) shall not apply to any franchise fee on interactive computer services delivered via a cable television system unless the federal communications commission or a court of competent jurisdiction determines that such services are not cable services within the meaning of 47 U.S.C. sec. 522 (6).

(1.5) (a) On and after April 30, 2001, no statutory or home rule city and county, county, city, or town, or any political subdivision of the state, including, without limitation, a special purpose authority, special district, or school district, shall impose, assess, or collect any tax, fee, or charge, however designated, upon the direct charges for provision of internet access services, whether offered separately or as part of a package or bundle of services.

(b) Paragraph (a) of this subsection (1.5) shall not apply to taxes on internet access services actually collected and enforced by a home rule city on or before April 15, 1998.

(c) Paragraph (a) of this subsection (1.5) shall not apply to any franchise fee on interactive computer services delivered via a cable television system unless the federal communications commission or a court of competent jurisdiction determines that such services are not cable services within the meaning of 47 U.S.C. sec. 522 (6).

(2) From May 1, 1998, to and including April 30, 2001, there shall be a temporary moratorium during which no provider of internet access services shall be required to collect sales or use taxes from persons who purchase taxable property or services through use of the internet unless such provider acts as a vendor of taxable property or services.

(2.5) On and after April 30, 2001, no provider of internet access services shall be required to collect sales or use taxes from persons who purchase taxable property or services through use of the internet unless such provider acts as a vendor of taxable property or services.

(3) As used in this section:

(a) "Internet" means the international computer network consisting of federal and nonfederal, interoperable, packet-controlled, switched data networks.

(b) "Internet access services" means services that provide or enable computer access by multiple users to the internet, but shall not include that portion of packaged or bundled services providing phone or television cable services when the package or bundle includes the sale of internet access services.

(4) (a) The general assembly hereby finds, determines, and declares that:

(I) Access to the internet insures access to information and government services, therefore, it is crucial that all people living in Colorado have equal access to the internet regardless of economic standing, educational background, or location. It is in the state's interest to ensure that local governments do not impose taxes on internet access, as such local taxation would inhibit equal

access to the internet and the accessibility of online services for the people living in any local jurisdiction that imposes an internet access tax.

(II) Any tax on internet access imposed by a local government would present unique administrative challenges for the internet service providers required to collect that tax. Such issues include, but are not limited to, tracking which local governments impose a tax, ascertaining the location of every customer, and determining the customers from which a tax must be collected. These logistical concerns may result in an internet service provider refusing to offer service to customers living in local jurisdictions that impose a tax on internet access, thus reducing competition and disenfranchising certain localities from affordable online services.

(III) The promotion of economic development is of the utmost importance for Colorado. To foster the state's economic growth, Colorado strives to become a center for electronic commerce and taxing internet access on the state or local level would impede that goal.

(b) The general assembly further finds, determines, and declares that the imposition, assessment, or collection of any tax, fee, or charge, however designated, upon the direct charges for the provision of internet access service is a matter of statewide concern and the provisions of this section shall preempt any provisions of any local government ordinance, resolution, regulation, or other restriction to the contrary.

29-1-1002. Mobile telecommunications services - taxation by local governments - remedies - definitions. (1) As used in this section, unless the context otherwise requires:

(a) "Act" means the federal "Mobile Telecommunications Sourcing Act", 4 U.S.C. secs. 116 to 126, as amended.

(b) "Customer" means customer as defined in section 124 (2) of the act.

(c) "Home service provider" means home service provider as defined in section 124 (5) of the act.

(d) "Local government" means any statutory or home rule city and county, county, city, or town, and any political subdivision of the state, including, without limitation, any authority, special district, or school district.

(e) "Mobile telecommunications service" means mobile telecommunications service as defined in section 124 (7) of the act.

(f) "Place of primary use" means the place of primary use as defined in section 124 (8) of the act.

(g) "Taxing jurisdiction" means taxing jurisdiction as defined in section 124 (12) of the act.

(2) (a) On and after August 1, 2002, any local government that imposes a sales tax pursuant to section 39-26-104 (1) (c), C.R.S., on a mobile telecommunications service shall impose such tax in accordance with the provisions of the act.

(b) Pursuant to section 117 (b) of the act, mobile telecommunications service taxable by a local government on or after August 1, 2002, may be subject to any sales tax or other charge imposed by said local government on the service only if the customer's place of primary use is within the geographical boundaries of the local government.

(3) (a) If a customer believes that a tax, charge, or fee assessed by a local government in the customer's bill for a mobile telecommunications service is erroneous, or that an assignment of place

of primary use or taxing jurisdiction on said bill is incorrect, the customer shall notify the home service provider in writing within two years after the date the bill was issued. The notification from the customer shall include the street address for the customer's place of primary use, the account name and number for which the customer seeks a correction, a description of the alleged error, and any other information that the home service provider may require.

(b) No later than sixty days after receipt of notice from a customer pursuant to paragraph (a) of this subsection (3), the home service provider shall review the information submitted by the customer and any other relevant information and documentation to determine whether an error was made. If the home service provider determines that an error was made, the home service provider shall refund or credit to the customer any tax, fee, or charge erroneously collected from the customer for a period not to exceed two years. If the home service provider determines that no error was made, the home service provider shall provide a written explanation of its determination to the customer.

(c) Any customer that believes a tax, charge, or fee assessed by a local government in the customer's bill for mobile telecommunications services is erroneous, or that an assignment of place of primary use or taxing jurisdiction on said bill is incorrect may file a claim in the appropriate district court only after complying with the provisions of this subsection (3).

PART 11

LOCAL GOVERNMENT DELINQUENCY CHARGES

29-1-1101. Definitions. As used in this part 11, unless the context otherwise requires:

(1) "Amount due" means the amount of a fee, fine, penalty, or other separate charge due and owing to a local government.

(2) "Delinquency charge" means a separate fee, fine, or penalty levied as a result of the late payment of an amount due. For purposes of this part 11, a delinquency charge shall not include any fee, fine, or other penalty imposed:

- (a) In accordance with the express terms of a written contractual provision;
 - (b) As a result of the late payment of a tax;
 - (c) By a state, county, municipal, or other court;
 - (d) As a result of a check, draft, or order for the payment of money that is not paid upon presentment;
 - (e) In connection with the unlawful stopping, standing, or parking of a motor vehicle;
 - (f) By a public library upon overdue, damaged, or destroyed materials; and
 - (g) By a local liquor licensing authority pursuant to article 47 of title 12, C.R.S.
- (3) "Local government" shall have the same meaning as defined in section 29-1-602 (5) (a).

29-1-1102. Delinquency charges. (1) Notwithstanding any other provision to the contrary, no local government shall impose a delinquency charge except as provided in this section.

(2) No delinquency charge may be collected by a local government on any amount due that is paid in full within five days after the scheduled due date.

(3) No delinquency charge shall exceed the amount of fifteen dollars or up to five percent per month, or fraction thereof, not to exceed a total of twenty-five percent of the amount due, whichever is greater.

(4) No more than the amount set forth in subsection (3) of this section shall be collected by a local government on any amount due regardless of the period of time during which the amount due remains in default.

(5) In the event that an amount due is one of a series of payments to be made toward the satisfaction of a single fee, fine, penalty, or other charge assessed by a local government, no more than the amount set forth in subsection (3) of this section shall be collected by a local government on any one of such payments regardless of the period of time during which the payment remains in default.

(6) No interest shall be assessed on a delinquency charge.

(7) Nothing in this section shall be construed to prohibit a local government from charging interest on an amount due. In no event shall such interest be charged upon a delinquency charge or any amount other than the amount due. In no event shall any such interest charge exceed an annual percentage rate of eighteen percent or the equivalent for a longer or shorter period of time. The provisions of this subsection (7) restricting the charging of interest shall not apply to delinquent interest imposed after a tax lien is sold at a tax lien sale pursuant to article 11 of title 39, C.R.S.

(8) Nothing in this section shall be construed to prohibit a local government from recovering the costs of collection, including but not limited to disconnection or reconnection fees, reinstatement charges, or penalties assessed where fraud is involved.

PART 12

PROHIBITION OF LOCAL LIMITS ON THE FREQUENCY OF RELIGIOUS MEETINGS IN HOMES

29-1-1201. Legislative declaration - matter of statewide concern. The general assembly hereby finds, determines, and declares that the imposition of restrictions by a local government upon when or how often individuals may meet upon private residential property to pray, worship, or otherwise study or discuss issues relating to religious beliefs infringes upon the fundamental right to the free exercise of religion. The general assembly further finds and declares that such restrictions are of significant interest to people living outside the jurisdiction of the local government. In addition, the ability of individuals to freely determine when and how often they wish to meet for such purposes should be uniform throughout the state. Accordingly, the general assembly finds that restrictions that specifically limit when or how often individuals may meet upon private residential property to pray, worship, or otherwise study or discuss issues relating to religious beliefs are a matter of statewide concern and the provisions of this section shall preempt any provisions of any local government ordinance, resolution, regulation, or other restriction to the contrary.

29-1-1202. Local limits on time or frequency of religious meetings - definitions. On or after August 2, 2000, a local government shall be prohibited from enacting or enforcing any ordinance, resolution, regulation, or other restriction that specifically limits when or how frequently individuals in the state may meet upon private residential property to pray, worship, or otherwise study or discuss issues related to religious beliefs. For the purposes of this part 12, the term "local government" shall mean any county, city and county, city, or town, including any county, city and county, city, or town that has adopted a home rule charter.

29-1-1203. Applicability to other local laws. This part 12 shall not be construed to affect the enactment or enforcement of laws generally regulating traffic, parking, excessive noise, or other adverse conditions affecting the health, welfare, and safety of citizens of a local government.

PART 13

FEDERAL FUNDS RECEIVED BY LOCAL GOVERNMENTS

29-1-1301. Federal funds received by local governments - enterprises - definitions. (1) For purposes of section 20 of article X of the state constitution:

(a) Any federal funds that a local government receives, regardless of whether such federal funds pass through the state prior to receipt by the local government, shall not be included in the local government's calculation of its fiscal year spending; and

(b) Any grant of federal funds that an enterprise receives, regardless of whether such federal funds pass through the state or any local government prior to receipt by the enterprise, shall not be included in the enterprise's calculation of the percentage of annual revenues that it receives in grants from the state and local governments in Colorado combined.

(2) For the purposes of this part 13:

(a) "Enterprise" has the same meaning as provided in section 20 (2) (d) of article X of the state constitution.

(b) "Federal funds" means any pecuniary resources from the national government of the United States.

(c) "Fiscal year spending" has the same meaning as provided in section 20 (2) (e) of article X of the state constitution.

(d) "Grant" means any direct cash subsidy or other direct contribution of money from the state or any local government in the state that is not required to be repaid.

(e) "Local government" means a district for purposes of section 20 of article X of the state constitution, other than the state.

(f) "State" means the central civil government of the state of Colorado, which consists of the following:

(I) The legislative, executive, and judicial branches of government established by article III of the state constitution;

(II) All organs of the branches of government specified in subparagraph (I) of this paragraph (f), including the departments of the executive branch; the legislative houses and agencies; and the appellate and trial courts and court personnel; and

(III) Any state institution of higher education that has not been designated as an enterprise.

ARTICLE 2

County and Municipal Sales or Use Tax

29-2-101. Legislative declaration. The general assembly hereby declares that the imposition of sales or use taxes, or both, by counties, cities, and incorporated towns in this state affects the flow of commerce within this state and the welfare of the people of this state. The purpose of the general assembly in the enactment of this article is to provide a higher degree of uniformity in any sales taxes imposed by such entities.

29-2-102. Municipal sales or use tax - referendum. (1) Any incorporated town or city in this state may adopt a municipal sales or use tax, or both, by ordinance in accordance with the provisions of this article, but only if the ordinance provides for the submission of the tax proposal to an election by the registered electors of the town or city for their approval or rejection at a regular municipal election or at a special election called for the purpose if no regular municipal election will be held within ninety days after the adoption of the ordinance. The election shall be conducted in the manner provided in the "Colorado Municipal Election Code of 1965", article 10 of title 31, C.R.S.

(2) (a) No incorporated town or city shall adopt a sales or use tax ordinance pursuant to subsection (1) of this section on or after the date of the adoption of a resolution for a countywide sales tax, use tax, or both by the board of county commissioners of the county in which all or any portion of the town or city is located until after the date of the election on the county proposal.

(b) Paragraph (a) of this subsection (2) shall not apply to any incorporated town or city that has been incorporated for less than five years as of the date of adoption of the sales or use tax ordinance.

(c) Nothing in this article shall preclude the initiation of a sales or use tax proposal by the registered electors of any incorporated town or city pursuant to section 31-11-104, C.R.S.

29-2-103. Countywide sales or use tax - multiple-county municipality excepted. (1) Each county in this state is authorized to levy a county sales tax, use tax, or both in accordance with the provisions of this article. No proposal for a county sales tax, use tax, or both shall become effective until approved by a majority of the registered electors of the county voting on such proposal pursuant to section 29-2-104. Such a proposal for a sales tax, use tax, or both, upon

approval by a majority of the registered electors voting thereon, shall be effective throughout the incorporated and unincorporated portions of the county except when less than countywide application is authorized pursuant to subsection (2) of this section.

(2) A county may levy a sales tax, use tax, or both, in whole or in part, in less than the entire county when the following conditions are met:

(a) (Deleted by amendment, L. 2008, p. 990, § 4, effective August 5, 2008.)

(b) The area to be excluded from the tax levy is comprised solely of a portion of a municipality whose boundaries are located in more than one county; and

(c) All other counties in which a portion of the municipality described in paragraph (b) of this subsection (2) is located have agreed to provide fair compensation to the county for any services extended to such municipality as a result of revenues derived from the county tax levy from which the municipality is excluded.

(3) The approval provisions of subsection (1) of this section, the restrictions on contents of sales or use tax proposals set forth in section 29-2-105, and the collection procedures of section 29-2-106 shall apply to county sales or use taxes or both levied pursuant to subsection (2) of this section.

29-2-103.5. Sales tax for mass transit. (1) (a) Except as provided in paragraph (b) of this subsection (1), in addition to any sales tax imposed pursuant to section 29-2-103, each county in this state which lies outside the jurisdiction of the regional transportation district is authorized to levy a county sales tax, use tax, or both of up to one-half of one percent for the purpose of financing, constructing, operating, or maintaining a mass transportation system within the county.

(b) On and after July 1, 2001, in addition to any sales tax imposed pursuant to section 29-2-103, each county in this state that lies outside the jurisdiction of the regional transportation district is authorized to levy a county sales tax, use tax, or both of up to one percent for the purpose of financing, constructing, operating, or maintaining a mass transportation system within the county.

(2) (a) Any county in which such mass transportation system is based may enter into intergovernmental agreements with any municipality or other county or may enter into contractual agreements with any private carrier for the purpose of providing mass transportation services either within the county or in a county in which the county mass transportation system is permitted to operate.

(b) Any county which uses sales tax revenues which are imposed pursuant to this section for the provision of mass transportation services shall establish standards for such service.

(c) The county shall issue a request for proposals for such service in order to compare the costs of a private carrier in providing such service with the costs of the county, as determined in accordance with generally accepted accounting principles, in providing such service directly.

(d) If the costs to the county are less when the service is provided by the private carrier, the county shall contract with the private carrier for the mass transportation service.

(e) Any private carrier selected to provide mass transportation service pursuant to this subsection (2) shall provide such performance bond or other surety as the county may reasonably require.

(f) In the event that no private carriers are able to provide mass transportation services, the county shall provide such services.

(g) In contracting with a private carrier, the county shall require that the carrier not use the contract to cross-subsidize any other services provided by the carrier.

(3) (a) No sales tax, use tax, or both shall be levied pursuant to the provisions of subsection (1) of this section until such proposal has been referred to and approved by the registered electors of the county in accordance with the provisions of this article.

(b) During the calendar year 1990, the proposal for a sales or use tax increase pursuant to this section may be submitted at the primary election held on the first Tuesday in August of each even-numbered year or at the next general election. For any year thereafter, such sales and use tax increase proposal may only be submitted on the first Tuesday after the first Monday in November of each year and shall be conducted by the county clerk and recorder in accordance with the "Uniform Election Code of 1992", articles 1 to 13 of title 1, C.R.S.

(4) The provisions of this section shall not be construed to expand the use tax base of any county in this state as such base is described in section 29-2-109 (1).

(5) All revenues collected from such county sales tax shall be credited to a special fund in the county treasury known as the county mass transportation fund. The fund shall be used only for the financing, constructing, operating, or maintaining of a mass transportation system within the county.

29-2-103.7. Special taxes for water rights. (1) On and after July 1, 2003, in addition to any sales tax imposed pursuant to section 29-2-103, counties are authorized to levy a county sales tax, use tax, or any combination of such taxes of up to one percent for the purposes of purchasing, adjudicating changes of, leasing, using, banking, and selling water rights that have been adjudicated for use within such county or in a municipality or county that is subject to an intergovernmental agreement concerning such tax pursuant to subsection (2) of this section.

(2) (a) A county may enter into an intergovernmental agreement with any municipality or other county or may enter into a contractual agreement with any private entity to facilitate the achievement of the purposes enumerated in subsection (1) of this section.

(b) Any county that uses tax revenues imposed pursuant to this section shall establish standards for the use of such revenues.

(3) (a) No sales tax, use tax, or combination of such taxes shall be levied pursuant to subsection (1) of this section until a ballot proposal for the levying of such taxes has been referred to and approved by the registered electors of the county in accordance with this article.

(b) The proposal for a tax pursuant to this section may be submitted only on the first Tuesday after the first Monday in November of each year and shall be conducted by the county clerk and recorder in accordance with the "Uniform Election Code of 1992", articles 1 to 13 of title 1, C.R.S.

(4) This section shall not be construed to expand the use tax base of any county in this state, as such base is described in section 29-2-109 (1).

(5) All revenues collected from such county taxes shall be credited to a special fund in the county treasury known as the county water fund. The county water fund shall be used only for the purposes enumerated in subsection (1) of this section.

29-2-103.8. Sales tax for health care services. (1) In addition to any sales tax imposed pursuant to section 29-2-103, each county in the state is authorized to levy a county sales tax for the purpose of providing, directly or indirectly, health care services to residents of the county who are in need of health care services.

(2) (a) Any county in which health care services are provided may enter into intergovernmental agreements with any municipality or other county or may enter into contractual agreements with any private provider or health service district, as defined in section 32-1-103 (9), C.R.S., for the purpose of providing health care services within the county.

(b) Any county that uses sales tax revenues imposed pursuant to this section for the provision of health care services shall establish standards for such services.

(3) (a) No sales tax shall be levied pursuant to the provisions of subsection (1) of this section until the proposal has been referred to and approved by the eligible electors of the county in accordance with the provisions of this article.

(b) Any proposal for the levy of a sales tax in accordance with paragraph (a) of this subsection (3) shall only be submitted to the eligible electors of the county on the date of the state general election or on the first Tuesday in November of an odd-numbered year, and any election on the proposal shall be conducted by the county clerk and recorder in accordance with the "Uniform Election Code of 1992", articles 1 to 13 of title 1, C.R.S.

(4) All revenues collected from a county sales tax imposed pursuant to this section shall be credited to a special fund in the county treasury known as the county health care services fund. The fund shall be used only for the purpose of providing health care services in accordance with this section.

29-2-103.9. Sales tax for mental health care services. (1) In addition to any sales tax imposed pursuant to section 29-2-103, each county in this state is authorized to levy a county sales tax of up to one-quarter of one percent for the purpose of providing, directly or indirectly, mental health care services to residents of the county who are in need of mental health care services and to family members of such residents.

(2) (a) Any county in which mental health care services are provided may enter into intergovernmental agreements with any municipality or other county or may enter into contractual agreements with any private provider for the purpose of providing mental health care services within the county.

(b) Any county that uses sales tax revenues imposed pursuant to this section for the provision of mental health care services shall establish standards for such services.

(3) (a) No sales tax shall be levied pursuant to the provisions of subsection (1) of this section until the proposal has been referred to and approved by the eligible electors of the county in accordance with the provisions of this article.

(b) Any proposal for the levy of a sales tax in accordance with paragraph (a) of this subsection (3) shall only be submitted to the eligible electors of the county on the first Tuesday after the first Monday in November of each year and any election on the proposal shall be conducted by the county clerk and recorder in accordance with the "Uniform Election Code of 1992", articles 1

to 13 of title 1, C.R.S.

(4) All revenues collected from a county sales tax imposed pursuant to this section shall be credited to a special fund in the county treasury known as the county mental health care services fund. The fund shall be used only for the purpose of providing mental health care services in accordance with this section.

29-2-104. Adoption procedures. (1) A proposal for a countywide sales tax, use tax, or both shall be referred to the registered electors of the county either by resolution of the board of county commissioners or by petition initiated and signed by five percent of the registered electors of the county. The right of petition allowed pursuant to this subsection (1) shall extend only to the initial proposal of a tax and shall not extend to the extension of an expiring tax, use of tax revenues, or changes in distribution of tax revenues among local governments.

(2) Such proposal shall contain a description of the tax in accordance with the provisions of this article and shall make provision for any distribution of revenue collections between the county and the incorporated cities and towns within the county. Such proposal shall also state the amount of tax to be imposed. Unless otherwise agreed to by the governing bodies of the county and municipalities within the county, any use tax proceeds shall be distributed among such county and municipalities in the same proportion as the sales tax proceeds distributed to each jurisdiction.

(3) A proposal for a countywide sales tax, use tax, or both, by resolution of the board of county commissioners, shall be submitted at the next regular general election if there is one within the next succeeding one hundred twenty days after the adoption of such resolution. If no general election is scheduled within such time, the board of county commissioners, in its resolution, shall submit the same to the registered electors of the county at a special election called for the purpose, to be held not less than thirty days nor more than ninety days after the adoption of such resolution.

(4) Upon being presented with a petition requesting a proposal for a countywide sales tax, use tax, or both signed by five percent of the registered electors of the county, the board of county commissioners shall, upon certification of the signatures on the petition, submit such proposal to the registered electors of the county. The proposal shall be submitted at the next general election if there is one within one hundred twenty days of the filing of the petition. If no general election is scheduled within one hundred twenty days following the date of filing of the petition, the board of county commissioners shall submit such proposal at a special election called not less than thirty days nor more than ninety days from the date of filing of the petition.

(5) Upon the adoption of a resolution by the board of county commissioners as provided in subsection (3) of this section or upon the filing of a proper petition as provided in subsection (4) of this section, the county clerk and recorder shall publish the text of such proposal for a sales tax, use tax, or both four separate times, a week apart, in the official newspaper of the county and each city and incorporated town within the county. The cost of the election shall be paid from the general fund of the county. The conduct of the election shall conform, so far as practicable, to the general election laws of the state.

(6) If approved by a majority of the registered electors voting thereon, the countywide sales tax, use tax, or both shall become effective as provided by section 29-2-106 (2).

(7) If a majority of the registered electors voting thereon fail to approve the countywide sales

tax, use tax, or both at any election, the question shall not be submitted again to the registered electors for a period of one year three hundred fifty days.

29-2-105. Contents of sales tax ordinances and proposals - repeal. (1) The sales tax ordinance or proposal of any incorporated town, city, or county adopted pursuant to this article shall be imposed on the sale of tangible personal property at retail or the furnishing of services, as provided in paragraph (d) of this subsection (1). Any countywide or incorporated town or city sales tax ordinance or proposal shall include the following provisions:

(a) A provision imposing a tax on the sale of tangible personal property at retail or the furnishing of services, as provided in paragraph (d) of this subsection (1);

(b) A provision that, for the purpose of the sales tax ordinance or proposal enacted in accordance with this article, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to a destination outside the limits of the local taxing entity or to a common carrier for delivery to a destination outside the limits of the incorporated town, city, or county. The gross receipts from such sales shall include delivery charges when such charges are subject to the state sales and use tax imposed by article 26 of title 39, C.R.S., regardless of the place to which delivery is made. If a retailer has no permanent place of business in such incorporated town, city, or county, or has more than one place of business, the place at which the retail sales are consummated for the purpose of a sales tax imposed by ordinance pursuant to this article shall be determined by the provisions of article 26 of title 39, C.R.S., and by rules and regulations promulgated by the department of revenue.

(c) A provision that the amount subject to tax shall not include the amount of any sales or use tax imposed by article 26 of title 39, C.R.S.;

(d) (I) A provision that the sale of tangible personal property and services taxable pursuant to this article shall be the same as the sale of tangible personal property and services taxable pursuant to section 39-26-104, C.R.S., except as otherwise provided in this paragraph (d). The sale of tangible personal property and services taxable pursuant to this article shall be subject to the same sales tax exemptions as those specified in part 7 of article 26 of title 39, C.R.S.; except that the sale of the following may be exempted from a town, city, or county sales tax only by the express inclusion of the exemption either at the time of adoption of the initial sales tax ordinance or resolution or by amendment thereto:

(A) The exemption for sales of machinery or machine tools specified in section 39-26-709 (1), C.R.S., other than machinery or machine tools used in the processing of recovered materials by a business listed in the inventory prepared by the department of public health and environment pursuant to section 30-20-122 (1) (a) (V), C.R.S.;

(A.5) The exemption for sales of machinery or machine tools specified in section 39-26-709 (1), C.R.S., used in the processing of recovered materials by a business listed in the inventory prepared by the department of public health and environment pursuant to section 30-20-122 (1) (a) (V), C.R.S.;

(B) The exemption for sales of electricity, coal, wood, gas, fuel oil, or coke specified in section 39-26-715 (1) (a) (II), C.R.S.;

(C) The exemption for sales of food specified in section 39-26-707 (1) (e), C.R.S.;

(D) The exemption for vending machine sales of food specified in section 39-26-714 (2), C.R.S.;

(E) The exemption for sales by a charitable organization specified in section 39-26-718 (1) (b), C.R.S.;

(F) The exemption for sales of farm equipment and farm equipment under lease or contract specified in section 39-26-716 (2) (b) and (2) (c), C.R.S.;

(G) The exemption for sales of low-emitting motor vehicles, power sources, or parts used for converting such power sources as specified in section 39-26-719 (1), C.R.S.;

(H) Repealed.

(I) The exemption for sales of wood from salvaged trees killed or infested in Colorado by mountain pine beetles or spruce beetles as specified in section 39-26-723, C.R.S.;

(J) The exemption for sales of components used in the production of energy, including but not limited to alternating current electricity, from a renewable energy source specified in section 39-26-724, C.R.S.; except that this sub-subparagraph (J) shall not apply to any incorporated town, city, or county that adopted the exemption specified in sub-subparagraph (A) of this subparagraph (I) prior to May 27, 2008;

(K) The exemption for sales that benefit a Colorado school specified in section 39-26-725, C.R.S.;

(L) The exemption for sales by an association or organization of parents and teachers of public school students that is a charitable organization as specified in section 39-26-718 (1) (c), C.R.S.;

(M) The exemption for sales of property for use in space flight specified in section 39-26-728, C.R.S.; and

(N) The exemption for sales of components used in biogas production systems specified in section 39-26-724 (1) (c), C.R.S. This sub-subparagraph (N) is repealed, effective July 1, 2019.

(II) Repealed.

(III) In the absence of an express provision for any exemption specified in subparagraph (I) of this paragraph (d), all sales tax ordinances and resolutions shall be construed as imposing or continuing to impose the town, city, or county sales tax on such items.

(e) A provision that all sales of personal property on which a specific ownership tax has been paid or is payable shall be exempt from said county, town, or city sales tax when such sales meet both of the following conditions:

(I) The purchaser is a nonresident of or has his principal place of business outside of the local taxing entity; and

(II) Such personal property is registered or required to be registered outside the limits of the local taxing entity under the laws of this state.

(f) Repealed.

(1.5) (a) All sales tax ordinances or resolutions adopted by a county, town, or city prior to, on, or after August 1, 2002, that impose a sales tax pursuant to section 39-26-104 (1) (c), C.R.S., on a mobile telecommunications service shall impose such tax in accordance with the provisions of the act, and, pursuant to section 117 (b) of the act, mobile telecommunications service taxable by the county, town, or city on or after August 1, 2002, may be subject to any sales tax or other charge

imposed by said entity on the service only if the customer's place of primary use is within the geographical boundaries of the entity.

(b) As used in this subsection (1.5), unless the context otherwise requires:

(I) "Act" means the federal "Mobile Telecommunications Sourcing Act", 4 U.S.C. secs. 116 to 126, as amended.

(II) "Customer" means customer as defined in section 124 (2) of the act.

(III) "Mobile telecommunications service" means mobile telecommunications service as defined in section 124 (7) of the act.

(IV) "Place of primary use" means the place of primary use as defined in section 124 (8) of the act.

(2) No sales tax of any statutory or home rule city, town, city and county, or county shall apply to the sale of construction and building materials, as the term is used in section 29-2-109, if such materials are picked up by the purchaser and if the purchaser of such materials presents to the retailer a building permit or other documentation acceptable to such local government evidencing that a local use tax has been paid or is required to be paid.

(3) No sales tax of any statutory or home rule county shall apply to the sale of tangible personal property at retail or the furnishing of services if the transaction was previously subjected to a sales or use tax lawfully imposed on the purchaser or user by another statutory or home rule county equal to or in excess of that sought to be imposed by the subsequent statutory or home rule county. A credit shall be granted against the sales tax imposed by the subsequent statutory or home rule county with respect to such transaction equal in amount to the lawfully imposed local sales or use tax previously paid by the purchaser or user to the previous statutory or home rule county. The amount of the credit shall not exceed the sales tax imposed by the subsequent statutory or home rule county.

(4) No sales tax of any statutory or home rule city and county, city, or town shall apply to the sale of tangible personal property at retail or the furnishing of services if the transaction was previously subjected to a sales or use tax lawfully imposed on the purchaser or user by another statutory or home rule city and county, city, or town equal to or in excess of that sought to be imposed by the subsequent statutory or home rule city and county, city, or town. A credit shall be granted against the sales tax imposed by the subsequent statutory or home rule city and county, city, or town with respect to such transaction equal in amount to the lawfully imposed local sales or use tax previously paid by the purchaser or user to the previous statutory or home rule city and county, city, or town. The amount of the credit shall not exceed the sales tax imposed by the subsequent statutory or home rule city and county, city, or town.

(5) The following provision shall apply in defining the applicability of its higher rate to the sales tax ordinance or resolution of any statutory or home rule city, town, city and county, or county which provides a higher rate of taxation on prepared food or food for immediate consumption than its general rate of taxation: Prepared food or food for immediate consumption shall exclude any food for domestic home consumption.

(6) No sales or use tax of any statutory or home rule city, town, city and county, or county shall apply to the sale of food purchased with food stamps. For the purposes of this subsection (6), "food" shall have the same meaning as provided in 7 U.S.C. sec. 2012 (g), as such section exists on October 1, 1987, or is thereafter amended.

(7) No sales or use tax of any statutory or home rule city, town, city and county, or county shall apply to the sale of food purchased with funds provided by the special supplemental food program for women, infants, and children, 42 U.S.C. sec. 1786. For the purposes of this subsection (7), "food" shall have the same meaning as provided in 42 U.S.C. sec. 1786, as such section exists on October 1, 1987, or is thereafter amended.

(8) Any statutory or home rule city, town, city and county, or county which provides an exemption for the sale of food shall define "food" as defined in section 39-26-102 (4.5), C.R.S.

(9) Notwithstanding any provision of this section to the contrary, sales of cigarettes shall be exempt from a town, city, county, or city and county sales tax that is created pursuant to the authority set forth in this article.

(10) (a) Notwithstanding any provision of this section to the contrary, and except as provided in paragraph (b) of this subsection (10), a town, city, or county may exempt from its sales tax sales to a telecommunications provider of equipment used directly in the provision of telephone service, cable television service, broadband communications service, or mobile telecommunications service.

(b) A town, city, or county may not adopt a sales tax exemption pursuant to the authority set forth in paragraph (a) of this subsection (10) unless the exemption applies in a uniform and nondiscriminatory manner to the telecommunications providers of telephone service, cable television service, broadband communications service, and mobile telecommunications service.

29-2-106. Collection - administration - enforcement. (1) The collection, administration, and enforcement of any countywide or any city or town sales tax adopted pursuant to this article shall be performed by the executive director of the department of revenue in the same manner as the collection, administration, and enforcement of the Colorado state sales tax. Unless otherwise provided in this article, the provisions of article 26 of title 39, C.R.S., shall govern the collection, administration, and enforcement of sales taxes authorized under this article. In collecting, administering, and enforcing a sales tax authorized under this article, the state sales tax authorized under part 1 of article 26 of title 39, C.R.S., or any other sales tax imposed within the boundaries of a county, the executive director of the department of revenue may enter into an intergovernmental agreement with a county pursuant to the provisions of section 39-26-122.5, C.R.S., to enhance systemic efficiencies in the collection of such taxes.

(2) ***[Editor's note: This version of subsection (2) is effective until (see editor's note following this section).]*** The effective date of any countywide sales tax or city or town sales tax adopted under the provisions of this article shall be either January 1 or July 1 following the date of the election in which such county sales tax proposal is approved; and notice of the adoption of any county sales tax proposal shall be submitted by the county clerk and recorder or by the clerk of the city council or board of trustees of a city or town to the executive director of the department of revenue at least forty-five days prior to the effective date of such tax. If such a sales tax proposal is approved at an election held less than forty-five days prior to the January 1 or July 1 following the date of election, such tax shall not be effective until the next succeeding January 1 or July 1.

(2) ***[Editor's note: This version of subsection (2) is effective (see editor's note following this section).]*** The effective date of any countywide sales tax or city or town sales tax adopted under the provisions of this article shall be as set forth in section 39-26-104 (2) (c), C.R.S.

(3) (a) The executive director of the department of revenue shall, at no charge, except as provided in paragraph (b) of this subsection (3), administer, collect, and distribute any sales tax imposed in conformity with this article. The executive director shall make monthly distributions of sales tax collections to the appropriate official in each county and in each incorporated city or town in the amount determined under the distribution formula established in accordance with this article. Except as provided in section 39-26-208, C.R.S., any use tax imposed pursuant to section 29-2-109 shall be collected, administered, and enforced by the city, town, or county as provided by ordinance or resolution.

(b) The executive director is hereby authorized to contract and enter into agreements with the county clerk and recorder and municipalities for the collection of state, county, and city or town use taxes upon motor vehicles, and the county clerk and recorder may charge and retain a fee as the director may approve to fully cover the cost of such collection by the county clerk and recorder.

(c) (I) A qualified purchaser may provide a direct payment permit number issued pursuant to section 39-26-103.5, C.R.S., to any vendor or retailer that is liable and responsible for collecting and remitting any countywide sales tax or city or town sales tax imposed on any sale made to the qualified purchaser pursuant to the provisions of this article. A vendor or retailer that has received in good faith from a qualified purchaser a direct payment permit number shall not be liable or responsible for collection and remittance of any sales tax imposed on such sale that is paid for directly from such qualified purchaser's funds and not the personal funds of any individual.

(II) A qualified purchaser that provides a direct payment permit number to a vendor or retailer shall be liable and responsible for the amount of sales tax imposed on any sale made to the qualified purchaser pursuant to this article in the same manner as liability would be imposed on a qualified purchaser for state sales tax pursuant to section 39-26-105 (3), C.R.S.

(4) (a) (I) The executive director of the department of revenue shall, at no charge, administer, collect, and distribute the sales tax of any home rule municipality upon request of the governing body of such municipality:

(A) If the provisions of the sales tax ordinance of said municipality, other than those provisions relating to local procedures followed in adopting the ordinance, correspond to the requirements of this article for sales taxes imposed by counties, towns, and cities;

(B) If no use tax is to be collected by the department of revenue except as provided in section 39-26-208, C.R.S.; and

(C) Whether or not the ordinance applies the sales tax to the exemptions listed in section 29-2-105 (1) (d) (I).

(II) When the governing body of any home rule municipality requests the department of revenue to administer, collect, and distribute the sales tax of said municipality as specified in subparagraph (I) of this paragraph (a), said governing body shall certify to the executive director of the department a true copy of the home rule municipality's sales tax ordinance.

(b) The executive director of the department of revenue shall furnish the governing body of each municipality and county a monthly listing of all returns filed by the retailers in such municipality or county. The governing body of such municipality or county shall notify the executive director of the department of revenue of any retailers omitted from this listing as soon as practicable, but in no event more than one hundred eighty days after receiving said monthly listing. Failure of the governing body of such municipality or county to notify the executive director of the department

of revenue of any omitted retailers, within such period, shall preclude the municipality or county from making any further claims based upon such omissions. Neither the executive director of the department of revenue nor any municipality or county shall be held liable for any omissions which have not been called to the executive director's attention within this period.

(c) (I) Notwithstanding the provisions of section 39-21-113, C.R.S., the executive director of the department of revenue shall report monthly to each municipality and county for which the department of revenue collects a sales tax information identifying licensed vendors within the municipality or county and, where the chief administrative officer or his designee has executed a memorandum of understanding with the department of revenue providing for control of confidential data, the status of each vendor's account including the amount of such municipality's or county's sales tax collected and paid by each such vendor. The executive director of the department may, in his discretion, provide additional information to a municipality or county concerning collection and administration of such municipality's or county's sales tax if such a memorandum has been executed.

(II) Except in accordance with judicial order or as otherwise provided by law, no official or employee of a municipality or county receiving sales tax information from the department of revenue pursuant to this paragraph (c) shall divulge or make known to any person not an official or employee of such municipality or county any information which identifies or permits the identification of the amount of sales taxes collected or paid by any individual licensed vendor. The municipal or county officials or employees charged with the custody of such sales tax information shall not be required to produce any such information in any action or proceeding in any court except in an action or proceeding under the provisions of this article to which the municipality or county having custody of the information is a party, in which event the court may require the production of, and may admit in evidence, so much of said sales tax information as is pertinent to the action or proceeding. Any municipal or county official or employee who willfully violates any of the provisions of this paragraph (c) is guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than one thousand dollars and shall be dismissed from office.

(5) The executive director of the department of revenue may promulgate rules and regulations to carry out the provisions of this article.

(6) The executive director of the department of revenue may, in his discretion, exchange information with the proper official of any home rule city which imposes a sales and use tax relative to gross sales reported, changes in gross sales resulting from audits, and other information concerning licensed vendors within the jurisdiction of the home rule city.

(7) For the purpose of the administration by the state of the provisions of this article, as well as any other state or federal program, each county, home rule county, statutory town or city, home rule town or city, city and county, or territorial charter town or city shall file, pursuant to section 29-2-110, with the executive director of the department of revenue a copy of each sales or use tax ordinance or resolution, or any amendment thereto, no later than ten days after the effective date thereof. A copy of any sales or use tax ordinance or resolution in effect on March 11, 1982, shall be filed no later than July 1, 1982. The failure to file a copy of any such ordinance or resolution shall not give rise to any claim for refund by any taxpayer, other than for overpayment which is determined to be allowable under such ordinance or resolution.

(8) **Uniform collection procedures.** Each home rule city, town, and city and county shall follow, and conform its ordinances where necessary to, the statute of limitations applicable to the

enforcement of state sales and use tax collections, the statute of limitations applicable to refunds of state sales and use taxes, the amount of penalties and interest payable on delinquent remittances of state sales and use taxes, and the posting of bonds pursuant to section 39-21-105, C.R.S.

(9) **Standard sales and use tax reporting form.** (a) The executive director of the department of revenue shall adopt, by regulation, a standard municipal sales and use tax reporting form. Such form shall be separate from the state form and shall be the only sales and use tax reporting form required to be used by any person collecting the sales or use tax of any home rule city, town, or city and county which collects its own sales or use tax.

(b) Such form shall be designed so as to permit reporting of variations in base, rate, and vendor's fee, and shall contain adequate location coding and use tax remittance items. Prior to the adoption of and any revision to the form, each home rule city, town, and city and county which collects its own sales tax shall be given the opportunity to comment on the proposed form or revision to the form.

(c) Such standard form and any subsequent revisions shall be used by each home rule city, town, and city and county which collects its own sales tax by the first full month commencing one hundred twenty days after the effective date of the regulation adopting or revising the standard form.

(d) (I) In addition to the standard municipal sales and use tax form set forth in paragraph (a) of this subsection (9), on or before December 1, 1994, the executive director of the department of revenue shall cooperate with and assist local governments in the development of a common local sales and use tax form. For purposes of this paragraph (d), "local government" means a city, home rule city, town, city and county, or other political subdivision of the state which collects its own sales or use tax.

(II) The common local sales and use tax form shall:

(A) Allow a person collecting the sales and use tax of any local government to report all sales and use taxes collected for a local government on the common local sales and use tax reporting form;

(B) Be accepted by all local governments; and

(C) Be made available at all state and local sales and use tax reporting locations.

(III) The executive director of the department of revenue shall cooperate with and assist local governments in the development of a uniform local government sales and use tax license application form. Any uniform local government sales and use tax license application form developed shall be made available at all state and local sales and use tax reporting locations.

(IV) The provisions of paragraph (a) of this subsection (9) notwithstanding, in addition to the standard sales and use tax form set forth in paragraph (a) of this subsection (9), the common local sales and use tax form developed pursuant to this paragraph (d) may be used by a person collecting the sales or use tax of any city, home rule city, town, city and county, or other political subdivision of the state which collects its own sales or use tax.

(10) **Delayed distributions.** (a) If any sales tax to be distributed pursuant to this section is not distributed within sixty days after the processing date, interest shall be added to the undistributed amount from the sixtieth day after the processing date until the date such sales tax is distributed. The rate of said interest shall be equal to the average rate, rounded to one-thousandth of a percent, being earned by the investment of moneys in the state treasury for the same period.

(b) The provisions of this subsection (10) shall apply only to sales tax collected by the

department of revenue with a processing date occurring on or after January 1, 2001. The provisions of this subsection (10) shall not apply in the event that the distribution of sales tax was delayed as a result of unforeseen circumstances or caused primarily by an entity other than the department of revenue. Such determination shall be made in good faith by the department.

29-2-106.1. Deficiency notice - dispute resolution. (1) The general assembly hereby finds, determines, and declares that the enforcement of sales and use taxes can affect persons and entities across the jurisdictional boundaries of taxing jurisdictions and that dispute resolution is a matter of statewide concern for which the procedures set forth in this section shall be applied uniformly throughout the state.

(2) (a) When a local government asserts that sales or use taxes are due in an amount greater than the amount paid by a taxpayer, such local government shall mail a deficiency notice to the taxpayer by certified mail. The deficiency notice shall state the additional local sales and use taxes due. The deficiency notice shall contain notification, in clear and conspicuous type, of the time limit to file a protest to the notice and that the taxpayer has the right to elect a hearing on the deficiency pursuant to subsection (3) of this section. Any protest to the deficiency notice shall be filed with the local government within thirty days after the date of the notice.

(b) The taxpayer shall also have the right to elect a hearing pursuant to subsection (3) of this section on a local government's denial of such taxpayer's claim for a refund of sales or use tax paid.

(c) The taxpayer shall request the hearing pursuant to subsection (3) of this section within thirty days after the taxpayer's exhaustion of local remedies. For purposes of this paragraph (c), "exhaustion of local remedies" means that one of the following events has occurred:

(I) The taxpayer has timely requested in writing a hearing before the local government, and such local government has held such hearing and issued a final decision thereon. Such hearing, if any, shall be held and any decision thereon issued within one hundred eighty days after the taxpayer's request in writing therefor or within such further time as the taxpayer and local government may agree upon in writing.

(II) The taxpayer and local government agree in writing that no hearing before the local government will be held, or that no final decision will issue from the local government. Such written agreement shall state that the taxpayer exhausted local remedies in accordance with this section, shall identify the date of such exhaustion, and shall advise the taxpayer of the right to pursue further review pursuant to subsection (3) or (8) of this section within thirty days after such exhaustion.

(III) One hundred eighty days or more after the date of the taxpayer's request for a hearing, the local government notifies the taxpayer in writing that the local government does not intend to conduct a hearing. In such instance, the written notification shall also state that the taxpayer exhausted local remedies in accordance with this section, that such exhaustion occurred on the date of the written notification, and that the taxpayer may pursue further review pursuant to subsection (3) or (8) of this section within thirty days after such exhaustion.

(d) In the event the taxpayer has timely requested in writing a hearing before the local government and none of the events described in paragraph (c) of this subsection (2) have occurred, the taxpayer may request a hearing pursuant to subsection (3) of this section at any time after the period prescribed in subparagraph (I) of paragraph (c) of this subsection (2).

(e) Any hearing before a local government shall be informal and no transcript, rules of evidence, or filing of briefs shall be required; but the taxpayer may elect to submit a brief, in which case the local government may submit a brief.

(3) (a) If a taxpayer satisfies the requirements of paragraph (c) of subsection (2) of this section, the taxpayer may request the executive director of the department of revenue to conduct a hearing on such deficiency notice or claim for refund, and such request shall be made and such hearing shall be conducted in the same manner as set forth in section 39-21-103, C.R.S. Any local government to which the deficiency notice being appealed claims taxes are due, or, in the case of a claim for refund, the local government that denied such claim, shall be notified by the executive director that a hearing is scheduled and shall be allowed to participate in the hearing as a party.

(b) If the taxpayer requests a hearing before the executive director, then the local government whose decision is being appealed may not require a bond or payment of tax in lieu thereof; but such local government may require a bond or payment of tax in lieu thereof filed with and payable to the local government in the manner provided in section 39-21-111, C.R.S., prior to the hearing before such local government or the executive director if either such local government reasonably finds that collection of the tax will be jeopardized by delay or the taxpayer requests a postponement of the hearing before such local government or the executive director, other than on account of a death, physical illness or injury, or catastrophe, which substantially impairs the taxpayer's ability to present his case. In the event that payment of the tax or posting of a bond is required by the local government, the taxpayer, after payment of the tax or posting of the bond, may appeal such decision of the local government to the executive director and shall be granted an expedited hearing on such appeal pursuant to section 39-21-103 (6), C.R.S., and the executive director may affirm, reverse, or modify such decision.

(c) If the taxpayer appeals the decision issued pursuant to this subsection (3) in the manner provided in section 39-21-105, C.R.S., then the taxpayer shall pay the tax to or post a bond with the local government whose decision is being appealed in the manner provided in that section.

(d) Any hearings before the executive director of the department of revenue or his delegate shall be de novo, without regard to the decision of the local government. The taxpayer shall have the burden of proof in any such hearings.

(4) In the event that all parties to a hearing arrive at a settlement prior to the hearing, such parties may agree to cancel such hearing. No party shall thereafter have a right to a hearing before the executive director on the deficiency notice or claim for refund. By agreement of all parties to the hearing, the hearing may be cancelled and the matter may be determined by the executive director upon written briefs submitted by the parties in the same manner as provided in section 39-21-103 (7) and (8), C.R.S.

(5) If the taxpayer asserts that all or part of a sales or use tax which is the subject of the hearing has been paid to or is due to another local government, then such other local government shall be joined as a party to the hearing. The taxpayer need not file a claim for refund in order to pursue the remedy provided by this subsection (5). If the executive director determines that the disputed tax was paid, but to the wrong local government, then the taxpayer shall be relieved of the tax due up to the amount paid together with an abatement of interest thereon and all penalties.

(6) If the amount paid exceeds the tax found to be due, then the government in receipt of such payment shall refund the overpayment to the taxpayer within thirty days of the executive

director's decision, together with interest thereon from the date the taxpayer made the payment until the date the overpayment is refunded, unless a timely appeal is taken by such government pursuant to subsection (7) of this section. If the amount paid is found to be less than the taxes due, then the taxpayer shall pay the deficiency, less any amount paid in lieu of bond, to the appropriate local government within thirty days of the executive director's decision with interest from the date full payment was due until the date that the deficiency is paid, unless a timely appeal is taken by the taxpayer pursuant to subsection (7) of this section. A local government which is found to have erroneously received payment from the taxpayer shall forward such payment to the appropriate local government within thirty days of the executive director's decision with interest from the date the amount was received from the taxpayer until the date the amount was forwarded to the appropriate local government, unless a timely appeal is taken pursuant to subsection (7) of this section by a local government which is found to have erroneously received payment from the taxpayer. All interest payable pursuant to this subsection (6) shall be at the same rate which applies to deficiency payments.

(7) Appeals from the final determination of the executive director may be taken in the same manner as provided in and shall be governed by section 39-21-105, C.R.S., by any party bound by the executive director's decision. Any such appeal shall be heard de novo and shall be heard as provided in section 39-21-105, C.R.S., except as follows: If the appellant is a local government, the taxpayer shall have the burden of proof as to all factual matters, and the appellant shall have the burden with respect to any legal determination of the executive director of the department of revenue which the appellant seeks to reverse; except that the local government shall always have the burden of proof with respect to the issue of whether the taxpayer has been guilty of fraud with intent to evade tax and with respect to the issue of whether the taxpayer is liable as a transferee of property of another taxpayer, but not to show that the transferor taxpayer was liable for the tax; and except that the executive director may, at his request, be a party to any such appeal.

(8) (a) If a deficiency notice or claim for refund involves only one local government, in lieu of requesting a hearing pursuant to subsection (3) of this section, the taxpayer may appeal such deficiency or denial of a claim for refund to the district court.

(b) The taxpayer shall appeal to the district court pursuant to this subsection (8) within thirty days after the taxpayer's exhaustion of local remedies. For purposes of this subsection (8), "exhaustion of local remedies" means that one of the following events has occurred:

(I) The taxpayer has timely requested in writing a hearing before the local government, and such local government has held such hearing and issued a final decision thereon. Such hearing shall be informal and no transcript, rules of evidence, or filing of briefs shall be required; but the taxpayer may elect to submit a brief, in which case the local government may submit a brief. Such hearing, if any, shall be held and any decision thereon issued within one hundred eighty days of the taxpayer's request in writing therefor or within such further time as the taxpayer and local government may agree upon in writing.

(II) The taxpayer and local government agree in writing that no hearing before the local government will be held or that no final decision will issue from the local government. Such written agreement shall state that the taxpayer exhausted local remedies in accordance with this section, shall identify the date of such exhaustion, and shall advise the taxpayer of the right to pursue further review pursuant to subsection (3) of this section or this subsection (8) within thirty days after such

exhaustion.

(III) One hundred eighty days or more after the date of the taxpayer's request for a hearing, the local government notifies the taxpayer in writing that the local government does not intend to conduct a hearing. In such instance, the written notification shall also state that the taxpayer exhausted local remedies in accordance with this section, that such exhaustion occurred on the date of the written notification, and that the taxpayer may pursue further review pursuant to subsection (3) of this section or this subsection (8) within thirty days after such exhaustion.

(c) In the event the taxpayer has timely requested in writing a hearing before the local government and none of the events described in paragraph (b) of this subsection (8) have occurred, the taxpayer may appeal such deficiency or denial of a claim for refund to the district court at any time after the period prescribed in subparagraph (I) of paragraph (b) of this subsection (8).

(d) An appeal pursuant to this subsection (8) must be conducted in the same manner as provided in section 39-21-105, C.R.S.; except that venue is in the district court of the county where the local government whose decision is being appealed is located, and any deposit made pursuant to section 39-21-105 (4), (5), or (8) (a) (III), C.R.S., must be made with the local government whose decision is being appealed.

(9) In lieu of electing a hearing pursuant to this section on a notice of deficiency or claim for refund, a taxpayer may pursue judicial review of a local government's final decision thereon as otherwise provided in such local government's ordinance.

(10) As used in this section, "local government" means home rule and statutory cities, towns, cities and counties, and counties.

(11) If any local government which collects its own sales or use tax to which the deficiency notice claims taxes are due reasonably finds that the collection of the tax will be jeopardized by delay, it may utilize the procedures set forth in section 39-21-111, C.R.S.; however, utilization of such procedures shall not preclude the taxpayer from appealing to the executive director pursuant to subsection (3) of this section.

29-2-106.2. Location guides - precinct locators. (1) Each home rule city, town, and city and county collecting its own sales or use tax shall make available to any requesting vendor a map or other location guide showing the boundaries of the municipality. The requesting vendor may rely on the map or other location guide and any update thereof available to the vendor in determining whether to collect a sales or use tax, or both, of the municipality. No penalty shall be imposed or action for deficiency maintained if the requesting vendor in good faith complies with the most recent map or other location guide available to it.

(2) (a) As used in this subsection (2), unless the context otherwise requires:

(I) "Local taxing entity" means a home rule or statutory municipality, county, city and county, or any other local governmental entity that imposes a sales or use tax.

(II) "Precinct locator" means the record regularly maintained by a county clerk and recorder and used to determine within which jurisdiction or jurisdictions an address is located for voting purposes and, for determining the location of commercial or industrial addresses, shall include the record regularly maintained by the county clerk and recorder and used to determine within which

jurisdiction or jurisdictions an address is located for the purpose of properly remitting sales or use tax on motor vehicles.

(b) Any public utility may rely upon the precinct locator maintained by the county clerk and recorder for the county or counties in which a local taxing entity is located in determining whether to collect a sales or use tax, or both, of the local taxing entity.

(c) No penalty shall be imposed upon, interest charged to, or action for deficiency maintained against a public utility in connection with the collection of a sales or use tax, or both, by the public utility if, in determining whether to collect the tax, the public utility relied in good faith upon the most recently updated version of a precinct locator in existence at the time of the taxable transaction. The provisions of this paragraph (c) shall not apply to the extent that the local entity has informed the public utility in writing prior to a taxable transaction that the most recently updated version of the precinct locator is inaccurate and, in such writing, provides the public utility with a corrected copy of the precinct locator information.

29-2-107. Limitation on applicability. (1) Nothing in this article shall be construed to apply to, affect, or limit the powers of home rule municipalities organized under article XX of the state constitution to impose, administer, or enforce any local sales or use tax except those provisions which specifically refer to "home rule".

(2) No provision of this article shall be construed to require any incorporated town or city or any county to impose any sales tax or to increase any sales tax imposed prior to July 1, 1967.

(3) Nothing in this article shall be construed to invalidate any sales or use tax adopted by ordinance or resolution by any town, city, city and county, or county, whether home rule or statutory, prior to January 1, 1986. Except as provided in subsection (1) of this section, no sales or use tax of any such local government shall conflict with the provisions of this article after January 1, 1986.

29-2-108. Limitation on amount. (Repealed)

29-2-109. Contents of use tax ordinances and proposals - repeal. (1) The use tax ordinance, resolution, or proposal of any town, city, or county adopted pursuant to this article shall be imposed only for the privilege of using or consuming in the town, city, or county any construction and building materials purchased at retail or for the privilege of storing, using, or consuming in the town, city, or county any motor and other vehicles, purchased at retail on which registration is required, or both. For the purposes of this subsection (1), the term "construction and building materials" shall not include parts or materials utilized in the fabrication, construction, assembly, or installation of passenger tramways, as defined in section 25-5-702 (4), C.R.S., by any ski area operator, as defined in section 33-44-103 (7), C.R.S., or any person fabricating, constructing, assembling, or installing a passenger tramway for a ski area operator. The ordinance, resolution, or proposal may recite that the use tax shall not apply to the storage and use of wood from salvaged trees killed or infested in Colorado by mountain pine beetles or spruce beetles as exempted from the state use tax pursuant to section 39-26-723, C.R.S. The ordinance, resolution, or proposal may recite

that the use tax shall not apply to the storage and use of components used in the production of energy, including but not limited to alternating current electricity, from a renewable energy source, as exempted from the state use tax pursuant to section 39-26-724, C.R.S. The ordinance, resolution, or proposal shall recite that the use tax shall not apply:

(a) To the storage, use, or consumption of any tangible personal property the sale of which is subject to a retail sales tax imposed by the town, city, or county;

(b) To the storage, use, or consumption of any tangible personal property purchased for resale in the town, city, or county, either in its original form or as an ingredient of a manufactured or compounded product, in the regular course of a business;

(c) To the storage, use, or consumption of tangible personal property brought into the town, city, or county by a nonresident thereof for his own storage, use, or consumption while temporarily within the town, city, or county; however, this exemption does not apply to the storage, use, or consumption of tangible personal property brought into this state by a nonresident to be used in the conduct of a business in this state;

(d) To the storage, use, or consumption of tangible personal property by the United States government, or the state of Colorado, or its institutions, or its political subdivisions in their governmental capacities only or by religious or charitable corporations in the conduct of their regular religious or charitable functions;

(e) To the storage, use, or consumption of tangible personal property by a person engaged in the business of manufacturing or compounding for sale, profit, or use any article, substance, or commodity, which tangible personal property enters into the processing of or becomes an ingredient or component part of the product or service which is manufactured, compounded, or furnished and the container, label, or the furnished shipping case thereof;

(f) (I) With respect to the use tax of a town or city, to the storage, use, or consumption of any article of tangible personal property the sale or use of which has already been subjected to a legally imposed sales or use tax of another statutory or home rule town, city, or city and county equal to or in excess of that imposed by this article. A credit shall be granted against the use tax imposed by this article with respect to a person's storage, use, or consumption in the town or city of tangible personal property purchased by him in a previous statutory or home rule town, city, or city and county. The amount of the credit shall be equal to the tax paid by him by reason of the imposition of a sales or use tax of the previous statutory or home rule town, city, or city and county on his purchase or use of the property. The amount of the credit shall not exceed the tax imposed by this article.

(II) With respect to the use tax of a statutory or home rule county, to the storage, use, or consumption of any article of tangible personal property the sale or use of which has already been subjected to a legally imposed sales or use tax of another statutory or home rule county equal to or in excess of that imposed by this article. A credit shall be granted against the use tax imposed by this article with respect to a person's storage, use, or consumption in the subsequent statutory or home rule county of tangible personal property purchased by him in a previous statutory or home rule county. The amount of the credit shall be equal to the tax paid by him by reason of the imposition of a sales or use tax of the previous statutory or home rule county on his purchase or use of the property. The amount of the credit shall not exceed the tax imposed by this article.

(g) To the storage, use, or consumption of tangible personal property and household effects acquired outside of the town, city, or county and brought into it by a nonresident acquiring residency;

(h) To the storage or use of a motor vehicle if the owner is or was, at the time of purchase, a nonresident of the town, city, or county and he purchased the vehicle outside of the town, city, or county for use outside the town, city, or county and actually so used it for a substantial and primary purpose for which it was acquired and he registered, titled, and licensed said motor vehicle outside of the town, city, or county;

(i) To the storage, use, or consumption of any construction and building materials and motor and other vehicles on which registration is required if a written contract for the purchase thereof was entered into prior to the effective date of such use tax;

(j) To the storage, use, or consumption of any construction and building materials required or made necessary in the performance of any construction contract bid, let, or entered into at any time prior to the effective date of such use tax ordinance, resolution, or proposal.

(1.5) (a) The use tax ordinance, resolution, or proposal of any town, city, or county adopted pursuant to this article may recite that the use tax does not apply to the storage and use of components used in biogas production systems, as exempted from the state use tax pursuant to section 39-26-724 (1) (c), C.R.S.

(b) This subsection (1.5) is repealed, effective July 1, 2019.

(2) No use tax of any town shall be imposed with respect to the use or consumption of taxable tangible personal property within the town that occurs more than three years after the most recent sale of the property if, within the three years following such sale, the property has been significantly used within the state for the principal purpose for which it was purchased.

(3) Construction equipment which is located within the boundaries of a home rule city, town, or city and county for a period of thirty consecutive days or less shall be subjected to the use tax of such home rule city, town, or city and county in an amount which does not exceed the amount calculated as follows: The purchase price of the equipment shall be multiplied by a fraction, the numerator of which is one and the denominator of which is twelve, and the result shall be multiplied by the use tax rate of the home rule city, town, or city and county. Where the provisions of this subsection (3) are utilized, the credit provisions of subsection (6) of this section shall apply at such time as the aggregate sales and use taxes legally imposed by and paid to other statutory and home rule cities, towns, and cities and counties on any such equipment equal the full use tax of the subsequent home rule city, town, or city and county.

(4) In order to avail himself of the provisions of subsection (3) of this section, the taxpayer shall comply with the following procedure:

(a) Prior to or on the date the equipment is located within the boundaries of a home rule city, town, or city and county, the taxpayer shall file with such home rule city, town, or city and county an equipment declaration on a form provided by such home rule city, town, or city and county. Such declaration shall state the dates on which the taxpayer anticipates the equipment will be located within and removed from the boundaries of the home rule city, town, or city and county, shall include a description of each such anticipated piece of equipment, shall state the actual or anticipated purchase price of each such anticipated piece of equipment, and shall include such other information as reasonably deemed necessary by the home rule city, town, or city and county.

(b) The taxpayer shall file with the home rule city, town, or city and county an amended equipment declaration reflecting any changes in the information contained in any previous equipment declaration no less than once every ninety days after the equipment is brought into the boundaries

of such home rule city, town, or city and county or, for equipment which is brought into the boundaries of a home rule city, town, or city and county for a project of less than ninety days duration, no later than ten days after substantial completion of the project.

(c) The taxpayer need not report on any equipment declaration any equipment for which the purchase price was under two thousand five hundred dollars. If such equipment declaration is given, then as to any item of construction equipment for which the customary purchase price is under two thousand five hundred dollars which was brought into the boundaries of the home rule city, town, or city and county temporarily for use on a construction project, it shall be presumed that the item was purchased in a jurisdiction having a local sales or use tax as high as that of such home rule city, town, or city and county where the construction takes place and that such sales or use tax was previously paid. In such case the burden of proof in any proceeding before such city, town, or city and county, the executive director of the department of revenue, or the district court, shall be on such home rule, city, town, or city and county where the construction takes place to prove such local sales or use tax was not paid.

(5) If the taxpayer fails to comply with the provisions of subsection (4) of this section, the taxpayer may not avail himself of the provisions of subsection (3) of this section. However, substantial compliance with the provisions of subsection (4) of this section shall allow the taxpayer to avail himself of the provisions of subsection (3) of this section.

(6) No use tax of any home rule city, town, or city and county shall apply to the storage, use, or consumption of any article of tangible personal property the sale or use of which has already been subjected to a sales or use tax of another statutory or home rule city, town, or city and county legally imposed on the purchaser or user equal to or in excess of that imposed by the subsequent home rule city, town, or city and county. A credit shall be granted against the use tax of the home rule city, town, or city and county with respect to the person's storage, use, or consumption in the home rule city, town, or city and county of tangible personal property, the amount of the credit to equal the tax paid by him by reason of the imposition of a sales or use tax of the previous statutory or home rule city, town, or city and county on his purchase or use of the property. The amount of the credit shall not exceed the tax imposed by the subsequent home rule city, town, or city and county.

(7) The use tax of any town, city, city and county, or county, whether home rule or statutory, shall not apply to the storage of construction and building materials.

29-2-110. Filing with executive director - when deemed to have been made. (1) Any report, claim, tax return, statement, or other document required or authorized under this article to be filed with or any payment made to the executive director of the department of revenue which:

(a) Is transmitted through the United States mails shall be deemed filed with and received by the executive director on the date shown by the cancellation mark stamped on the envelope or other wrapper containing the document required to be filed;

(b) Is mailed but not received by the executive director, or is received and the cancellation mark is not legible or is erroneous or omitted, shall be deemed to have been filed and received on the date it was mailed if the sender establishes by competent evidence that the document was deposited in the United States mails on or before the date due for filing. In such cases of nonreceipt of a document by the executive director, the sender shall file a duplicate copy thereof within thirty

days after written notification is given to the sender by the executive director of the failure to receive such document.

(2) If any report, claim, tax return, statement, remittance, or other document is sent by United States registered mail, certified mail, or certificate of mailing, a record authenticated by the United States postal service of such registration, certification, or certificate shall be considered competent evidence that the report, claim, tax return, statement, remittance, or other document was mailed to the executive director, to the state officer or state agency to which it was addressed, and the date of the registration, certification, or certificate shall be deemed to be the postmark date.

(3) If the date for filing any report, claim, tax return, statement, remittance, or other document falls upon a Saturday, Sunday, or legal holiday, it shall be deemed to have been timely filed if filed on the next business day.

29-2-111. Pledging of sales and use tax for capital improvements. (1) A sales or use tax proposal made pursuant to this article by, or on behalf of, any county, city, or incorporated town may contain a provision for the creation of a special fund, to be known as a "sales and use tax capital improvement fund", for the deposit of all or any part of the revenue from the sales or use tax, or both, and to be used solely to provide capital improvements. A sales or use tax proposal of any county, city, or incorporated town which has been approved by the registered electors and which does not contain a provision for the creation of such a special fund may be subsequently amended by ordinance or resolution of the governing body to provide for such a special fund. Any such amendment shall take effect only after approval by a majority of the registered electors of the county, city, or town voting at a regular or special election, but no election shall be required in order to create a capital improvement fund for the deposit of any portion of sales or use tax revenue allocated for capital improvement purposes in a sales or use tax proposal previously approved by the voters.

(2) A city or town by ordinance adopted by the governing body may pledge all or any part of the sales or use tax revenue, or both, it receives from the countywide sales or use tax for capital improvement purposes. Any such pledge shall take effect only after approval by a majority of the registered electors of the city or town voting at a regular or special election.

(3) When sales or use tax revenue, or both, is pledged solely for capital improvement purposes, it shall be deposited immediately upon being received or collected into the sales and use tax capital improvement fund. Upon deposit in this fund, such revenue is thereafter not available to be pledged or expended for any general municipal or county purpose.

(4) For purposes of this section and section 29-2-112, "capital improvement purposes" include:

- (a) Paying the costs of acquiring or constructing any capital improvement;
- (b) Acquiring land or equipment;
- (c) The costs of issuing bonds;
- (d) The costs of capitalized interest and reserves; and
- (e) The costs of operating and maintaining the capital improvements to be financed.

(5) Notwithstanding any other provision to the contrary, no sales or use tax revenues in the sales and use tax capital improvement fund may be expended in any year for the purposes specified in subsection (4) of this section unless said fund contains sufficient revenues to pay the anticipated

annual debt service on any sales and use tax revenue bonds for which moneys in the fund have been pledged.

29-2-112. Sales and use tax revenue bonds. (1) Any county, city, or incorporated town which has pledged sales or use tax revenue, or both, solely for capital improvement purposes and has created a sales and use tax capital improvement fund may, in anticipation of collection of sales or use tax revenues, issue revenue bonds payable solely from the fund for the purpose of financing capital improvements.

(2) The revenue bonds may be authorized and issued by ordinance or resolution of the governing body of the county, city, or incorporated town, without further election.

(3) The revenue bonds shall bear interest at a rate such that the net effective interest rate of the issue of bonds does not exceed the maximum net effective interest rate authorized, payable semiannually or annually, and such interest shall be evidenced by one or two sets of coupons, if any, executed with the facsimile or manually executed signature of any official of the county, city, or incorporated town; except that the first coupon appertaining to any bond may evidence interest not in excess of one year. The resolution or ordinance authorizing the issuance of such bonds shall specify the maximum net effective interest rate. Such bonds may be issued in one or more series, may bear such date, may mature at such time as determined by the governing body but in no event beyond thirty years from their respective dates, may be in such denomination, may be payable in such medium of payment, at such place within or without the state, including but not limited to the office of the county treasurer, may carry such registration privileges, may be subject to such terms of prior redemption in advance of maturity in such order or by lot or otherwise at such time with or without a premium, may be executed in such manner, may bear such privileges for reissuance in the same or other denomination, may be so reissued, without modification of maturities and interest rates, and may be in such form, either coupon or registered, as may be provided by the governing body.

(4) (a) The governing body may provide for preferential security for any bonds, both principal and interest, to the extent deemed feasible and desirable by such governing body over any bonds that may be issued thereafter.

(b) The revenue bonds may be sold at, above, or below the principal amounts thereof, but they may not be sold at a price such that the net effective interest rate of the issue of bonds exceeds the maximum net effective interest rate authorized.

(c) The revenue bonds may be sold at either public or private sale.

(5) Notwithstanding any other provision of law, the governing body in any proceedings authorizing bonds under this section may:

(a) Provide for the initial issuance of one or more bonds, referred to in this subsection (5) as a "bond", aggregating the amount of the entire issue;

(b) Make such provision for installment payments of the principal amount of any such bond as it may consider desirable;

(c) Provide for the making of any such bond, payable to bearer or otherwise, registrable as to principal or interest or both and, where interest accruing thereon is not represented by interest coupons, for the endorsing of payments of interest on such bond; and

(d) Make further provision in any such proceedings for the manner and circumstances in and under which any such bond may in the future, at the request of the holder thereof, be converted into bonds of smaller denominations, which bonds of smaller denominations may in turn be either coupon bonds or bonds registrable as to principal or principal and interest, or both.

(6) (a) The revenue bonds and any coupons bearing the facsimile or manual signatures of officers in office on the date of the signing thereof shall be valid and binding obligations of the county, city, or incorporated town, notwithstanding that before the delivery thereof and payment therefor any or all of the persons whose signatures appear thereon have ceased to be officers of the entity issuing the same.

(b) Any officer authorized or permitted to sign any bond or interest coupon, at the time of its execution and of the execution of a signature certificate, may adopt, as and for his or her own facsimile signature, the facsimile signature of his or her predecessor in office in the event that such facsimile signature appears upon the bond or coupons appertaining thereto, or upon both the bond and such coupons.

(7) The clerk of the county, city, or incorporated town may cause the seal of such entity to be printed, engraved, stamped, or otherwise placed in facsimile on any bond. The facsimile seal has the same legal effect as the impression of the seal.

(8) The revenue bonds and the income therefrom are exempt from taxation, except inheritance, estate, and transfer taxes.

(9) The revenue bonds shall not constitute an indebtedness of the county, city, or incorporated town within the meaning of any constitutional or statutory debt limitation or provision. Each bond issue under this section shall recite in substance that said bonds, including the interest thereon, are payable solely from a special fund and that said bonds do not constitute a debt within the meaning of any constitutional or statutory limitation.

(10) Any ordinance or resolution authorizing any bonds under this section may provide that each bond therein authorized shall recite that it is issued under authority of this section. Such recital shall conclusively impart full compliance with all of the provisions of this section, and all bonds issued containing such recital shall be incontestable for any cause whatsoever after their delivery for value.

(11) A home rule municipality may elect to issue sales or use tax revenue bonds pursuant to this section unless a provision of the municipal charter prohibits the issuance of such bonds.

29-2-113. Sales and use tax simplification task force - repeal of section. (Repealed)

29-2-114. Retail marijuana excise tax - county - municipality - election. (1) (a) In addition to any sales tax imposed pursuant to section 29-2-103 and articles 26 and 28.8 of title 39, C.R.S., and in addition to the excise tax imposed pursuant to article 28.8 of title 39, C.R.S., each county in the state is authorized to levy, collect, and enforce a county excise tax on the first sale or transfer of unprocessed retail marijuana by a retail marijuana cultivation facility authorized by the county; except that a county is not authorized to levy, collect, and enforce a county excise tax on the first sale or transfer of unprocessed retail marijuana by a retail marijuana cultivation facility pursuant

to this subsection (1) within any municipality that levies such an excise tax pursuant to subsection (2) of this section. The tax shall be imposed at the time when the retail marijuana cultivation facility first sells or transfers unprocessed retail marijuana from the retail marijuana cultivation facility to a retail marijuana product manufacturing facility, a retail marijuana store, or another retail marijuana cultivation facility. The tax rate imposed pursuant to this paragraph (a) shall not exceed five percent of the average market rate, as determined by the department of revenue pursuant to section 39-28.8-101 (1), C.R.S., of the unprocessed retail marijuana.

(b) No excise tax shall be levied pursuant to the provisions of paragraph (a) of this subsection (1) until the proposal has been referred to and approved by the eligible electors of the county. The adoption procedures for a countywide sales tax, use tax, or both, as specified in this article, shall apply to the referral and approval of an excise tax pursuant to this subsection (1). Any proposal for the levy of an excise tax in accordance with paragraph (a) of this subsection (1) may be submitted to the eligible electors of the county only on the date of the state general election or on the first Tuesday in November of an odd-numbered year, and any election on the proposal must be conducted by the county clerk and recorder in accordance with the "Uniform Election Code of 1992", articles 1 to 13 of title 1, C.R.S.

(2) (a) In addition to any sales tax imposed pursuant to section 29-2-102 and articles 26 and 28.8 of title 39, C.R.S., and in addition to the excise tax imposed pursuant to article 28.8 of title 39, C.R.S., each municipality in the state is authorized to levy, collect, and enforce a municipal excise tax on the first sale or transfer of unprocessed retail marijuana by a retail marijuana cultivation facility. The tax shall be imposed at the time when the retail marijuana cultivation facility first sells or transfers unprocessed retail marijuana from the retail marijuana cultivation facility to a retail marijuana product manufacturing facility, a retail marijuana store, or another retail marijuana cultivation facility. The tax rate imposed by any statutory municipality pursuant to this paragraph (a) shall not exceed five percent of the average market rate, as determined by the department of revenue pursuant to section 39-28.8-101 (1), C.R.S., of the unprocessed retail marijuana.

(b) No excise tax shall be levied pursuant to the provisions of paragraph (a) of this subsection (2) until the proposal has been referred to and approved by the eligible electors of the municipality in accordance with the provisions of article 10 of title 31, C.R.S. Any proposal for the levy of an excise tax in accordance with paragraph (a) of this subsection (2) may be submitted to the eligible electors of the municipality on the date of the state general election, on the first Tuesday in November of an odd-numbered year, or on the date of a municipal biennial election. Any election on the proposal shall be conducted by the clerk of the municipality in accordance with the "Colorado Municipal Election Code of 1965", article 10 of title 31, C.R.S.

(3) Any excise tax imposed by a county or municipality pursuant to this section shall not be collected, administered, or enforced by the department of revenue, but shall instead be collected, administered, and enforced by the county or municipality imposing the tax.

(4) A county or municipality in which the eligible electors have approved an excise tax pursuant to this section may credit the revenues collected from the tax to the general fund of the county or municipality or to any special fund created in the county or municipality's treasury. The governing body of a county or municipality may use the revenues collected from the tax imposed pursuant to this section for any purpose as determined by the governing body or the electors of the county or municipality, as applicable.

(5) The provisions of this section shall not be construed to invalidate the presumed legality of any county or municipal excise tax imposed on the first sale or transfer of unprocessed retail marijuana by a retail marijuana cultivation facility that is consistent with this section and that is in addition to any excise tax imposed pursuant to article 28.8 of title 39, C.R.S., and that was approved by the eligible electors of the county or municipality prior to June 4, 2015.

(6) Nothing in this section shall be construed to prohibit counties and municipalities from cooperating to create a countywide uniform excise tax on the first sale or transfer of unprocessed retail marijuana by a retail marijuana cultivation facility with voluntary abandonment of municipal excise tax ordinances.

ARTICLE 3

County and Municipality Development Revenue Bond Act

29-3-101. Short title. This article shall be known and may be cited as the "County and Municipality Development Revenue Bond Act".

29-3-102. Legislative declaration. (1) It is the intent of the general assembly by the passage of this article to authorize counties and municipalities to finance, acquire, own, lease, improve, and dispose of properties to the end that such counties and municipalities may be able to promote industry and develop trade or other economic activity by inducing profit or nonprofit corporations, federal governmental offices, hospitals, and agricultural, forestry, fisheries, mining, construction, manufacturing, transportation, communications, public utilities, wholesale and retail trade, finance, education, insurance, real estate, technology, and any related small business enterprises to locate, expand, or remain in this state, to mitigate the serious threat of extensive unemployment in parts of this state, to secure and maintain a balanced and stable economy in all parts of this state, or to further the use of its agricultural products or natural resources.

(2) It is the further intent of the general assembly to authorize counties and municipalities to finance, refinance, acquire, own, lease, improve, and dispose of properties to the end that pollution may be ameliorated and controlled, more adequate hospital care may be provided, more adequate residential housing facilities for low- and middle-income families and persons may be provided, more adequate facilities for disposing of sewage and solid waste and furnishing water, energy, and gas may be provided, more adequate facilities for sports events and activities and recreation activities, conventions, and trade shows may be provided, more adequate airports, mass commuting facilities, parking facilities, or storage or training facilities may be provided, and more adequate research, product-testing, and administrative facilities may be provided, all of which promote the public health, welfare, safety, convenience, and prosperity.

(3) It is therefore the intention of the general assembly to vest such counties and municipalities with all powers that may be necessary to enable them to accomplish such purposes, which powers shall in all respects be exercised for the benefit of the inhabitants of this state for the promotion of their health, safety, welfare, convenience, and prosperity.

(4) It is not intended by this article to authorize any county or municipality to operate any manufacturing, industrial, commercial, or business enterprise, or any research, product-testing, or administrative facilities of such enterprise, nor to prohibit the operation of utility plants, residential housing facilities, hospitals, sewage or solid waste disposal facilities, facilities for the furnishing of water, energy, or gas, sports and recreation facilities, convention or trade show facilities, airports, mass commuting facilities, parking facilities, or storage or training facilities by any county or municipality.

(5) This article shall be liberally construed in conformity with this legislative declaration.

29-3-103. Definitions. As used in this article, unless the context otherwise requires:

(1) "Bonds" or "revenue bonds" means bonds, notes, or other securities evidencing an obligation and issued under this article by a county or municipality.

(2) "County" means any county within this state.

(3) "Finance" or "financing" means the issuing of bonds by a county or municipality and the use of substantially all of the proceeds therefrom pursuant to a financing agreement with the user to pay (or to reimburse the user or its designee) for the costs of the acquisition or construction of a project, whether these costs are incurred by the county, the municipality, the user, or a designee of the user. Title to or in the project may at all times remain in the user, and, in such case, the bonds of the county or municipality may be secured by mortgage or other lien upon the project or upon any other property of the user, or both, granted by the owner or by a pledge of one or more notes, debentures, bonds, or other secured or unsecured debt obligations of the user, as the governing body deems advisable, but no county or municipality shall be authorized hereby to pledge any of its property or to otherwise secure the payment of any bonds with its property; except that the county or municipality may pledge the property of the project or revenues therefrom.

(4) "Financing agreement" includes a lease, sublease, installment purchase agreement, rental agreement, option to purchase, or any other agreement, or any combination thereof, entered into in connection with the financing or refinancing of a project pursuant to this article.

(5) "Mortgage" means a deed of trust or any other security device for both real and personal property.

(6) "Municipality" means any city, including without limitation any city or city and county operating under a home rule or special legislative charter, or town within this state.

(7) "Ordinance" means an ordinance of a city, town, or city and county.

(8) "Pollution" means any form of environmental pollution, including but not limited to water pollution, air pollution, pollution caused by solid waste disposal, thermal pollution, radiation contamination, or noise pollution.

(9) "Pollution control facilities" means any land, building, or other improvement and all real or personal property, and any undivided or other interest in any of the foregoing, including without limitation structures, equipment, pipes, pumps, dams, reservoirs, improvements, or other facilities

useful for the purpose of reducing, abating, preventing, controlling, or eliminating pollution caused or produced by the operation of any manufacturing, industrial, or commercial enterprise or any utility plant or useful for the purpose of removing or treating any substance in processed material, which material would cause pollution if used without such removal or treatment.

(10) "Project" means any land, building, or other improvement and all real or personal properties, and any undivided or other interest in any of the foregoing, except inventories and raw materials, whether or not in existence, suitable or used for or in connection with any of the following:

(a) Manufacturing, industrial, commercial, agricultural, or business enterprises (including, without limitation, enterprises engaged in storing, warehousing, distributing, selling, or transporting any products of agriculture, industry, commerce, manufacturing, or business), or any utility plant;

(b) Hospital, health-care, or nursing-home facilities (including, without limitation, clinics and out-patient facilities and facilities for the training of hospital, health-care, or nursing-home personnel);

(c) Pollution control facilities;

(d) Residential facilities for low- and middle-income families or persons intended for use as the sole place of residence by the owners or intended occupants. "Low- and middle-income persons and families" means persons and families determined by a county or municipality (which determination shall be conclusive) to lack the financial ability to pay prices or rentals sufficient to induce private enterprise in such county or municipality to build a sufficient supply of adequate, safe, and sanitary dwellings without the special assistance afforded by this article.

(e) Sewage or solid waste disposal facilities;

(f) Facilities for the furnishing and storage of water;

(g) Facilities for the furnishing of energy or gas;

(h) Sports and recreational facilities available for use by members of the general public either as participants or spectators and functionally related and subordinate residential housing facilities, including residential facilities, without regard to the limitations contained in paragraph (d) of this subsection (10), for employees of the persons or entities owning or operating such sports and recreational facilities and facilities located in proximity to and in connection with sports and recreational facilities providing treatment, therapy, or recreational opportunities for persons with mental and physical disabilities and families of such persons;

(i) Convention or trade show facilities;

(j) Airports, facilities for the loading or unloading of unprocessed agricultural products or raw materials, mass commuting facilities, railroad facilities, parking facilities, or storage or training facilities directly related to any of the foregoing;

(k) Research, product-testing, and administrative facilities;

(l) Facilities for private and not-for-profit institutions of higher education; and

(m) Capital improvements to existing single-family residential, multi-family residential, commercial, or industrial structures, to retrofit such structures for significant energy savings or installation of solar or other alternative electrical energy-producing improvements to serve that structure or other structures on contiguous property under common ownership.

(10.5) "Refinance" or "refinancing" means the issuing of bonds by a county or municipality and the use of all or substantially all of the proceeds therefrom pursuant to a financing agreement

with the user to liquidate any obligations previously incurred to finance or aid in financing of a project specified in paragraphs (b) to (l) of subsection (10) of this section which would constitute such a project had it been originally undertaken and financed by a county or municipality pursuant to this article. Title to or in the project may remain at all times in the user, and in such case, the bonds of the county or municipality may be secured by mortgage or other lien upon the project granted by the owner or by a pledge of one or more notes, debentures, bonds, or other secured or unsecured debt obligations of the user, as the governing body deems advisable.

(11) "Resolution" means a resolution of a county.

(12) "State" means the state of Colorado.

(13) "User" means one or more persons who enter into a financing agreement with any county or municipality relating to a project; except that the user need not be the person actually occupying, operating, or maintaining the project.

(14) "Utility plant" means any facility used for or in connection with the generation, production, transmission, or distribution of electricity; the production, manufacture, storage, or distribution of gas; the transportation or conveyance of gas, oil, or other fluid substance by pipeline; or the diverting, developing, pumping, impounding, distributing, or furnishing of water.

29-3-104. General powers. (1) In addition to any other powers, each county and municipality has the following powers:

(a) To acquire, whether by construction, purchase, gift, devise, lease, or sublease; to improve and equip; and to finance, refinance, sell, lease, or otherwise dispose of one or more projects or part thereof. If a county issues revenue bonds as provided in this article to finance, refinance, or acquire projects, such projects shall be located within said county, or, if a municipality issues revenue bonds as provided in this article to finance, refinance, or acquire projects, such projects shall be located within the municipality or within eight miles from the nearest point of its corporate limits.

(b) To enter into financing agreements with others for the purpose of providing revenues to pay the bonds authorized by this article; to lease, sell, or otherwise dispose of any or all of its projects to others for such revenues and upon such terms and conditions as the governing body may deem advisable; and to grant options to renew any lease or other agreement with respect to the project and to grant options to buy any project at such price as the governing body deems desirable;

(c) To issue revenue bonds for the purpose of defraying the cost of financing, refinancing, acquiring, improving, and equipping any project, including the payment of principal and interest on such bonds for not exceeding three years, funding any reserve funds which the governing body may deem advisable to establish in connection with the retirement of the proposed bonds or the maintenance of the project, and all other incidental expenses incurred in issuing such bonds;

(d) To secure payment of such bonds as provided in this article.

(2) To further implement section 18 of article XIV of the state constitution and to supplement part 5 of article 25 of title 31, C.R.S., any county or municipality may delegate, by resolution or ordinance as the case may be, to any other county or municipality authority to act on its behalf in the financing, refinancing, acquisition, leasing, ownership, improvement, and disposal of projects. Any such delegation may be general or limited in scope and time and may be irrevocable

for the term or terms of any financing agreement or bond issue, all as provided in said ordinance or resolution.

29-3-105. Bonds to be special obligations. (1) All bonds issued by a county or municipality under the authority of this article shall be special, limited obligations of the county or municipality. Except as provided in section 29-3-116, the principal of and interest on such bonds shall be payable, subject to the mortgage provisions in this article, solely out of the revenues derived from the financing, refinancing, sale, or leasing of the project with respect to which the bonds are issued.

(2) The bonds and interest coupons, if any, appurtenant thereto shall never constitute the debt or indebtedness of the county or municipality within the meaning of any provision or limitation of the state constitution, statutes, or home rule charter, and shall not constitute nor give rise to a pecuniary liability of the county or municipality or a charge against its general credit or taxing powers. Such limitation shall be plainly stated on the face of each bond.

29-3-106. Form and terms of bonds - exemption from Colorado income tax. (1) The bonds shall be authorized by resolution of the county commissioners or by ordinance of the municipality; shall be subject to such maximum net effective interest rate; and shall be in such denominations, bear such date, mature at such time not exceeding forty years from their respective dates, bear such interest at a rate, be in such form, carry such registration privileges, be executed in such manner, be payable at such place within or without the state, and be subject to such terms of redemption as the authorizing resolution or supplemental resolution of the county commissioners or the ordinance or supplemental resolution of the municipality may provide.

(2) The bonds may be sold in one or more series at par, or below or above par, at public or private sale, in such manner and for such price as the county or municipality, in its discretion, shall determine; but the county or municipality shall not sell such bonds at a price such that the net effective interest rate of the issue of bonds exceeds the maximum net effective interest rate authorized. As an incidental expense of the project, the county or municipality, in its discretion, may employ financial and legal consultants in regard to the financing of the project.

(3) The county or municipality may exchange all or a part of its bonds for all or an equivalent part of the project for which the bonds are issued, the exchange to be preceded by determination of the fair value of the project or part of the project exchanged for the bonds. Such determination shall be by ordinance of the municipality or by resolution of the governing body of the county and shall be conclusive.

(4) The bonds shall be fully negotiable under the terms of article 8 of title 4, C.R.S.

(5) Interest on bonds issued on or after July 1, 1979, pursuant to this article shall be exempt from Colorado income tax.

29-3-107. Bond security. The principal of, the interest on, and any prior redemption premiums due in connection with the bonds shall be payable from, secured by a pledge of, and

constitute a lien on the revenues out of which such bonds shall be made payable. In addition, they may be secured by a mortgage covering all or any part of the project or upon any other property of the user, or both, by a pledge of the revenues from or a financing agreement for such project, or both, as the governing body in its discretion may determine, but no county or municipality shall be authorized hereby to pledge any of its property or to otherwise secure the payment of any bonds with its property; except that the county or municipality may pledge the property of the project or revenues therefrom.

29-3-108. Terms of proceedings and instruments. (1) The proceedings under which the bonds are authorized to be issued and any mortgage or trust indenture given to secure the same may contain any provisions customarily contained in instruments securing bonds and constituting a covenant with the bondholders, including, but not limited to:

- (a) Provisions respecting custody of the proceeds from the sale of the bonds, including their investment and reinvestment until used to defray the cost of the project;
- (b) Provisions respecting the fixing and collection of revenues from the project;
- (c) The terms to be incorporated in the financing agreement and any mortgage or trust indenture for the project, including without limitation provision for subleasing;
- (d) The maintenance and insurance of the project;
- (e) The creation of funds and accounts into which any bond proceeds, revenues, and income may be deposited or credited;
- (f) Limitation on the purpose to which the proceeds of any bonds then or thereafter to be issued may be applied;
- (g) Limitation on the issuance of additional bonds, the terms upon which additional bonds are issued and secured, the refunding of bonds, and the replacement of bonds;
- (h) The procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated;
- (i) Vesting in a trustee such properties, rights, powers, and duties in trust as the county or municipality determines and limiting the rights, duties, and powers of such trustees;
- (j) The rights and remedies available in case of a default to the bondholders or to any trustee under the financing agreement, a mortgage, or a trust indenture for the project.

29-3-109. Investments and bank deposits. (1) The county or municipality may provide that proceeds from the sale of bonds and special funds from the revenues of the project shall be invested and reinvested in such securities and other investments, whether or not any such investment or reinvestment is authorized under any other law of this state, as may be provided in the proceedings under which the bonds are authorized to be issued, including but not limited to:

- (a) Bonds or other obligations of the United States;
- (b) Bonds or other obligations, the payment of the principal and interest of which is unconditionally guaranteed by the United States;
- (c) Obligations issued or guaranteed as to principal and interest by any agency or person controlled or supervised by and acting as an instrumentality of the United States pursuant to authority

granted by the congress of the United States;

(d) Obligations issued or guaranteed by any state of the United States or any political subdivision of any such state;

(e) Prime commercial paper;

(f) Prime finance company paper;

(g) Bankers acceptances drawn on and accepted by commercial banks;

(h) Repurchase agreements fully secured by obligations issued or guaranteed as to principal and interest by the United States or by any person controlled or supervised by and acting as an instrumentality of the United States pursuant to authority granted by the congress of the United States;

(i) Certificates of deposit issued by commercial banks.

(2) The county or municipality may also provide that the proceeds, funds, or investments and the revenues payable under the financing agreement shall be received, held, and disbursed by one or more trust companies located within or without this state or in any depository authorized in section 24-75-603, C.R.S.

29-3-110. Acquisition of project. (1) The county or municipality may also provide that:

(a) The project and improvements to be constructed, if any, shall be constructed by the county or municipality, the user, the user's designee, or any one or more of them on real estate owned by the county or municipality, the user, or the user's designee, as the case may be;

(b) The bond proceeds shall be disbursed by the trustee bank or trust company during construction upon the estimate, order, or certificate of the user or the user's designee.

(2) The project, if and to the extent constructed on real estate not owned by the county or municipality, may be conveyed or leased or an easement therein granted to the county or municipality at any time.

29-3-111. Limited obligation. In making such agreements or provisions, a county or municipality shall not obligate itself, except with respect to the project and the application of the revenues therefrom and bond proceeds therefor.

29-3-112. Rights upon default. (1) The proceedings authorizing any bonds, or any mortgage securing such bonds, may provide that if there is a default in the payment of the principal of, the interest on, or any prior redemption premiums due in connection with the bonds or in the performance of any agreement contained in such proceedings or mortgage, the payment and performance may be enforced by mandamus or by the appointment of a receiver in equity with power to charge and collect rents and to apply the revenues from the project in accordance with the proceedings or the provisions of the mortgage.

(2) Any mortgage to secure bonds issued thereunder may also provide that if there is a default in the payment thereof or a violation of any agreement contained in the mortgage it may be foreclosed and there may be a sale under proceedings in equity or in any other manner permitted by

law. Such mortgage may also provide that any trustee under such mortgage or the holder of any bonds secured thereby may become the purchaser at any foreclosure sale if he is the highest bidder and may apply toward the purchase price unpaid bonds at the face value thereof.

29-3-113. Determination of revenue. (1) Prior to entering into a financing agreement for the project and the issuance of bonds in connection therewith, the governing body must determine:

(a) The amount necessary in each year to pay the principal of and the interest on the first bonds proposed to be issued to finance such project;

(b) The amount necessary to be paid each year into any reserve funds which the governing body may deem advisable to establish in connection with the retirement of the proposed bonds and the maintenance of the project;

(c) The estimated cost of maintaining the project in good repair and keeping it properly insured, unless the terms under which the project is to be financed provide that the user shall maintain the project and carry all proper insurance with respect thereto.

(2) The determination and findings of the governing body, required to be made by subsection (1) of this section, shall be set forth in the proceedings under which the proposed bonds are to be issued; but the foregoing amounts need not be expressed in dollars and cents in the financing agreement and proceedings under which the bonds are authorized to be issued.

29-3-114. Financing of project. Prior to the issuance of any bonds authorized by this article, the county or municipality shall enter into a financing agreement with respect to the project with a user providing for payment to the county or municipality of such revenues as, upon the basis of such determinations and findings, will be sufficient to pay the principal of and interest on the bonds issued to finance the project, to build up and maintain any reserves deemed advisable by the governing body in connection therewith, and to pay the costs of maintaining the project in good repair and keeping it properly insured, unless the financing agreement obligates the user to pay for the maintenance of and insurance on the project.

29-3-115. Option to purchase. (1) A lease may grant the user of a project an option to purchase all or a part of the project at a stipulated purchase price or at a price to be determined upon appraisal as is provided in the lease.

(2) The option may be exercised at such time as the lease may provide.

(3) The county or municipality and the user may agree and provide in the lease that all or a part of the rentals paid by the user prior to and at the time of the exercise of such option shall be applied toward the purchase price and shall be in full or partial satisfaction thereof.

29-3-116. Refunding. (1) Any bonds issued pursuant to the provisions of this article and at any time outstanding may be refunded at any time and from time to time by a county or municipality by the issuance of its refunding bonds in such amount as the governing body may

determine to refund the principal of the bonds to be so refunded, all accrued and unaccrued interest thereon to the normal maturity dates of such bonds or to the prior redemption dates selected by the county or municipality in accordance with the proceedings under which the bonds to be refunded were issued, including any mortgage or trust indenture given to secure the same, and any premiums and incidental expenses necessary to be paid in connection therewith. The principal amount of any such refunding bonds may be equal to, less than, or greater than the principal amount of the bonds to be so refunded. The net effective interest rate on any such refunding bonds may be equal to, less than, or greater than the net effective interest rate on the bonds to be so refunded.

(2) Any such refunding may be effected, whether the bonds to be refunded have matured or shall mature thereafter, either by sale of the refunding bonds and the application of the proceeds thereof, directly or indirectly, to the payment of the bonds to be refunded thereby or by exchange of the refunding bonds for the bonds to be refunded thereby, but the holders of any bonds to be so refunded shall not be compelled, without their consent, to surrender their bonds for payment or exchange prior to the date on which they are payable at normal maturity date or prior redemption date selected by the county or municipality in accordance with the proceedings under which the bonds to be refunded were issued, including any mortgage or trust indenture given to secure the same.

(3) The proceeds of the refunding bonds shall either be immediately applied to the retirement of the bonds to be so refunded or be placed in escrow in any state or national bank within or without this state which possesses and is exercising trust powers to be applied to the payment of the bonds being refunded or the refunding bonds or both upon their presentation therefor, to the extent, in such priority, and otherwise in the manner in which the county or municipality may determine. Except to the extent expressly inconsistent with the provisions of this article, the proceedings under which the bonds to be so refunded were issued, including any mortgage or trust indenture given to secure the same, shall govern the issuance of such refunding bonds, the establishment of any escrow in connection therewith, and the investment and reinvestment of any escrowed proceeds.

(4) All refunding bonds issued under authority of this article shall be payable solely from revenues out of which the bonds to be refunded thereby are payable or from revenues out of which bonds of the same character may be made payable under this article or any other law in effect at the time of the refunding or from the escrowed proceeds of such refunding bonds, including any proceeds realized from the investment and reinvestment of such escrowed proceeds.

29-3-117. Application of proceeds. (1) The proceeds from the sale of any bonds shall be applied only for the purpose for which the bonds were issued and if, for any reason, any portion of such proceeds are not needed for the purpose for which the bonds were issued, such unneeded portion of the proceeds shall be applied to the payment of the principal of or the interest on the bonds.

(2) The cost of acquiring any project shall be deemed to include the actual cost of acquiring a site and the cost of the construction of any part of a project which may be constructed (including architects' and engineers' fees), the purchase price of any part of a project that may be acquired by purchase, and all expenses in connection with the authorization, sale, and issuance of the bonds to finance such acquisition.

29-3-118. No payment by county or municipality. (1) No county or municipality has the power to pay out of its general fund or otherwise contribute any part of the costs of acquiring a project and, unless specifically acquired for uses of the character described in this article or unless the land is determined by the governing body to be no longer necessary for other county or municipal purposes, shall not have the power to use land already owned by the county or municipality, or in which the county or municipality has an equity, for the construction thereon of a project or any part thereof.

(2) The entire cost of acquiring any project must be paid out of the proceeds from the sale of the bonds, but this provision shall not be construed to prevent a municipality from accepting donations of property to be used as a part of any project or money to be used for defraying any part of the cost of any project.

29-3-119. No county or municipal operation. (1) When all principal of, interest on, and any prior redemption premium due in connection with the bonds issued for a project leased to a user have been paid in full and in the event the option to purchase or option to renew the lease, if any, contained in the lease has not been exercised as to all of the property contained in the project, the lease shall terminate and the county or municipality shall sell such remaining property or devote the same to county or municipal purposes other than manufacturing, commercial, or industrial.

(2) Any such sale which is not made pursuant to the exercise of an option to purchase by the user of a project shall be conducted in the same manner as is then provided by law governing the issuer's sale of surplus property.

29-3-120. Payment in lieu of taxes. (1) Pursuant to section 4 of article X of the state constitution, all property owned by a county or municipality pursuant to this article shall be and remain exempt from taxation. Nevertheless, any county or municipality acquiring or extending any project as provided in this article shall annually pay, solely out of the revenues from the project and not from any other source, to the state of Colorado and to the city, town, school district, and any other political subdivision or public body corporate wherein such project is located, authorized to levy taxes, a sum equal to the amount of tax which the taxing entity would annually receive if the property were owned by any private person or corporation, any other statute to the contrary notwithstanding. In addition to the requirements of sections 29-3-113 and 29-3-114, the governing body, before entering into a financing agreement pursuant to this article, shall make a prior determination of sufficiency of revenues for the purposes of this section, and each financing agreement shall provide for revenues sufficient to meet the payments required by this section.

(2) If and to the extent the proceedings under which the bonds so provide, the county or municipality may agree to cooperate with the user of a project in connection with any administrative or judicial proceedings for determining the validity or amount of any such payments and may agree to appoint or designate and reserve the right in and for such user to take all action which the county

or municipality may lawfully take in respect of such payments and all matters relating thereto, but such user shall bear and pay all costs and expenses of the county or municipality thereby incurred at the request of such user or by reason of any such action taken by such user in behalf of the county or municipality.

(3) Any user of a project which has paid, as revenues additional to those required to be paid pursuant to section 29-3-114, the amounts required by subsection (1) of this section to be paid by the county or municipality shall not be required to pay taxes on such property to the state or to any county, city, town, school district, or other political subdivision, any other statute to the contrary notwithstanding. In the event the project is owned by a private person or corporation, the financing agreement shall require such private person or corporation to pay the taxes which such taxing entity or entities are entitled to receive from such private person or corporation with respect to the project.

29-3-121. Eminent domain not available. No land acquired by a county or municipality by the exercise of condemnation through eminent domain can be used for the project to effectuate the purposes of this article.

29-3-122. Limitation of actions. No action shall be brought questioning the legality of any contract, financing agreement, mortgage, trust indenture, proceeding, or bonds executed in connection with any project or improvements authorized by this article on and after thirty days from the effective date of the resolution or ordinance authorizing the issuance of such bonds.

29-3-123. Sufficiency of article. (1) This article, without reference to other statutes of the state, constitutes full authority for the exercise of powers granted in this article, including but not limited to the authorization and issuance of bonds under this article.

(2) No other act or law with regard to the authorization or issuance of bonds that provides for an election requiring an approval or in any way impeding or restricting the carrying out of the acts authorized in this article to be done shall be construed as applying to any proceedings taken under this article or acts done pursuant to this article.

(3) The provisions of no other law, either general or local, shall apply to the things authorized to be done in this article, and no board, agency, bureau, commission, or official not designated in this article has any authority or jurisdiction over any of the acts authorized in this article to be done.

(4) No notice, consent, or approval by any public body or officer thereof shall be required as a prerequisite to the sale or issuance of any bonds, the making of any contract or financing agreement, or the exercise of any other power under this article, except as provided in this article.

(5) The powers conferred by this article shall be in addition and supplemental to, and not in substitution for, and the limitations imposed by this article shall not affect, the powers conferred by any other law.

(6) No part of this article shall repeal or affect any other law or part thereof except to the extent that this article is inconsistent with any other law, it being intended that this article shall

provide a separate method of accomplishing its objectives and not an exclusive one; and this article shall not be construed as repealing, amending, or changing any such other law except to the extent of such inconsistency.

ARTICLE 3.5

State Grants to Local Governments

29-3.5-101. Definitions. As used in this article, unless the context otherwise requires:

(1) "Eligible applicant" means an applicant under a local government assistance program which meets all statutory requirements for eligibility and which complies with all applicable regulations, ordinances, and resolutions.

(2) "Local government assistance program" means any program under which a state agency furnishes a grant or loan of state money, or state property in lieu of money, to units of local government for the purpose of financing or otherwise assisting in any local or regional project.

(3) "State agency" means any board, bureau, commission, department, institution, division, section, or officer of the state, except those in the legislative branch or judicial branch and except state educational institutions administered pursuant to title 23, C.R.S., except article 8, parts 2 and 3 of article 21, and parts 2 to 4 of article 31 of title 23, C.R.S.

(4) "Unit of local government" means a county, city and county, city, town, service authority, school district, local improvement district, law enforcement authority, water, sanitation, fire protection, metropolitan, irrigation, drainage, or other special district, or any other kind of municipal, quasi-municipal, or public corporation organized pursuant to law.

29-3.5-102. Selection criteria. Every state agency which administers a local government assistance program shall approve or deny every application for competitively awarded programs filed after July 1, 1981, from an eligible applicant under such program solely on the basis of criteria established by statute and any regulations authorized by statute.

HOUSING

ARTICLE 4

Housing

PART 1

CITY HOUSING LAW - SLUM CLEARANCE

29-4-101. Short title. This part 1 shall be known and may be cited as the "City Housing Law".

29-4-102. Legislative declaration. (1) It is hereby declared:

(a) That unsanitary or unsafe dwelling accommodations exist in the various cities and that such unsafe or unsanitary conditions arise from overcrowding and concentration of population, the obsolete and poor condition of the buildings, improper planning, excessive land coverage, lack of proper light, air, and space, unsanitary design and arrangement, lack of proper sanitary facilities, and the existence of conditions which endanger life or property by fire and other causes;

(b) That in all such cities persons of low income are forced to reside in unsanitary or unsafe dwelling accommodations; that in various cities there is a lack of safe or sanitary dwelling accommodations available to all the inhabitants thereof, and that consequently persons of low income are forced to occupy overcrowded and congested dwelling accommodations;

(c) That these conditions cause an increase in and spread of disease and crime and constitute a menace to the health, safety, morals, and welfare of the citizens of the state and impair economic values; that these conditions cannot be remedied by the ordinary operations of private enterprises;

(d) That the clearance, replanning, and reconstruction of areas in which unsanitary or unsafe housing conditions exist and the providing of safe and sanitary dwelling accommodations, at such rentals that persons who now live in unsafe or unsanitary dwelling accommodations or in overcrowded and congested dwelling accommodations can afford to live in safe or sanitary or uncongested dwelling accommodations, are public uses and purposes for which public money may be spent and private property acquired;

(e) That in order to remedy these conditions it is necessary that the powers provided in this part 1 be conferred upon each city; that it is in the public interest that work on such projects be instituted as soon as possible in order to relieve unemployment which now constitutes an emergency.

(2) The necessity in the public interest for the provisions enacted in this part 1 is hereby declared as a matter of legislative determination.

29-4-103. Definitions. As used in this part 1, unless the context otherwise requires:

(1) "Authority" or "housing authority" means an authority established in accordance with the provisions of part 2 of this article and any amendments or supplements thereto.

(2) "Bonds" means bonds, interim receipts, or other obligations of a city issued by its council pursuant to this part 1 or pursuant to any other law as supplemented by or in conjunction with this part 1.

(3) "City" means any city or incorporated town which is included within the boundaries of

a housing authority.

(4) "Community facilities" means real and personal property, buildings and equipment for recreational or social assemblies, for educational, health, or welfare purposes, and necessary utilities, when designed primarily for the benefit and use of the occupants of dwelling accommodations.

(5) "Contract" means any agreement of a city with or for the benefit of an obligee whether contained in a resolution, trust indenture, mortgage, lease, bond, or other instrument.

(6) "Council" means the council, legislative body, board of commissioners, board of trustees, or other body, board, or commission charged with the governing of any city.

(7) "Federal government" means the United States, the federal emergency administration of public works, or any agency or instrumentality, corporate or otherwise, of the United States.

(8) "Government" means the state and federal governments and any subdivision, agency, or instrumentality, corporate or otherwise, of either of them.

(9) "Housing project" means all real and personal property, buildings and improvements, stores, offices, lands for farming and gardening, and community facilities acquired, constructed, or to be acquired or constructed pursuant to a single plan or undertaking to demolish, clear, remove, alter, or repair unsafe, unsanitary, or substandard housing or to provide dwelling accommodations at rentals within the means of persons of low income. The term "housing project" also means the planning of the buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration, and repair of the improvements, and all other work in connection therewith.

(10) "Law" means any act or statute, general, special, or local, of the state, including, without being limited to, the charter of any city.

(11) "Mortgage" means deeds of trust, mortgages, building and loan contracts, or other instruments conveying real or personal property as security for bonds and conferring a right to foreclose and cause a sale thereof.

(12) "Obligee of the city" or "obligee" means any bondholder, trustee for any bondholders, any lessor demising property to the city used in connection with a housing project, or any assignee of such lessor's interest or any part thereof, and the United States, when it is a party to any contract with the city.

(13) "Real property" means lands, lands under water, structures, and any easements, franchises, and incorporeal hereditaments and every estate and right therein, legal and equitable, including terms for years and liens by way of judgment, mortgage, or otherwise.

(14) "State" means the state of Colorado.

(15) "Trust indenture" means instruments pledging the revenues of real or personal properties but not conveying such properties or conferring a right to foreclose and cause a sale thereof.

29-4-104. Powers of cities to undertake projects. (1) Every city has power and is authorized:

(a) To construct any housing project within the city;

(b) To contract debts for the construction of any housing project within the city, to borrow money, to issue its bonds to finance such construction, and to provide for the rights of obligees as

provided in this part 1;

(c) To assess, levy, and collect unlimited ad valorem taxes on all property subject to taxation to pay the bonds and the interest thereon issued to finance any housing project of the city, and to pay the obligations incurred by the city in connection with any lease to it of a housing project or of real or personal property for the purposes of a housing project;

(d) To acquire by purchase, gift, or the exercise of the power of eminent domain and to hold and dispose of any property, real or personal, tangible or intangible, or any right or interest in any such property in connection with any housing project of the city, whether subject to mortgages, liens, charges, or other encumbrances;

(e) To enter on any lands, buildings, or property for the purpose of making surveys, soundings, and examinations in connection with the planning or construction of any housing project of the city;

(f) To insure or provide for the insurance of any housing project of the city against such risks as the city may deem advisable and to procure or agree to the procurement of insurance or guarantees from a government of the payment of any debts or parts thereof incurred by the city in connection with a housing project, including the power to pay premiums on any such insurance;

(g) (I) To borrow money and accept grants from the federal government for or in aid of the construction of a housing project of the city; to take over any land acquired by the federal government for the construction of a housing project; to take over or lease any housing project constructed or owned by the federal government in the city; and to such ends to enter into such contracts, mortgages, trust indentures, leases, or other agreements as the federal government may require including an agreement that the federal government has the right to supervise and approve the construction, maintenance, and operation of such housing project;

(II) All cities are authorized to take over any housing project constructed or owned by the federal government located within ten miles of the boundaries of said city, provided said project is not located within any other city, town, county, or city and county without the prior approval of the governing body of such other city, town, county, or city and county. The authority in this subparagraph (II) conferred to all such cities shall be in addition to all of the authorities and powers in this part 1 granted to cities and shall include, without restrictions, the right to enter into leases for the land upon which said housing projects are located. Notwithstanding any of the provisions of this part 1, said cities may operate, maintain, rent, and terminate the housing projects taken over in such manner and upon such terms as their city councils or other governing bodies, by a majority vote thereof, may determine, subject only to the terms and conditions imposed by the federal government at the time the projects are taken over but without restriction as to the method and manner of operation provided in this part 1.

(h) To exercise, for the purpose of obtaining from the federal government a grant, loan, or other financial assistance or cooperation in the construction, maintenance, and operation of a housing project of the city, any power conferred by this part 1 independently or in conjunction with any other power conferred by this part 1 or conferred by any other law; and to do all things necessary in order to secure such aid, assistance, or cooperation from the federal government;

(i) To act as agent for the federal government in connection with the acquisition or construction of a federal housing project or any part thereof;

(j) To arrange with a government or an authority, upon such terms and for such consideration

as it may determine, for the acquisition by such government or authority of property, options, or property rights, or for the furnishing of property or services, in connection with a housing project of the city;

(k) To do all acts and things necessary or convenient to carry out the powers expressly given in this part 1.

(2) Notwithstanding anything to the contrary contained in this part 1 or in any other law, a city may include in any contract let in connection with a housing project stipulations requiring that the contractor and any subcontractors comply with requirements as to minimum wages and maximum hours of labor, and comply with any conditions which the federal government may have attached to its financial aid of the housing project.

29-4-105. Eminent domain. (1) Every city has the right to acquire by eminent domain any property, real or personal, which it may deem necessary to carry out the purposes of this part 1 after the adoption by it of a resolution declaring that the acquisition of the property described therein is in the public interest and necessary for public use. Every city may exercise the power of eminent domain pursuant to the provisions of either sections 38-1-101 to 38-1-115, article 3 of title 38, and section 38-5-106 or article 6 of title 38, C.R.S.

(2) Property already devoted to a public use may be acquired, but no property belonging to any government may be acquired without its consent and no property belonging to a public utility corporation may be acquired without the approval of the public utilities commission or other officer or tribunal having regulatory power over such corporation.

29-4-106. Acquisition of land for government. A city may acquire by purchase or by the exercise of the power of eminent domain any property, real or personal, which it may deem necessary for any housing project being constructed or operated by a government or an authority. The city, upon such terms and conditions and for such consideration as it may determine, may convey title or deliver possession of such property so acquired or purchased to such government or authority for use in connection with such housing project.

29-4-107. Management of housing projects. (1) The city shall deliver possession of any housing projects constructed, acquired, or leased by it to the authority within the boundaries of which the city is included, but the title to all property comprising such housing projects shall remain in the city. The authority shall operate and maintain all such housing projects of the city and shall fix, levy, and collect such rents, fees, or other charges for the use and occupancy of such housing projects as such authority determines; but if there are any agreements of the city with an obligee, the authority shall fix, levy, collect, and revise such rents, fees, and other charges in accordance with such agreements and subject thereto. All rents, fees, and other charges received by the authority from any such housing project shall not be commingled with any moneys of the authority and shall be deposited in a special account in any depository authorized in section 24-75-603, C.R.S.

(2) After the payment of the cost of operation and maintenance of such housing project, the

net receipts of such project shall be paid by the authority to the city at monthly or longer intervals as the city may determine or at such intervals as shall be provided for in any agreement by the city with an obligee.

29-4-108. Moneys of city. All proceeds received from the sale of the bonds, all moneys received from the federal government, and all revenues received by any city from any housing project shall be paid to the financial officer of the city designated for such purposes, who shall not commingle any such money received with any other moneys but shall deposit same in a separate account in the name of the city in any depository authorized in section 24-75-603, C.R.S.

29-4-109. Construction contracts and costs. (1) Any contract for the construction of a housing project or any part thereof may be awarded by the city upon any day at least five days, excluding Sundays, after at least one publication of notice requesting bids upon such contract in a newspaper circulating in the city, or if there is no such newspaper, after a posting of such notice in three public places in such city on a date at least five days previous to the award of such contract.

(2) In determining the cost of any housing project, the following items may be included as a part of the cost of such housing project and financed by the issuance of bonds:

- (a) Engineering, inspection, accounting, fiscal, and legal expenses;
- (b) The cost of issuance of the bonds, including engraving, printing, advertising, accounting, and other similar expenses;
- (c) Any interest costs on money borrowed or estimated to be borrowed during the period of construction of the housing project and for six months thereafter.

29-4-110. Bonds secured by taxes - maturity. (1) The council shall submit to an election the question of the authorization of the issuance of bonds payable from taxes or additionally secured by taxes. Such bonds shall mature at such times, not exceeding fifteen years from their respective dates, as the council provides. Such election shall be called by the council which shall adopt a resolution, called the "election resolution" in this section, which shall state in substance:

- (a) The amount or maximum amount of bonds to be issued;
- (b) The housing project for the financing of which such bonds are to be issued;
- (c) The rate or maximum rate of interest which such bonds are to bear;
- (d) A brief concise statement, which need not go into any detail other than the mere statement of the fact, showing whether such bonds will be payable from taxes, be additionally secured by a pledge of the revenues or a mortgage on any housing project, or be payable from taxes only in the event of a deficiency in the revenues or other sources of payment;
- (e) The date on which such election will be held;
- (f) The places where votes may be cast; and
- (g) The hours between which such polling places will be open.

(2) Such election resolution shall be published in full at least once, not less than ten days nor more than thirty days prior to the date fixed for such election, in a newspaper published in the county

and circulating in the city, or, if there is no such newspaper, such election resolution shall be printed in full and posted in three public places in such city not less than ten days nor more than thirty days prior to the date fixed for such election. At such election the ballot shall contain the words "for the bonds" and "against the bonds". Opposite each of said phrases shall be a hollow square, each side of which shall be not less than one-quarter inch nor more than one inch. The elector shall indicate his vote "for the bonds" or "against the bonds" by inserting a mark in the square opposite such phrase. It shall not be necessary to print any question or any other words or figures on any ballot, nor need the ballot be of any particular size, color, or quality, nor need sample ballots be printed, posted, or distributed. At or before the regular meeting of the council next succeeding the date of such election, such council shall canvass the returns and determine and declare the results of the election. Except as otherwise provided in this section, and as far as may be necessary or convenient, the manner of conducting such election, keeping the poll lists, counting and canvassing the votes, certifying the returns, declaring the results, and doing all acts relating to such election shall conform to the mode or method of procedure provided by the laws of the state of Colorado for the qualification of voters and the holding of general elections.

29-4-111. Bonds not secured by taxes authorized by resolution. (1) The council may authorize the issuance of bonds not payable from or additionally secured by taxes by a resolution which shall state in substance:

- (a) The amount or maximum amount of bonds to be issued;
 - (b) The housing projects for the financing of which such bonds are to be issued;
 - (c) The rate or maximum rate of interest which such bonds are to bear;
 - (d) A brief concise statement, which need not go into any detail other than the mere statement of the fact, showing the source of payment and security for such bonds.
- (2) Such bonds shall mature at such times, not to exceed sixty years from their respective dates, as the council may provide.

29-4-112. Tax resolution - payment of bonds. (1) Before delivering any bonds payable from or additionally secured by taxes and authorized to be issued pursuant to this part 1, the council shall adopt a resolution, referred to in this part 1 as the "tax resolution", which shall recite in substance that adequate provision will be made for raising annually a tax upon all property subject to taxation by the city of a sum sufficient to pay the interest on and principal of such bonds as the same become due. A tax sufficient to pay, when due, such principal and such interest shall be levied annually and assessed, collected, and paid in like manner with the other taxes of such city and shall be in addition to and exclusive of the maximum of all other taxes which such city is authorized or required by law to levy and assess upon the property subject to taxation.

(2) It is the duty of the tax collector of the county in which such city is located, upon the filing in the office of such county clerk of the county wherein such city is located of a duly certified copy of such tax resolution, to levy and assess a tax sufficient to pay the interest on and principal of such bonds as the same become due; but if the bonds are payable from taxes only in the event of a deficiency in revenues or are payable from taxes and additionally secured by a pledge of revenues

and if the tax resolution so provides, then, in such events, the tax to be levied and assessed by such county clerk may be reduced by such amount and under such conditions as may be determined in such tax resolution. When for any reason all or any part of the principal of or interest on any bonds payable from or additionally secured by taxes and issued by any city pursuant to this part 1 is paid when due, there shall be levied and assessed by the county clerk and collected by the proper collecting officers a tax sufficient to pay the same.

29-4-113. Form of bonds - rate of interest. (1) The bonds of the city shall be issued in one or more series and shall bear such dates, bear interest at such rates, be in such denominations which may be made interchangeable, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment and at such places, and be subject to such terms and redemption, with or without premium, as the council by resolution or its trust indenture or mortgage may provide. The bonds authorized to be issued by this part 1 shall be sold at public sale held after notice of such sale published once at least ten days prior to such sale in a newspaper circulating in the city, if there is one, and in a financial newspaper published in the city of San Francisco, California, or in the city of Chicago, Illinois; except that such bonds may be sold to the federal government at private sale without any public advertisement. The bonds may be sold in such blocks as the council may by resolution determine, but no bonds shall be sold at less than par. The bonds may be purchased by the city at a price not more than the principal amount thereof plus the accrued interest, and all bonds so purchased shall be cancelled. The bonds shall be fully negotiable within the meaning of and for all the purposes of article 8 of title 4, C.R.S., pertaining to investment securities.

(2) The validity of the authorization and issuance of the bonds authorized under this part 1 shall not be dependent on or affected in any way by proceedings taken, contracts made, acts performed, or things done in connection with the construction of any housing project. Bonds issued under this part 1 bearing the signature of officers in office on the date of the signing thereof shall be valid and binding obligations, notwithstanding that before the delivery thereof any persons whose signatures appear thereon shall have ceased to be officers of the city issuing the same. Pending the authorization, preparation, execution, or delivery of the definitive bonds for the purpose of financing the construction of a housing project, interim certificates or other temporary obligations may be issued by the city to the purchaser of such bonds. Such interim certificates or other temporary obligations shall be in such form and contain such terms, conditions, and provisions as the council of the city issuing the same may determine.

29-4-114. Provisions of bonds, mortgages, or trust indentures. (1) In connection with the issuance of bonds or the incurring of any obligations under a lease, and in order to secure the payment of such bonds or obligations, the city has power:

(a) To pledge by resolution, trust indenture, mortgage subject to the limitations imposed in this part 1, or other contract all or any part of the rents, fees, or revenues of its housing projects;

(b) To covenant against mortgaging all or any part of its housing projects, then owned or thereafter acquired, or against permitting or suffering any lien thereon;

(c) To covenant with respect to limitations on its right to sell, lease, or otherwise dispose of any housing projects or any part thereof, or with respect to limitations on its right to undertake additional housing projects;

(d) To covenant against pledging all or any part of the rents, fees, and revenues of housing projects to which its right then exists or the right to which may thereafter come into existence, or against permitting or suffering any lien thereon;

(e) To provide for the release of property, rents, fees, and revenues from any pledge or mortgage, and to reserve rights and powers in or the right to dispose of property which is subject to a pledge or mortgage;

(f) To covenant as to the bonds to be issued pursuant to any resolution, trust indenture, or other instrument, as to the issuance of such bonds in escrow or otherwise, and as to the use and disposition of the proceeds thereof;

(g) To covenant as to what other or additional debt may be incurred by it to finance housing projects or otherwise;

(h) To provide for the terms, form, registration, exchange, execution, and authentication of bonds;

(i) To provide for the replacement of lost, destroyed, or mutilated bonds;

(j) To covenant that it warrants the title to the premises;

(k) To covenant as to the fees and rentals to be charged, the amount, calculated as may be determined, to be raised each year or other period of time by fees, rentals, and other revenues, and as to the use and disposition to be made thereof;

(l) To covenant as to the use of any or all of its housing projects;

(m) To create or to authorize the creation of special funds in which there are segregated:

(I) All the proceeds of any loan or grant;

(II) All of the rents, fees, and revenues of any housing project or parts thereof;

(III) All of the taxes collected for the payment of such bonds;

(IV) Any moneys held for the payment of the costs of operation and maintenance of such housing project or as a reserve for the meeting of contingencies in the operation and maintenance thereof;

(V) Any moneys held for the payment of the principal and interest on its bonds or the sums due under its leases or as a reserve for such payment; and

(VI) Any moneys held for any other reserves or contingencies; and to covenant as to the use and disposal of the moneys held in such funds;

(n) To redeem the bonds, to covenant for their redemption, and to provide the terms and conditions thereof;

(o) To covenant against extending the time for the payment of bond interest, directly or indirectly, by any means or in any manner;

(p) To prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holder of which must consent thereto, and the manner in which such consent may be given;

(q) To covenant as to the maintenance of its housing projects, the replacement thereof, the insurance to be carried thereon, and the use and disposition of insurance moneys;

(r) To vest in an obligee of the city the right, in the event of the failure of the city to observe

or perform any covenant on its part, to cure any such default and to advance any moneys necessary for such purpose, and the moneys so advanced may be made an additional obligation of the city with such interest, security, and priority as may be provided in any trust indenture, mortgage, lease, or contract of the city with reference thereto;

(s) To covenant and prescribe as to the events of default and terms and conditions upon which any or all of its bonds shall become or may be declared due before maturity and as to the terms and conditions upon which such declaration and its consequences may be waived;

(t) To covenant as to the rights, liabilities, powers, and duties arising upon the breach by it of any covenant, condition, or obligation;

(u) To covenant to surrender possession of all or any part of any housing project in the event of default, as defined in the trust indenture, mortgage, lease, or contract with reference thereto, and to vest in an obligee the right, without judicial proceedings, to take possession and to use, operate, manage, and control such housing projects or any part thereof, and to collect and receive all rents, fees, and revenues arising therefrom in the same manner as the city and the authority might do, and to dispose of the moneys collected in accordance with the agreement of the city with such obligee;

(v) To vest in a trustee the right to enforce any covenant made to secure, to pay, or, in relation to the bonds, to provide for the powers and duties of such trustee, to limit liabilities thereof, and to provide the terms and conditions upon which the trustee or the holders of bonds or any proportion of them may enforce any such covenant;

(w) To make covenants in addition to the covenants expressly authorized by this section, of like or different character;

(x) To execute all instruments necessary or convenient in the exercise of the powers granted in this section or in the performance of its covenants or duties, which may contain such covenants and provisions, in addition to those above specified as the government or any purchaser of the bonds of the city may reasonably require;

(y) To make such covenants and to do all such acts and things as are necessary, convenient, or desirable in order to secure its bonds, or in the absolute discretion of the city tend to make the bonds more marketable, notwithstanding that such covenants, acts, or things may not be enumerated in this section. It is the intention of this section to give the city power to do all things in the issuance of bonds and in the provision for their security that are not inconsistent with the constitution of Colorado, and no consent or approval of any judge or court shall be required thereof; but the city has no power to mortgage all or any part of its property, real or personal, except as provided in section 29-4-115.

29-4-115. Mortgage when financed by government. (1) In connection with any housing project financed in whole or in part by a government, every city also has power to mortgage all or any part of such housing project, the construction of which was financed with the proceeds of its bonds or with such proceeds supplemented by the proceeds of a grant from the federal government, and by such mortgage:

(a) To vest in a government the right, in the event of default as defined in such mortgage, to foreclose the mortgage through judicial proceedings or through the exercise of a power of sale without judicial proceedings as long as the government is the holder of any of the bonds secured by

such mortgage;

(b) To vest in a trustee the right, in the event of default as defined in such mortgage, to foreclose such mortgage through judicial proceedings or through the exercise of a power of sale without judicial proceedings, but only with the consent of the government which aided in financing the project;

(c) To vest in an obligee other than a government the right, but only with the consent of the government which aided in financing the project involved, to foreclose such mortgage by judicial proceedings;

(d) To vest in an obligee, including a government, the right in foreclosing any mortgage as aforesaid to foreclose such mortgage as to all or such part of the property covered by such mortgage as such obligee, in its absolute discretion, elects; such institution, prosecution, and conclusion of any such proceedings or the sale of such parts of the mortgaged property shall not affect in any manner or to any extent the lien of the mortgage on the parts of the mortgaged property not included in such proceedings or not sold.

29-4-116. Remedies of an obligee of city. (1) Any obligee of the city has the right, in addition to all other rights which may be conferred on such obligee, subject only to any contractual restrictions binding upon such obligee:

(a) By mandamus, suit, action, or proceeding in law or equity, all of which may be joined in one action, to compel the performance by the city and any officer, agent, or employee of the city of every term, provision, and covenant contained in any trust indenture, mortgage, lease, or other agreement relating to a housing project to which the city is a party, and to require the carrying out of any or all covenants and agreements and the fulfillment of all duties imposed upon the city by this part 1;

(b) By suit, action, or proceeding in equity to enjoin any acts or things which may be unlawful, or the violation of any of the rights of such obligee of the city;

(c) By suit, action, or proceeding in any court of competent jurisdiction to cause possession of any housing project or any part thereof to be surrendered to any obligee having the right to such possession pursuant to any mortgage, lease, or contract with the city.

29-4-117. Additional remedies. (1) Any city has power by its trust indenture, mortgage, lease, or other contract relating to a housing project to confer upon any obligee holding or representing a specified amount in bonds, leases, or other obligations, the right, in the event of default, as defined in such instrument:

(a) By suit, action, or proceeding in any court of competent jurisdiction to obtain the appointment of a receiver of any housing project of the city or any part thereof. If such receiver is appointed, he may enter and take possession of such project or any part thereof, operate and maintain the same, collect and receive all fees, rents, revenues, or other charges arising therefrom in the same manner as the city or the authority might do, and shall keep all such moneys in a separate account and apply the same in accordance with the obligations of the city as the court directs.

(b) By suit, action, or proceeding in any court of competent jurisdiction to require the city

and the officers thereof to account as if they were the trustees of an express trust.

29-4-118. Remedies cumulative. All the rights and remedies conferred by this part 1 shall be cumulative and in addition to all other rights and remedies that are conferred upon such obligee of the city by law or by any agreement with the city.

29-4-119. Limitations on remedies of obligee. No interest of the city in any housing project shall be subject to sale by the foreclosure of a mortgage thereon either through judicial proceedings or the exercise of a power of sale contained in such mortgage except in the case of mortgages not provided for in section 29-4-115. No judgment against a city shall be a charge upon the real or personal property of the city. The provisions of this section shall not apply to nor limit the rights of obligees to foreclose any of the mortgages of the city provided for in section 29-4-115, or to enforce any pledges or rights conferred by any contract, trust indenture, mortgage, lease, or other agreement of the city relating to a housing project by any appropriate suit, action, or proceeding.

29-4-120. Foreclosure sale subject to government agreement. Notwithstanding anything in this part 1 to the contrary, any purchaser at a sale of real or personal property constituting part of a housing project of a city pursuant to any foreclosure of a mortgage of the city shall obtain title subject to any contract between the authority and the government relating to the supervision by the government of the operation and maintenance of the property and the construction of improvements thereon.

29-4-121. Action by resolution. Except as otherwise provided in this part 1, all action required or authorized to be taken under this part 1 by the council of any city may be by resolution adopted by a majority of all the members of such council, which resolution may be adopted at the meeting of the council at which such resolution is introduced and shall take effect immediately upon such adoption. Except as otherwise provided in this part 1, no resolution under this part 1 need be published or posted, nor shall any such resolution be subject to veto by the chief executive officer of the city or presiding officer of a council.

29-4-122. Tax exemptions. (1) In connection with any housing project, the city shall be exempt from the payment of any taxes or fees to the state or any subdivision thereof, or to any officer or employee of the state or any subdivision thereof. The property of the city constituting a part of any housing project shall be exempt from all taxes. Bonds, notes, debentures, and other evidences of indebtedness of a city issued under this article are declared to be issued for a public purpose and to be public instrumentalities and, together with interest thereon, shall be exempt from taxes.

(2) A city is also exempt from the payment of any special assessments to the state or any subdivision thereof which it otherwise would be required to pay because of its ownership of a

housing project. The property of a city used for housing purposes shall be exempt from all local and municipal special assessments. All property leased to the city for housing purposes shall likewise be exempt from special assessments.

29-4-123. Supplemental nature of article. The powers conferred by this part 1 shall be in addition and supplemental to the powers conferred by any other law and not in substitution for the powers conferred by any other law. Bonds may be issued under this part 1 for any housing project notwithstanding that any other law may provide for the issuance of bonds by the city or an authority for like purposes and without regard to the requirements, restrictions, or procedural provisions contained in any other law. Bonds may be issued under this part 1 notwithstanding any debt or other limitation prescribed by any other law. Any proceedings taken prior to April 19, 1935, by any municipality relating to the subject matters of this part 1, whether or not commenced under any other law, may be continued under this part 1, or, at the option of the council, may be discontinued and new proceedings instituted under this part 1.

PART 2

CREATING HOUSING AUTHORITIES

29-4-201. Short title. This part 2 shall be known and may be cited as the "Housing Authorities Law".

29-4-202. Legislative declaration. (1) It is hereby declared:

(a) That unsanitary or unsafe dwelling accommodations exist in various cities and that such unsafe or unsanitary conditions arise from overcrowding and concentration of population, the obsolete and poor condition of buildings, improper planning, excessive land coverage, lack of proper light, air, and space, unsanitary design and arrangement, lack of proper sanitary facilities, and the existence of conditions which endanger life or property by fire and other causes;

(b) That in all such cities persons of low income are forced to reside in unsanitary or unsafe dwelling accommodations; that in various cities there is a lack of safe or sanitary dwelling accommodations available to all the inhabitants thereof and that consequently persons of low income are forced to occupy overcrowded and congested dwelling accommodations;

(c) That these conditions cause an increase in and spread of disease and crime and constitute a menace to the health, safety, morals, and welfare of the citizens of the state, and impair economic values; that the aforesaid conditions also exist in certain areas surrounding such cities, and that these conditions cannot be remedied by the ordinary operations of private enterprises;

(d) That the clearance, replanning, and reconstruction of the areas in which unsanitary or unsafe housing conditions exist and the providing of safe and sanitary dwelling accommodations on such financial terms that enable persons who now live in unsafe or unsanitary dwelling accommodations or in overcrowded and congested dwelling accommodations to afford to live in safe

and sanitary or uncongested dwelling accommodations, are public uses and purposes for which public money may be spent and private property acquired;

(e) That, in order to remedy these conditions, a housing authority with the boundaries, powers, and duties provided in this part 2 shall be established for each city and that it is in the public interest that work on such projects be instituted as soon as possible in order to relieve unemployment which now constitutes an emergency.

(2) The necessity in the public interest for the provisions enacted in this part 2 is hereby declared as a matter of legislative determination.

29-4-203. Definitions. As used in this part 2, unless the context otherwise requires:

(1) "Authority" or "housing authority" means a corporate body organized in accordance with the provisions of this part 2 for the purposes, with the powers, and subject to the restrictions set forth in this part 2.

(2) "Bonds" means any bonds, interim certificates, notes, debentures, or other obligations of the authority issued pursuant to this part 2.

(3) "City" means any city or incorporated town included in the territorial boundaries of the authority.

(4) "Commissioner" means one of the members of an authority appointed in accordance with the provisions of this part 2.

(5) "Community facilities" means real and personal property, buildings and equipment for recreational or social assemblies and for educational, health, or welfare purposes, and necessary utilities when designed primarily for the benefit and use of the occupants of the dwelling accommodations.

(6) "Contract" means any agreement of an authority with or for the benefit of an obligee, whether contained in a resolution, trust indenture, mortgage, lease, bond, or other instrument.

(7) "Council" means the legislative body, council, board of commissioners, board of trustees, or other body charged with governing the city.

(8) "Federal government" means the United States, the federal emergency administrator of public works, or any agency or instrumentality, corporate or otherwise, of the United States.

(9) "Government" means the state and federal governments and any subdivision, agency, or instrumentality, corporate or otherwise, of either of them.

(10) "Mortgage" means deeds of trust, mortgages, building and loan contracts, or other instruments conveying real or personal property as security for bonds and conferring a right to foreclose and cause a sale thereof.

(11) "Obligee of the authority" or "obligee" means any bondholder, trustee for any bondholders, any lessor demising property to the authority used in connection with the project, or any assignee of such lessor's interest or any part thereof, and the United States when it is a party to any contract with the authority.

(12) "Project" means all real and personal property, buildings and improvements, stores, offices, lands for farming and gardening, commercial facilities, and community facilities acquired or constructed or to be acquired or constructed pursuant to a single plan or undertaking to demolish, clear, remove, alter, or repair unsanitary or unsafe housing or to provide dwelling accommodations

on financial terms within the means of persons of low income. The term "project" also applies to the planning of the buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration, and repair of the improvements and all other work in connection therewith. The term "project" also applies to the provision of dwelling accommodations to persons, without regard to income, as long as the project substantially benefits persons of low income as determined by an authority.

(13) "Real property" means lands, lands under water, structures, and all easements, franchises, and incorporeal hereditaments and every estate and right therein, legal and equitable, including terms for years and liens by way of judgment, mortgage, or otherwise.

(14) "State" means the state of Colorado.

(15) "Trust indenture" means instruments pledging the revenues of real or personal properties but not conveying such properties or conferring a right to foreclose and cause a sale thereof.

29-4-204. Petition for creation of authority - notice - hearing. (1) Any twenty-five residents of the city may file a petition with the city clerk setting forth that there is a need for an authority to function in the city. Upon the filing of such a petition, the city clerk shall give notice of the time, place, and purposes of a public hearing at which the council will determine the need for such an authority in the city. Such notice shall be given at the city's expense by publishing a notice, at least ten days preceding the day on which the hearing is to be held, in a newspaper having a general circulation in the city, or, if there is no such newspaper, by posting such a notice in at least three public places within the city at least ten days preceding the day on which the hearing is to be held.

(2) Upon the date fixed for said hearing, held upon notice as provided in this section, a full opportunity to be heard shall be granted to all residents and taxpayers of the city and to all other interested persons. After such a hearing, the council shall determine:

(a) Whether unsanitary or unsafe inhabited dwelling accommodations exist in the city; or
(b) Whether there is a lack of safe or sanitary dwelling accommodations in the city available for all the inhabitants thereof.

(3) In determining whether dwelling accommodations are unsafe or unsanitary, the council shall take into consideration the following: The physical condition and age of the buildings; the degree of overcrowding; the percentage of land coverage; the light and air available to the inhabitants of such dwelling accommodations; the size and arrangement of the rooms; the sanitary facilities; and the extent to which conditions exist in such buildings which endanger life or property by fire.

(4) If it determines that either of the conditions enumerated in subsection (2) of this section exist, the council shall adopt a resolution so finding and shall cause notice of such determination to be given to the mayor or such other appointing authority as is otherwise provided by charter or ordinance who shall thereupon appoint, as provided in section 29-4-205, no more than nine commissioners to act as an authority; except that, in any city and county having a population of more than three hundred thousand, the mayor or such other appointing authority as is otherwise provided by charter or ordinance shall appoint nine commissioners to act as an authority whose appointments shall be conditioned upon confirmation by the council. The number of commissioners shall be

specified by the council in the resolution. A certificate signed by such commissioners shall then be filed with the division of local government in the department of local affairs and there remain of record, setting forth that a notice has been given and public hearing has been held, that the council made a determination after such hearing and that the mayor or such other appointing authority as is otherwise provided by charter or ordinance has appointed them as commissioners. Upon the filing of such certificates with said division, the commissioners and their successors shall constitute a housing authority, which shall be a body corporate and politic.

(5) The boundaries of such authority shall include the same geographical area as is then or thereafter included within the boundaries of the city which caused such authority to be created.

(6) If the council determines after a hearing that neither of the conditions enumerated in subsection (2) of this section exist, it shall adopt a resolution denying the petition. After three months have expired from the date of the denial of such petition, subsequent petitions may be filed and new hearings and determinations made thereon.

(7) In any suit, action, or proceeding involving the validity or enforcement of any bond, contract, mortgage, trust indenture, or other agreement of the authority, the authority shall be conclusively deemed to have been established in accordance with the provisions of this part 2 upon proof of the filing of the aforesaid certificate. A copy of such certificate, duly certified by the division of local government, shall be admissible in evidence in any such suit, action, or proceeding and shall be conclusive proof of the filing and contents thereof.

(8) If the council of any city denies any petition filed for the creation of a housing authority, in accordance with the provisions of subsection (6) of this section, and the residents of such city determine that there is in fact a shortage of decent, safe, and sanitary dwelling accommodations in the city, a petition may be filed with the council requesting that the question of the approval or disapproval of creating a housing authority be submitted to a vote of the registered electors of such city. If the petition, which may consist of one or more separate copies, contains the signatures and residence addresses of registered electors of such city equal in number to not less than five percent of the votes cast for governor or for president and vice-president of the United States at the last preceding general election held within such city, the council shall cause a special election to be held on the question of the creation of a housing authority. All registered electors within the city shall be eligible to vote at said election, which shall be conducted insofar as possible in accordance with the provisions of sections 29-4-604 to 29-4-607; except that the question to be voted on shall be the creation of a housing authority.

29-4-205. Appointment of commissioners. (1) The authority shall consist of commissioners selected by the council in the manner provided in either subsection (2) or (3) of this section.

(2) The council may provide that all members of the governing body of the city shall ex officio be appointed the commissioners of the authority. The terms of office of such commissioners shall be coterminous with their terms of office on the governing body. For the purposes of this subsection (2), the term "governing body" means the mayor and council, board of trustees, board of commissioners, legislative body, or other body charged with governing the city. The mayor or, if the city has no mayor, the president of the council or such other presiding officer of the council shall ex

officio be chairman of the commissioners. The commissioners shall select from among their members a vice-chairman.

(3) (a) The council may provide that an authority shall consist of no more than nine commissioners appointed by the mayor or such other appointing authority as is otherwise provided by charter or ordinance; except that the council of a city and county having a population of more than three hundred thousand may provide that such authority shall consist of nine commissioners appointed by the mayor or such other appointing authority as is otherwise provided by charter or ordinance. The council may also provide that the mayor or such other appointing authority as is otherwise provided by charter or ordinance shall designate the first chairman. Not more than one of such commissioners may be a city official. In the event that a city official is appointed as a commissioner of an authority, acceptance or retention of such appointment shall not be deemed a forfeiture of his or her office, or incompatible therewith, or affect his or her tenure or compensation in any way. The term of office of a commissioner of an authority who is a city official shall not be affected or curtailed by the expiration of the term of his or her city office.

(b) The commissioners appointed under this subsection (3) shall be designated by the mayor or such other appointing authority as is otherwise provided by charter or ordinance to serve for terms that are staggered from the date of their appointment such that, to the extent possible, the terms of an equal number of commissioners end each year. Thereafter, the term of office is the number of years as set by the council by resolution, not to exceed five years in length, or, if the council has not so acted, five years. A commissioner shall hold office until his or her successor has been appointed and has qualified. Vacancies other than by reason of expiration of terms shall be filled for the unexpired term. A majority of the commissioners constitutes a quorum. The mayor or such other appointing authority as is otherwise provided by charter or ordinance shall file with the city clerk a certificate of the appointment or reappointment of any commissioner, and such certificate is conclusive evidence of the due and proper appointment of each commissioner. The authority shall select from its members a vice-chairman and a chairman when the office of the first chairman becomes vacant.

(c) Until such time as the council takes action pursuant to subsection (6) of this section, all appointments of the commissioners appointed pursuant to this subsection (3) shall be conditioned upon confirmation by the council as required by section 29-4-204 (4). This paragraph (c) shall apply to original and successor appointments and to appointments to fill vacancies.

(3.5) Notwithstanding any other provision to the contrary, commencing on and after August 2, 2000, as new appointments are made to authorities pursuant to subsection (3) of this section, such appointments shall be made so that not less than one commissioner of each authority shall be an individual who is directly assisted by the authority and who may, if provided in a plan of the authority, be elected by individuals directly assisted by the authority. This subsection (3.5) shall not apply to any authority with fewer than three hundred public housing units if the authority provides reasonable notice to the resident advisory board of the opportunity for not less than one individual to serve as a commissioner of the authority as provided in this subsection (3.5) and, within a reasonable time after receipt by such board of the notice, the authority is not notified of the intention of any such individual to serve as a commissioner.

(4) A commissioner shall receive no compensation for his services but shall be reimbursed for actual and necessary expenses incurred in the performance of his official duties.

(5) An authority may employ a secretary who shall be executive director, technical experts, and such other officers, agents, and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties, and compensation. An authority may call upon the corporation counsel or chief law officer of the city for such legal services as it may require, or it may employ its own counsel and legal staff. An authority may delegate to one or more of its agents or employees such powers or duties as it deems proper.

(6) (a) Any council may, by resolution, change the method of appointment of commissioners after a proper notice and hearing and set a date for the changed method to become effective.

(b) Subsequent to the appointment of nine commissioners by the mayor and their confirmation by the council pursuant to section 29-4-204 (4), any council of a city and county having a population of more than three hundred thousand may, by resolution, change the number of commissioners after a proper notice and hearing and set a date for the changed number to become effective.

(7) The terms of office of present commissioners of authorities created under this section shall expire July 1, 1973. Prior to such date, the council shall appoint new commissioners, as provided in either subsection (2) or (3) of this section, such appointments to be effective July 1, 1973.

29-4-206. Duty of the authority and commissioners. The authority and its commissioners are under a statutory duty to comply or to cause strict compliance with all provisions of this part 2 and the laws of the state of Colorado, and, in addition thereto, with each term, provision, and covenant in any contract, on the part of the authority to be kept or performed by the authority.

29-4-207. Interested commissioners or employees. No commissioner or employee of an authority shall acquire any interest, direct or indirect, in any project or in any property included or planned to be included in any project, nor shall he have any interest, direct or indirect, in any contract or proposed contract for materials or services to be furnished or used in connection with any project. If any commissioner or employee of an authority owns or controls an interest, direct or indirect, in any property included or planned to be included in any project, he shall immediately disclose the same in writing to the authority, and such disclosure shall be entered upon the minutes of the authority. Failure to so disclose such interest shall constitute misconduct in office.

29-4-208. Removal of commissioners. (1) The mayor may remove a commissioner for inefficiency or neglect of duty or misconduct in office, but only after the commissioner has been given a copy of the charges, which may be made by the mayor against him and has had an opportunity to be heard in person or by counsel.

(2) Any obligee of the authority may file with the mayor written charges that the authority is violating willfully any law of the state or any term, provision, or covenant in any contract to which the authority is a party. The mayor shall give each of the commissioners a copy of such charges and

an opportunity to be heard in person or by counsel and, within fifteen days after receipt of such charges, shall remove any commissioners of the authority who have been found to have acquiesced in any such willful violation.

(3) A commissioner shall be deemed to have acquiesced in a willful violation by the authority of a law of this state or of any term, provision, or covenant contained in a contract to which the authority is a party if he has not filed a written statement with the authority of his objections to such violation prior to the filing or making of such charges.

(4) In the event of the removal of any commissioner, the mayor shall file in the office of the city clerk a record of the proceedings together with the charges made against the commissioners and findings thereon.

29-4-209. Powers of authority. (1) An authority shall constitute a body both corporate and politic, exercising public powers and having all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this part 2, including the following powers in addition to others granted in this section:

(a) To investigate living, dwelling, and housing conditions and the means and methods of improving such conditions;

(b) To determine where unsafe, unsanitary, or substandard dwelling or housing conditions exist;

(c) To study and make recommendations concerning the city plan in relation to the problem of clearing, replanning, and reconstruction of areas in which unsafe, unsanitary, or substandard dwelling or housing conditions exist, and the providing of dwelling accommodations for persons of low income, and to cooperate with any city or regional planning agency;

(d) To prepare, carry out, and operate projects and to provide for the construction, reconstruction, improvement, alteration, or repair of any project or any part thereof;

(d.3) To grant or lend moneys or otherwise provide financing to any person, firm, corporation, the city, or a government for any project or any part thereof;

(d.5) To pledge or otherwise encumber any of its moneys in support of or in connection with a project;

(d.7) To establish entities controlled by the authority that may own, operate, act, invest in as a partner or other participant, or take any and all steps necessary or convenient to undertake or otherwise develop a project;

(e) To take over by purchase, lease, or otherwise any project undertaken by any government or by the city;

(f) To manage as agent of the city any project constructed or owned by the city;

(g) To act as agent for the federal government in connection with the acquisition, construction, operation, or management of a project or any part thereof;

(h) To arrange with the city or with a government for the furnishing, planning, replanning, opening, or closing of streets, roads, roadways, alleys, or other places or facilities for the acquisition by the city or a government of property, options, or property rights, or for the furnishing of property or services in connection with a project;

(i) To lease or rent any of the dwellings or other accommodations, or any of the lands,

buildings, structures, or facilities embraced in any project, and to establish and revise the rents or charges therefor;

(j) To enter upon any buildings or property in order to conduct investigations or to make surveys or soundings;

(k) To purchase, lease, obtain options upon, or acquire by eminent domain, gift, grant, bequest, devise, or otherwise any property, real or personal, or any interest therein from any person, firm, corporation, the city, or a government;

(l) To sell, exchange, transfer, assign, or pledge any property, real or personal, or any interest therein to any person, firm, corporation, the city, or a government;

(m) To own, hold, clear, and improve property and to insure or provide for the insurance of the property or operations of the authority against such risks as the authority may deem advisable;

(n) To procure assurance from a government of the payment of any debts or parts thereof secured by mortgages made or held by the authority on any property included in any project;

(o) To borrow money upon its bonds, notes, debentures, or other evidences of indebtedness, and to secure the same by pledges of its revenues and, subject to the limitations imposed by this part 2, by mortgages upon property held or to be held by it, or in any other manner:

(I) In connection with any loan, to agree to limitations upon its right to dispose of any project or part thereof, or to undertake additional projects;

(II) In connection with any loan by a government, to agree to limitations upon the exercise of any powers conferred upon the authority by this part 2;

(p) To invest any moneys held in reserve or sinking funds or any moneys not required for immediate disbursement in property or in securities meeting the investment requirements established in part 6 of article 75 of title 24, C.R.S., or to deposit the same or any part thereof in any depository authorized in section 24-75-603, C.R.S. For the purpose of making such deposits as provided in this paragraph (p), the commissioners may appoint, by written resolution, one or more persons to act as custodians of the moneys of the authority. Such persons shall give surety bonds in such amounts and form and for such purposes as the authority requires.

(q) To sue and be sued;

(r) To have a seal and to alter the same at pleasure;

(s) To have perpetual succession;

(t) To make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the authority;

(u) To make and from time to time amend and repeal bylaws, rules, and regulations not inconsistent with this part 2, to carry into effect the powers and purposes of the authority;

(v) To conduct examinations and investigations and to hear testimony and take proof under oath at public or private hearings on any matter material for its information;

(w) To issue subpoenas requiring the attendance of witnesses or the production of books and papers and to issue commissions for the examination of witnesses who are out of the state, unable to attend before the authority, or excused from attendance;

(x) To make available to such agencies, boards, or commissions as are charged with the duty of abating nuisances or demolishing unsafe structures within its territorial limits its findings and recommendations with regard to any building or property where conditions exist which are dangerous to the public health, morals, safety, or welfare; and

(y) To do all things necessary or convenient to carry out the powers given in this part 2.

(2) Any of the investigations or examinations provided for in this part 2 may be conducted by the authority or by a committee appointed by it, consisting of one or more commissioners, or by counsel, or by an officer or employee specially authorized by the authority to conduct it. Any commissioner, counsel for the authority, or any person designated by it to conduct an investigation or examination has the power to administer oaths, take affidavits, and issue subpoenas or commissions. An authority may exercise any of the powers conferred upon it by this section, either generally or with respect to any specific project through or by any agent which it may designate, including any corporation formed under the laws of this state, and, for such purposes, an authority may cause one or more corporations to be formed under the laws of this state or may acquire the capital stock of any corporation. Any corporate agent, all of the stock of which is owned by the authority or its nominee, to the extent permitted by law, may exercise any of the powers conferred upon the authority.

(3) In addition to all of the other powers conferred upon it by this section, an authority may do all things necessary and convenient to carry out the powers expressly given in this part 2. No provisions with respect to the acquisition, operation, or disposition of property by public bodies shall be applicable to an authority unless the legislature specifically so states.

29-4-210. Rentals and tenant selection. (1) In the operation or management of housing projects, any housing authority at all times shall observe the following duties with respect to rentals and tenant selection:

(a) It may rent or lease dwelling accommodations therein only to persons of low income, being persons receiving incomes less than the incomes which, according to the determination of the authority, persons must receive to enable them to pay the rent necessary to secure safe and sanitary dwelling accommodations within the boundaries of the authority, except such dwelling accommodations as are provided by the authority or the city.

(a.5) Notwithstanding the limitations of paragraph (a) of this subsection (1), a housing authority may rent or lease dwelling accommodations therein to:

(I) Persons who, by virtue of age or disability, have special housing needs or requirements that cannot reasonably be met by existing housing available within the boundaries of the authority; and

(II) Other persons, without regard to income, in a manner consistent with the provisions of section 29-4-203 (12).

(b) It may rent or lease the dwelling accommodations therein only at rentals within the financial reach of such persons of low income.

(c) It may rent or lease to a tenant dwelling accommodations consisting of the number of rooms, but no greater number than that which it deems necessary to provide safe and sanitary accommodations to the proposed occupants thereof without overcrowding.

(d) It shall not accept any family as a tenant in dwelling accommodations that are provided for persons of low income if the family who would occupy the dwelling accommodations has a net annual income in excess of five times the annual rental of the dwelling accommodations to be furnished, after allowing all exemptions available to families occupying dwellings in low rent

housing authorized under the act of Congress of the United States known as the "United States Housing Act of 1937", as amended. In computing such rental, for the purpose of selecting tenants, there shall be included in the rental the average annual cost to the occupant, as determined by the authority, of heat, water, electricity, gas, and other necessary services or facilities, whether or not the charge for such services and facilities is in fact included in the rental.

(2) Nothing in this part 2 shall be construed as limiting the power of an authority:

(a) To vest in an obligee the right, in the event of default by the authority, to take possession of a housing project or cause the appointment of a receiver thereof, free from all the restrictions imposed by this part 2 with respect to rentals, tenant selection, manner of operation, or otherwise;

(b) To vest in obligees, pursuant to section 29-4-217, the right, in the event of default by the authority, to acquire title to a housing project or the property mortgaged by the housing authority, free from all the restrictions imposed by this part 2 except those imposed by sections 29-4-217 and 29-4-222.

29-4-211. Eminent domain. (1) The authority has the right to acquire by eminent domain any property, real or personal, which it may deem necessary to carry out the purposes of this part 2 after the adoption by it of a resolution declaring that the acquisition of the property described therein is in the public interest and necessary for public use. The authority may exercise the power of eminent domain pursuant to the provisions of either sections 38-1-101 to 38-1-115, article 3 of title 38, and section 38-5-106 or article 6 of title 38, C.R.S.

(2) Property already devoted to a public use may be acquired; but no property belonging to the city or to any government may be acquired without its consent, and no property belonging to a public utility corporation may be acquired without the approval of the commission or other officer or tribunal having regulatory power over such corporation.

29-4-212. Acquisition of land for government. The authority may acquire by purchase or by the exercise of its power of eminent domain any property, real or personal, which it may deem necessary for any project being constructed or operated by a government. The authority, upon such terms and conditions as it determines, may convey title or possession of such property so acquired or purchased to such government for use in connection with such project.

29-4-213. Zoning and building laws. All projects of an authority are subject to the planning, zoning, sanitary, and building laws, ordinances, and regulations applicable to the locality in which the project is situated.

29-4-214. Types of bonds. (1) The authority has the power and is authorized from time to time in its discretion to issue for any of its corporate purposes:

(a) Bonds on which the principal and interest are payable:

(I) Exclusively from the income and revenues of the project financed with the proceeds of such bonds, or with such proceeds together with the proceeds of a grant from the federal government to aid in financing the construction thereof; or

(II) Exclusively from the income and revenues of certain designated projects, whether or not they were financed in whole or in part with the proceeds of such bonds. The full faith and credit of the authority shall not be pledged to the payment of such bonds, but such bonds shall be payable only, and the bonds shall so state on their face, from the revenues of the designated project and the funds received from the sale or disposal thereof, and, if the authority so determines, by a trust indenture pledging such revenues, or, in certain instances as provided in this part 2 by a mortgage of the property comprising such designated project and the revenues therefrom.

(b) Bonds for payment of the principal and interest to which the full faith and credit of the authority is pledged and for which the revenues of the authority or any part thereof may be pledged by a resolution or trust indenture of the authority; in certain instances as provided in this part 2, such bonds may be additionally secured by a mortgage on the property and revenues of the authority or any part thereof.

(2) Neither the commissioners of the authority nor any person executing the bonds shall be liable personally on the bonds or be subject to any personal liability or accountability by reason of the issuance thereof. The bonds and other obligations of the authority shall not be a debt of the state or the city and neither the state nor the city shall be liable thereon, nor in any event shall they be payable out of any funds other than those of the authority.

29-4-215. Form of bonds. (1) The bonds of the authority shall be authorized by its resolution and issued in one or more series, and they shall bear such dates; mature at such times, not exceeding sixty years from their respective dates; bear interest at such rate, payable semiannually; be in such denominations, which may be made interchangeable; be in such form, either coupon or registered; carry such registration privileges; be executed in such manner; be payable in such medium of payment, at such places; and be subject to such terms of redemption, with or without premium, as such resolution or its trust indenture or mortgage may provide. The bonds may be sold at public or private sale, upon such terms and conditions as the authority shall determine. The bonds may be sold at such price as the authority shall determine.

(2) Pending the authorization, preparation, execution, or delivery of definite bonds, the authority may issue interim certificates or other temporary obligations to the purchaser of such bonds. Such interim certificates or other temporary obligations shall be in such form, contain such terms, conditions, and provisions, bear such dates, and evidence such agreements relating to their discharge or payment or the delivery of definite bonds as the authority may by resolution, trust indenture, or mortgage determine.

(3) In case any of the officers whose signatures appear on any bonds or coupons cease to be such officers before the delivery of such bonds, such signatures nevertheless shall be valid and sufficient for all purposes the same as if they had remained in office until such delivery.

(4) The authority has power, out of any funds available therefor, to purchase any bonds issued by it at a price not more than the principal amount thereof and the accrued interest. All bonds so purchased shall be cancelled. This subsection (4) shall not apply to the redemption of bonds.

(5) Any provision of any law to the contrary notwithstanding, any bonds, interim certificates, or other obligations issued pursuant to this article shall be fully negotiable within the meaning of and for all the purposes of article 8 of title 4, C.R.S., pertaining to investment securities.

29-4-216. Provisions of bond or mortgage. (1) In connection with the issuance of bonds or the incurring of any obligation under a lease, and in order to secure the payment of such bonds or obligations, the authority has the power:

(a) To pledge by resolution, trust indenture, mortgage subject to the limitations imposed in this section, or by other contract all or any part of its rents, fees, or revenues;

(b) To covenant against mortgaging all or any part of its property, real or personal, then owned or thereafter acquired or against permitting or suffering any lien thereon;

(c) To covenant with respect to limitations on its right to sell, lease, or otherwise dispose of any project or any part thereof or with respect to limitations on its right to undertake additional projects;

(d) To covenant against pledging all or any part of its rents, fees, and revenues to which its right then exists or the right to which may thereafter come into existence or against permitting or suffering any lien thereon;

(e) To provide for the release of property, rents, fees, and revenues from any pledge or mortgage and to reserve rights and powers in or the right to dispose of property which is subject to a pledge or mortgage;

(f) To covenant as to the bonds to be issued pursuant to any resolution, trust indenture, mortgage, or other instrument and as to the issuance of such bonds in escrow or otherwise and as to the use and disposition of the proceeds thereof;

(g) To covenant as to what other or additional debt may be incurred by it;

(h) To provide for the terms, form, registration, exchange, execution, and authentication of bonds;

(i) To provide for the replacement of lost, destroyed, or mutilated bonds;

(j) To covenant that the authority warrants the title to the premises;

(k) To covenant as to the fees and rentals to be charged, the amount, calculated as may be determined to be raised each year or other period of time by fees, rentals, and other revenues, and as to the use and disposition to be made thereof;

(l) To covenant as to the use of any or all of its property, real or personal;

(m) To create or to authorize the creation of special funds in which there shall be segregated:

(I) The proceeds of any loan or grant;

(II) All of the rents, fees, and revenues of any project or parts thereof;

(III) Any moneys held for the payment of the costs of operation and maintenance of such project or as a reserve for the meeting of contingencies in the operation and maintenance thereof;

(IV) Any moneys held for the payment of the principal and interest on its bonds or the sums due under its leases or as a reserve for such payments; and

(V) Any moneys held for any other reserves or contingencies; and to covenant as to the use and disposal of the moneys held in such funds;

(n) To redeem the bonds, to covenant for their redemption, and to provide the terms and

conditions thereof;

(o) To covenant against extending the time for the payment of bond interest, directly or indirectly, by any means or in any manner;

(p) To prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given;

(q) To covenant as to the maintenance of its property, the replacement thereof, the insurance to be carried thereon, and the use and disposition of insurance moneys;

(r) To vest in an obligee of the authority the right, in the event of the failure of the authority to observe or perform any covenant on its part, to cure any such default and to advance any moneys necessary for such purpose, and the moneys so advanced may be made an additional obligation of the authority with such interest, security, and priority as may be provided in any trust indenture, mortgage, lease, or contract of the authority with reference thereto;

(s) To covenant and prescribe as to the events of default and terms and conditions upon which any or all of its bonds shall become or may be declared due before maturity and as to the terms and conditions upon which such declaration and its consequences may be waived;

(t) To covenant as to the rights, liabilities, powers, and duties arising upon the breach by it of any covenant, condition, or obligation;

(u) To covenant to surrender possession of all or any part of any project upon the happening of an event of default, as defined in the trust indenture, mortgage, lease, or contract with reference thereto and to vest in an obligee the right, without judicial proceedings, to take possession and to use, operate, manage, and control such projects or any part thereof, to collect and receive all rents, fees, and revenues arising therefrom in the same manner as the authority itself might do, and to dispose of the moneys collected in accordance with the agreement of the authority with such obligee;

(v) To vest in a trustee the right to enforce any covenant made to secure, to pay, or in relation to the bonds, to provide for the powers and duties of such trustee, to limit liabilities thereof, and to provide the terms and conditions upon which the trustee or the holders of bonds or any proportion of them may enforce any such covenant;

(w) To make covenants other than and in addition to the covenants expressly authorized by this section, of like or different character;

(x) To execute all instruments necessary or convenient in the exercise of the powers granted in this section or in the performance of its covenants or duties, which may contain such covenants and provisions, in addition to those above specified, as the government or any purchaser of the bonds of the authority may reasonably require;

(y) To make such covenants and to do all such acts and things as may be necessary, convenient, or desirable in order to secure its bonds, or, in the absolute discretion of the authority, tend to make the bonds more marketable; notwithstanding that such covenants, acts, or things may not be enumerated in this section. It is the intention of this section to give the authority power to do all things in the issuance of bonds, in the provisions for their security that are not inconsistent with the constitution of Colorado, and no consent or approval of any judge or court shall be required thereof; except that the authority shall have no power to mortgage all or any part of its property, real or personal, except as provided in section 29-4-217.

29-4-217. Power to mortgage - when. (1) In connection with any project, the authority also has the power to mortgage all or any part of its property, real or personal, then owned or thereafter acquired, and thereby:

(a) To vest in a government the right, upon the happening of an event of default as defined in such mortgage, to foreclose such mortgage through judicial proceedings or through the exercise of a power of sale without judicial proceedings, so long as a government is the holder of any of the bonds secured by such mortgage;

(b) To vest in a trustee the right, upon the happening of an event of default as defined in such mortgage, to foreclose such mortgage through judicial proceedings or through the exercise of a power of sale without judicial proceedings, but only with the consent of the government, if any, which aided in financing the project involved;

(c) To vest in other obligees the right, but only with the consent of such government, if any, which aided in financing the project involved, to foreclose such mortgage by judicial proceedings;

(d) To vest in an obligee, including a government, the right in foreclosing any mortgage as aforesaid to foreclose such mortgage as to all or such part of the property covered thereby as such obligee, in its absolute discretion, shall elect; such institution, prosecution, and conclusion of any such foreclosure proceedings or the sale of any such parts of the mortgaged property shall not affect in any manner or to any extent the lien of the mortgage on the parts of the mortgaged property not included in such proceedings or not sold.

29-4-218. Remedies of an obligee of authority. (1) Any obligee of the authority has the right, in addition to all other rights which may be conferred on such obligee, subject only to any contractual restrictions binding upon such obligee:

(a) By mandamus, suit, action, or proceeding in law or equity, all of which may be joined in one action, to compel the performance by the authority and the commissioners thereof, and any officer, agent, or employee of the authority of each and every term, provision, and covenant contained in any trust indenture, mortgage, lease, or other agreement to which the authority is a party, and to require the carrying out of any or all covenants and agreements and the fulfillment of all duties imposed upon the authority by this part 2;

(b) By suit, action, or proceeding in equity to enjoin any acts or things which may be unlawful or the violation of any of the rights of such obligee of the authority;

(c) By suit, action, or proceeding in any court of competent jurisdiction to cause possession of any project or any part thereof to be surrendered to any obligee having the right to such possession pursuant to any mortgage, lease, or contract of the authority.

29-4-219. Additional remedies. (1) Any authority has the power, by its trust indenture, mortgage, lease, or other contract, to confer upon any obligee holding or representing a specified amount in bonds, lease, or other obligations the right, upon the happening of an event of default as defined in such instrument:

(a) By suit, action, or proceeding in any court of competent jurisdiction, to obtain the

appointment of a receiver of any project of the authority or any part thereof. If such receiver is appointed, he may enter and take possession of such project or any part thereof and operate and maintain the same, and collect and receive all fees, rents, revenues, or other charges thereafter arising therefrom in the same manner as the authority itself might do, and to keep such moneys in a separate account and apply the same in accordance with the obligations of the authority as the court shall direct.

(b) By suit, action, or proceeding in any court of competent jurisdiction, to require the authority and the commissioners thereof to account as if they were the trustees of an express trust.

29-4-220. Remedies cumulative. All the rights and remedies conferred by this part 2 are cumulative and in addition to all other rights and remedies that may be conferred upon such obligee of the authority by law or by any agreement with the authority.

29-4-221. Limitations on remedies of obligee. No interest of the authority in any property, real or personal, shall be subject to sale by the foreclosure of a mortgage thereon, either through judicial proceedings or the exercise of a power of sale contained in such mortgage, except in the case of the mortgages provided for in section 29-4-217. All property of the authority is exempt from levy and sale by virtue of an execution, and no execution or other judicial process shall issue against the same. No judgment against the authority shall be a charge or lien upon its property, real or personal. The provisions of this section shall not apply to or limit the rights of obligees to foreclose any mortgage of the authority provided for in section 29-4-217, and, in case of a foreclosure sale thereunder, to obtain a judgment or decree for any deficiency due on the indebtedness secured thereby which was issued on the full faith and credit of the authority. Such deficiency judgment or decree shall be a lien and charge upon the property of the authority which may be levied on and sold by virtue of an execution or other judicial process for the purpose of satisfying such deficiency judgment or decree.

29-4-222. Sale subject to government agreement. Notwithstanding anything in this part 2 to the contrary, any purchaser at a sale of real or personal property of the authority pursuant to any foreclosure of a mortgage of the authority shall obtain title subject to any contract between the authority and the government relating to the supervision by the government of the operation and maintenance of such property and the construction of improvements thereon.

29-4-223. Contracts with federal government. (1) In addition to the powers conferred upon the authority by other provisions of this part 2, the authority is empowered:

(a) To borrow money from the federal government to finance the construction of any project which such authority is authorized by this part 2 to undertake;

(b) To take over any land acquired by the federal government for the construction of a project; and

(c) To take over, lease, or manage any project so constructed or owned by the federal government and, to that end, to enter into any such contracts, mortgages, trust indentures, leases, or other agreements as the federal government may require in such connection.

(2) Such contracts, mortgages, trust indentures, leases, or other agreements may provide that the federal government has the right to supervise and approve the construction, maintenance, and operation of such project.

(3) It is the purpose and intent of this part 2 to authorize such authority to accept the cooperation of the federal government in the construction, maintenance, and operation and in the financing of the construction of any project which the authority is empowered by this part 2 to undertake. Such authority has full power to do all things necessary in order to secure such aid, assistance, and cooperation.

29-4-224. Wage and labor conditions. Notwithstanding anything to the contrary contained in the housing authorities law or in any other provision of law, any housing authority is empowered to include in any construction contract let in connection with a housing project, as defined in said housing authorities law, stipulations requiring that the contractor and any subcontractors comply with requirements as to minimum wages and maximum hours of labor and with any conditions or regulations which the federal government has imposed as a condition to its financial aid to said housing project.

29-4-225. Insurance. A housing authority, in addition to its other powers, has the power to procure or agree to the procurement of insurance or guarantees from the federal government for the payment of any debts or parts thereof incurred by said authority, including the power to pay premiums on any such insurance.

29-4-226. Exemption from special assessments. (1) The following shall be exempt from the payment of any special assessments to the state, any county, city and county, municipality, or other political subdivision of the state:

- (a) A housing authority;
- (b) The property of a housing authority;
- (c) All property leased to a housing authority; and
- (d) The portion of a project that is not used as a store, office, or other commercial facility that is occupied by persons of low income and that is owned by or leased to an entity:
 - (I) That is wholly owned by an authority;
 - (II) In which an authority has an ownership interest; or
 - (III) In which an entity wholly owned by an authority has an ownership interest.

29-4-227. Tax exemptions. (1) (a) An authority is exempt from the payment of any taxes or fees to the state or any county, city and county, municipality, or other political subdivision of the

state. All property of an authority is exempt from all local and municipal taxes. Bonds, notes, debentures, and other evidences of indebtedness of an authority are declared to be issued for a public purpose and to be public instruments, and, together with interest thereon, are exempt from taxes. All property leased to an authority for the purposes of a project is also exempt from taxation, as is the income derived from the authority by the lessor under the lease.

(b) A project that is owned by, leased to, or under construction by an entity that is wholly owned by an authority, an entity in which an authority has an ownership interest, or an entity in which an entity wholly owned by an authority or of which an authority is the sole member has an ownership interest is exempt from both property tax and, during construction, from the payment of sales tax and use tax to the state or any county, city and county, municipality, or other political subdivision of the state in proportion to the percentage of the project that is for occupancy by persons of low income. The determination by an authority of the percentage of the project that qualifies for the exemptions from payment of property taxes and sales and use taxes may be made on the basis of either the relative square footage or cost and is presumed valid absent manifest error.

(2) This section, as amended, applies to property owned by or leased to an authority and property owned by, leased to, or under construction by an entity in which an authority has an ownership interest, or an entity in which an entity wholly owned by an authority or of which an authority is the sole member has an ownership interest on or after August 2, 2000. Nothing in this section, as amended, entitles or shall be interpreted to entitle any entity to a refund of taxes from the state for any period beginning before January 1, 2013, or to a refund of taxes from any county, city and county, municipality, or other political subdivision of the state paid prior to August 10, 2016. Notwithstanding the provisions of section 39-26-703 (2) (d), C.R.S., from August 10, 2016, until December 31, 2016, an entity may file a claim for a refund of all state taxes overpaid under this section for the period from January 1, 2013, to August 10, 2016. On and after January 1, 2017, all claims for refund under this section are subject to the provisions of section 39-26-703 (2) (d), C.R.S.

29-4-228. Reports. The authority shall, at least once a year, file with the mayor of the city a report of its activities for the preceding year and shall make any recommendations with reference to any additional legislation or other action that may be necessary in order to carry out the purposes of this part 2.

29-4-229. Low rentals. It is the purpose and intent of this part 2 to authorize and impose a duty on the authority to provide safe and sanitary dwelling accommodations at such rentals that persons of low income can afford to live in such dwelling accommodations. To this end, the authority from time to time shall reduce its rents and other charges for such dwelling accommodations to the extent that it deems such action expedient; but the authority shall not reduce its rents or other charges if such action is in violation of any contract between the authority and an obligee or would result in an insufficiency of revenues from the project to meet the costs of the operation and maintenance thereof, to meet all obligations of the authority as same mature, and to create reasonable reserves for such contingencies as the authority determines.

29-4-230. Previous housing authorities validated. The creation and organization of housing authorities pursuant to this part 2 together with all proceedings, acts, and things undertaken, performed, or done prior to May 17, 1939, with reference thereto are validated, ratified, confirmed, approved, and declared legal in all respects, notwithstanding any want of statutory authority or any defect or irregularity therein.

29-4-231. Contracts and undertakings validated. All contracts, agreements, obligations, and undertakings of such housing authorities entered into prior to May 17, 1939, relating to financing or aiding in the development, construction, maintenance, or operation of any housing project, or to obtaining aid therefor from the United States housing authority including, without limiting the generality of the foregoing, loan and annual contributions contracts with the United States housing authority, agreements with municipalities or other public bodies, including those which are pledged or authorized to be pledged for the protection of the holders of any notes or bonds issued by such housing authorities or which are otherwise made a part of the contract with such holders of notes or bonds relating to cooperation and contributions in aid of housing projects, payments, if any, in lieu of taxes, furnishing of municipal services and facilities, and the elimination of unsafe and unsanitary dwellings, and contracts for the construction of housing projects, together with all proceedings, acts, and things undertaken, performed, or done prior to May 17, 1939, with reference thereto, are validated, ratified, confirmed, approved, and declared legal in all respects, notwithstanding any want of statutory authority or any defect or irregularity therein.

29-4-232. Notes and bonds validated. All proceedings, acts, and things undertaken, performed, or done prior to May 17, 1939, in or for the authorization, issuance, execution, and delivery of notes and bonds by housing authorities for the purpose of financing or aiding in the development or construction of a housing project and all notes and bonds issued by housing authorities prior to May 17, 1939, are validated, ratified, confirmed, approved, and declared legal in all respects, notwithstanding any want of statutory authority or any defect or irregularity therein.

PART 3

REHABILITATION ACT OF 1945

29-4-301. Short title. This part 3 shall be known and may be cited as the "Rehabilitation Act of 1945".

29-4-302. Legislative declaration. It is determined and declared that there exist within the state of Colorado substandard and unsanitary areas, occasioned by inadequate planning, excessive land coverage, lack of proper light, air, and open space, defective design and arrangement of

buildings, lack of proper sanitary facilities, and the existence of buildings, which, by reason of age, obsolescence, or physical deterioration, have become economic and social liabilities; that such conditions are conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime; and that such conditions impair the economic value of wide areas, infecting them with economic blight which results in inability to pay reasonable taxes. It is hereby declared that the remedying of such conditions is in the public interest, and this part 3 is enacted to provide means whereby said areas may be redeveloped by private enterprise with such assistance from public funds as may be furnished in accordance with the provisions of this part 3.

29-4-303. Definitions. As used in this part 3, unless the context otherwise requires:

(1) "Area" means that portion of a municipality for which a plan of rehabilitation is adopted by the city council of a municipality as set out in this part 3.

(2) "Authority" means the agency created by ordinance of the city council of a municipality to carry out the development plan adopted for the area.

(3) "City attorney" means the official designated by the general laws of Colorado or by the charter of a municipality to be responsible for the handling of its legal affairs.

(4) "City auditor" means the official of a municipality who has charge of auditing the financial affairs of a municipality.

(5) "City council" means the city council of a city or the board of trustees of an incorporated town or the legislative body of a municipality, by whatever name said legislative body is designated by statute or by city charter.

(6) "City treasurer" means the official who is the custodian of the funds of a municipality.

(7) "Development plan" means the plan adopted by the city council of a municipality for the development of an area.

(8) "Mortgage" means any mortgage, deed of trust, pledge, or other instrument in writing by which any property, the proceeds thereof, or the income therefrom is made security for the repayment of any advance or loan of money as set out in this part 3.

(9) "Municipality" means any incorporated town or city of the state of Colorado whether organized under general laws or under special charter.

(10) "Planning commission" means the board or commission of the municipality whose duty it is under the statutes, charter, or ordinances to make plans for the growth and development of the municipality or to advise the executive officers of the municipality in the matter of planning.

(11) "Public grounds" of an area means those portions of the area set aside, as provided in this part 3, for streets, alleys, parks, playgrounds, and other public uses.

(12) "Reconstruction agency" means any corporation, copartnership, or person contracting to carry out in whole or in part the rebuilding under a development plan for an area.

29-4-304. Preparation of development plan. (1) The planning commission of a municipality either on its own initiative or at the request of the city council of a municipality may prepare a suggested plan for the rehabilitation of any substandard or unsanitary area as defined in section 29-4-302.

- (2) The preparation of the suggested plan shall include but shall not be limited to:
- (a) Making a survey of the locality under consideration to determine its needs;
 - (b) Making a preliminary determination of the lands to be included in the proposed area;
 - (c) Making a suggested plan for the development of the proposed area;
 - (d) Preparing estimates of the cost of the acquisition of the land in the proposed area, of demolishing the structures thereon, and of doing the necessary improvement of the public grounds to be included therein;
 - (e) Making the necessary plans for the financing of the proposed enterprise, including contacting and negotiating with agencies which might be interested in the financing thereof; and
 - (f) The preparation of a report to the city council of the municipality on the proposed area.

29-4-305. Assistance in preparation of plan. In the preparation of a suggested development plan for a proposed area, the planning commission is authorized to accept assistance from governmental and private agencies but has no power to provide for the repayment of such assistance unless expressly authorized to do so by ordinance of the city council of the municipality.

29-4-306. Action on setting up of authority. (1) When the planning commission has completed its report on a suggested development plan for a proposed area and has presented the same to the city council of a municipality, such city council, if it deems the suggested plan desirable in whole or in part, by ordinance, may proceed to take the following steps, but the enumeration of such steps shall not be exclusive and shall not prevent the city council from taking the following steps:

- (a) Define the area by adopting in whole or in part or modifying the area outlined in the suggested plan;
- (b) Adopt the suggested plan, with such modifications as the city council determines, and make it the development plan for the area;
- (c) Set up an authority for the area and provide for the number of persons who shall constitute the authority and for the method of appointment and term thereof, including the filling of vacancies. The members of the authority may be either regular officials of the municipality or private persons; and in the case of private persons, the city council shall fix the compensation, if any, they are to receive.
- (d) Give the authority a name which shall include the words "rehabilitation authority" with some other word or words descriptive of the area (that is, each authority shall be designated the "..... Rehabilitation Authority"), filling in the blank space by the appropriate designation.

(2) Any such authority has the power, in the name of the municipality, to institute and defend all litigation affecting its powers and duties or in relation to the area and the property and rights connected therewith or incidental thereto and also has and may exercise the power of eminent domain on behalf of the municipality in the acquisition of real property in the area.

29-4-307. Additional powers of authority. (1) In addition to the powers contained in section 29-4-306, the city council of a municipality may, by ordinance, give the authority of an area any or all of the additional powers set out in this section; and the enumeration of the following powers shall not be taken as a denial of the right of the city council to give the authority such other powers as the city council may determine to be expedient in order to enable the authority to carry out the purposes set out in section 29-4-302 and outlined in the development plan for the area:

(a) The power to acquire, in the name of the municipality, the land in the area by purchase, gift, condemnation, or otherwise;

(b) The power to designate and set aside such part or parts of the area as may be necessary or desirable for public grounds;

(c) The power to vacate existing plats of the area or parts thereof and to replat the same and, with the aid of the proper municipal officials, to lay out, open, change, and establish streets, alleys, parks, playgrounds, or other public grounds;

(d) The power to remove or cause to be removed some or all of the existing structures in the area so as to permit reconstruction and the power to construct or arrange for the construction of public improvements on the public grounds of the area;

(e) The power to secure the necessary funds for the acquisition of the land in the area, the demolition of the existing structures, and the improvement of the public grounds; and for these purposes to borrow money, receive grants, and obtain financial assistance by such other means or methods as may be provided in the development plan for the area;

(f) The power to issue bonds or debentures in payment of moneys borrowed. Such bonds or debentures may be issued either with or without general municipal liability, but general liability bonds may only be issued after being authorized in the manner provided by the general laws of Colorado or by the charter of the municipality. A mortgage may be given on the property in an area, except the public grounds, and the proceeds thereof and the rents therefrom to secure the debentures.

(g) The power and the duty promptly to sell or give long-term leases on all or any part of the property in the area except the public grounds to a reconstruction agency, with the obligation upon the reconstruction agency to improve the property in accordance with the development plan of the area. All deeds or leases shall be executed in the name of the municipality, at the request of the authority, by the officers of the authority, unless some other method of execution is prescribed by the general laws of Colorado or by the charter of the municipality. The authorities shall not have power to construct improvements upon the said property other than public grounds and public buildings thereon, if any.

(h) The power to make such contracts, in the name of the municipality, as may be incidental to the execution of the other powers conferred upon the authority;

(i) The power to initiate and prosecute proceedings, under the general laws of Colorado or under the charter of the municipality, for the assessment of part of the cost of the land in the area to other property specially benefited by the rehabilitation of the area; and

(j) The power to deposit moneys of the authority not then needed in the conduct of its affairs in any depository authorized in section 24-75-603, C.R.S. For the purpose of making such deposits, the authority may appoint, by written resolution, one or more persons to act as custodians of the moneys of the authority. Such persons shall give surety bonds in such amounts and form and for such purposes as the authority requires.

29-4-308. Organization of authority. (1) The authority of an area shall proceed to organize for the performance of the duties for which it is created, and such organization shall include, but shall not be limited to, the following unless otherwise provided by the ordinance creating the authority:

(a) The adoption of bylaws which shall provide that a majority of the members of the authority constitutes a quorum for the transaction of business;

(b) The election from the members of the authority of a president and vice-president and the appointment of a secretary and, if desirable, an assistant secretary. Neither of the latter need be members of the authority.

(c) The adoption of a seal for the authority.

(2) The city treasurer of the municipality shall be the treasurer of the authority. If the municipality has a city auditor, he shall be the auditor of the authority. Otherwise, the authority may appoint an auditor. The city attorney shall be the attorney for the authority. If the additional work cast upon the city treasurer, city auditor, or city attorney by reason of the affairs of the authority shall be so heavy as to require the employment of additional persons by any of said city officials, the expense of the employment of such additional persons shall be borne by the authority.

29-4-309. Condemnation for a superior use. The purpose of condemnation for the rehabilitation of an area under this part 3 is declared to be for a superior public use, and property already devoted to one public use may be condemned for the purposes of this part 3.

29-4-310. Area not wholly in one municipality. If a substandard or unsanitary area, as described in section 29-4-302, extends into two or more municipalities, such municipalities, by contract between the municipalities, may provide for the redevelopment of the area and for the part of the work to be done by each of the municipalities.

29-4-311. Termination of an authority. The city council, by ordinance, may terminate an authority and provide for its remaining duties to be taken over by some other agency of the municipality.

29-4-312. Appropriations by municipality. The rehabilitation of a substandard or unsanitary area, as defined in section 29-4-302, may be aided by appropriations to be made from time to time by the city council of a municipality from the general revenues of the municipality.

29-4-313. Taxation. Every development plan for an area shall provide that the purchaser of any of the property of the area shall pay taxes thereon as upon any other property and shall also

provide that the lessee of any part of the area shall pay taxes on the improvements erected by the lessee on the leased land, and such development plan shall include a requirement that the lessee, in addition, shall pay to the county treasurer annually a sum equal to what would have been the taxes on the land in case of an outright purchase thereof.

29-4-314. Supervision of reconstruction agency. It is the duty of the authority to keep informed as to the performance by any reconstruction agency of its obligations in the rehabilitation work, and the authority, in the name of and on behalf of the municipality, shall take any legal or other steps deemed by it advisable in case the reconstruction agency fails in the performance of its obligations.

PART 4

VETERANS' HOUSING

29-4-401. Existing statutes no bar to creation of housing authority. Nothing in any existing statute of the state of Colorado shall prevent cities and towns, however organized, from creating veterans' housing authorities by ordinance.

29-4-402. Cities and towns empowered to create housing authorities. All cities and towns, however organized, by ordinance may create veterans' housing authorities and provide their duties and powers and give preferences to veterans as to all housing constructed, purchased, or leased by or under the direction of such veterans' housing authorities.

29-4-403. Veterans of world war II defined. (Repealed)

PART 5

COUNTY HOUSING AUTHORITY

29-4-501. Legislative declaration. (1) It is hereby declared:

(a) That there exists a housing shortage for agricultural workers, their families, and other families of low income in the state of Colorado with the result that many agricultural and other low income workers and their families are unable to find decent, safe, and sanitary housing;

(b) That such condition constitutes a menace to the health, safety, and welfare of the citizens of this state; and

(c) That it is in the public interest to authorize the organization of county housing authorities to provide housing facilities for agricultural and other low income workers and their families.

(2) The necessity in the public interest for the provisions enacted in this part 5 is declared a matter of legislative determination.

29-4-502. Definitions. As used in this part 5, unless the context otherwise requires:

(1) "Authority" or "housing authority" means any of the county housing authorities created by this part 5.

(2) "Board" means the board of county commissioners of any county.

(3) "County" means any county within the state of Colorado.

(4) "Federal government" means the United States, the federal emergency administrator of public works, or any other agency or instrumentality, corporate or otherwise, of the United States.

(5) "Project" means all real and personal property, buildings and improvements, stores, offices, lands for farming and gardening, commercial facilities, and community facilities acquired or constructed or to be acquired or constructed pursuant to a single plan or undertaking, to demolish, clear, remove, alter, or repair unsanitary or unsafe housing or to provide dwelling accommodations on financial terms within the means of persons of low income. The term "project" also applies to the planning of the buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration, and repair of the improvements, and all other work in connection therewith. The term "project" also applies to the provision of dwelling accommodations to persons, without regard to income, as long as the project substantially benefits persons of low income as determined by an authority.

(6) "State" means the state of Colorado.

29-4-503. Creation of housing authority. (1) Any twenty-five residents of the county may file a petition with the clerk of the board of county commissioners setting forth that there is a need for an authority to function in the county. Upon the filing of such petition, the clerk of the board shall give notice of the time, place, and purpose of a public hearing at which the board will determine the need for such an authority in the county. Such notice shall be given at the county's expense by publishing a notice at least ten days preceding the day on which the hearing is to be held in a newspaper having a general circulation in the county or, if there is no newspaper, by posting such notice in at least three public places within the county at least ten days preceding the day on which the hearing is to be held.

(2) Upon the date fixed for said hearing, held upon notice as provided in this section, a full opportunity to be heard shall be granted to all residents and taxpayers of the county and to all other interested persons. After such a hearing, the board shall determine whether there is a shortage of decent, safe, and sanitary dwelling accommodations in the county available to persons engaged in agricultural work, their families, and other low income families. If the board determines that such condition of shortage exists, the board shall adopt a resolution so finding and shall cause notice of such determination to be given to the chairman of the board, who shall thereupon appoint commissioners, as provided in either subsection (2) or (3) of section 29-4-504, to act as an authority. A certificate signed by such commissioners so appointed by the chairman of the board shall then be filed with the division of local government in the department of local affairs, and there remain of

record, setting forth that a notice has been given and a public hearing has been held as aforesaid; that the board made a determination of such shortage after such hearing; and that the chairman of the board has appointed them as commissioners to act as an authority. Upon the filing of such certificate with said division, the commissioners and their successors shall constitute a housing authority, which shall be a body corporate and politic.

(3) If the board, after a hearing, determines that there is not a shortage of decent, safe, and sanitary dwelling accommodations in the county available to persons engaged in agricultural work, to their families, and to other families of low income, it shall adopt a resolution denying the petition. After three months have expired from the denial of the petition, subsequent petitions may be filed and new hearings and determinations made thereon.

(4) In any suit, action, or proceeding involving the validity or enforcement of any contract, mortgage, trust indenture, or other agreement of the authority or involving any action taken by the authority, the authority shall be conclusively deemed to have been established in accordance with the provisions of this part 5 upon proof of the filing of the aforesaid certificate. A copy of such certificate, duly certified by the director of the division of local government, shall be admissible in evidence in any such suit, action, or proceeding and shall be conclusive proof of the filing and the contents thereof.

(5) If the board of county commissioners denies any petition filed for the creation of a housing authority in accordance with the provisions of subsection (3) of this section and the residents of such county determine that there is in fact a shortage of decent, safe, and sanitary dwelling accommodations in the county, a petition may be filed with the board requesting that the question of the approval or disapproval of creating a housing authority be submitted to a vote of the qualified electors of such county. If the petition, which may consist of one or more separate copies, contains the signatures and residence addresses of qualified electors of such county equal in number to not less than five percent of the votes cast for governor or for president and vice president of the United States at the last preceding general election held within such county, the board shall cause the question of the creation of a housing authority to be submitted at the next general election. All registered electors within the county shall be eligible to vote on the question, which shall be conducted, insofar as possible, in accordance with the provisions of sections 29-4-604 to 29-4-607; except that the question to be voted on shall be the creation of a housing authority, and the provisions of the "Uniform Election Code of 1992" shall apply.

29-4-504. Appointment of commissioners. (1) The authority shall consist of commissioners appointed by the board in the manner provided in either subsection (2) or (3) of this section.

(2) The board may provide that the members of the board shall ex officio be appointed the commissioners of the authority. The terms of office of such commissioners shall be coterminous with their terms of office on the board. The chairman of the board shall ex officio be chairman of the commissioners, and the commissioners shall select from their members a vice-chairman.

(3) (a) The board may provide that an authority shall consist of no more than eleven commissioners appointed by the chairman of the board, who shall designate the first chairman. Not more than one of such commissioners may be a county official. In the event that a county official is

appointed as a commissioner of an authority, acceptance or retention of such appointment shall not be deemed a forfeiture of his or her office, or incompatible therewith, or affect his or her tenure or compensation in any way. The term of office of a commissioner of an authority who is a county official shall not be affected or curtailed by the expiration of the term of his or her county office.

(b) The commissioners who are appointed under the provisions of this subsection (3) shall be designated by the chairman of the board to serve for terms that are staggered from the date of their appointment such that, to the extent possible, the terms of an equal number of commissioners end each year. Thereafter, the term of office shall be five years. A commissioner shall hold office until his or her successor has been appointed and has qualified. Vacancies other than by reason of expiration of terms shall be filled for the unexpired term. A majority of the commissioners shall constitute a quorum. The chairman of the board shall file with the county clerk and recorder a certificate of the appointment or reappointment of any commissioner, and such certificate shall be conclusive evidence of the due and proper appointment of such commissioner. The authority shall select from its members a vice-chairman and a chairman when the office of the first chairman becomes vacant.

(3.5) Notwithstanding any other provision to the contrary, commencing on and after August 2, 2000, as new appointments are made to authorities pursuant to subsection (3) of this section, such appointments shall be made so that not less than one commissioner of each authority shall be an individual who is directly assisted by the authority and who may, if provided in a plan of the authority, be elected by individuals directly assisted by the authority. This subsection (3.5) shall not apply to any authority with fewer than three hundred public housing units if the authority provides reasonable notice to the resident advisory board of the opportunity for not less than one individual to serve as a commissioner of the authority as provided in this subsection (3.5) and, within a reasonable time after receipt by such board of the notice, the authority is not notified of the intention of any such individual to serve as a commissioner.

(4) A commissioner shall receive no compensation for his services, but shall be reimbursed for actual and necessary expenses incurred in the performance of his official duties.

(5) An authority may employ a secretary who shall be executive director, technical experts, and such other officers, agents, and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties, and compensation. An authority may call upon the corporation counsel or county attorney for such legal services as it may require, or it may employ its own counsel and legal staff. An authority may delegate to one or more of its agents or employees such powers or duties as it may deem proper.

(6) The board may, by resolution, change the method of appointment of commissioners after a proper notice and hearing, and set a date for the changed method to become effective.

(7) No commissioner or employee of an authority shall acquire any interest, direct or indirect, in any project or in any property included or planned to be in any project, nor shall he have any interest, direct or indirect, in any contract or proposed contract for materials or services to be furnished or used in connection with any project. If any commissioner or employee of an authority owns or controls an interest, direct or indirect, in any property included or planned to be included in any project, he shall immediately disclose the same in writing to the authority, and such disclosure shall be entered upon the minutes of the authority. Failure to so disclose such interest shall constitute

misconduct in office. Upon disclosure such commissioner or employee shall not be allowed to participate in any action by the authority for acquisition of such property or making such contract.

(8) For inefficiency or neglect of duty or misconduct in office, a commissioner of an authority may be removed by the board, but only after a hearing and after he has been given a copy of the charges at least ten days prior to such hearing and an opportunity to be heard in person or by counsel. In the event of the removal of any commissioner, a record of the proceedings together with the charges and findings thereon shall be filed in the office of the clerk of the board.

(9) The terms of office of present commissioners of authorities created under this section shall expire July 1, 1973. Prior to such date, the board shall appoint new commissioners, as provided in subsections (2) and (3) of this section, such appointments to be effective July 1, 1973.

29-4-505. Powers of authority. (1) A housing authority shall constitute a public body, corporate and politic, exercise public and essential governmental functions, and have all the powers necessary and convenient to carry out and effectuate the purposes and provisions of this part 5 (but not the power to levy and collect taxes or special assessments), including the following powers:

- (a) To sue and be sued;
- (b) To have a seal and to alter the same at pleasure;
- (c) To have perpetual succession;
- (d) To make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the authority;
- (e) To make and from time to time amend and repeal bylaws, rules, and regulations not inconsistent with this part 5 to carry into effect the powers and purposes of the authority;
- (f) To exercise any of the public powers granted to city housing authorities under part 2 of this article;
- (g) To do all acts and things necessary or convenient to carry out the powers given in this part 5 or the purposes hereof.

29-4-506. Policy of authority. (1) It is declared to be the policy of this state that each authority shall manage and operate its projects in an efficient manner so as to enable it to fix the rentals or payments for dwelling accommodations at low rates consistent with providing adequate dwelling accommodations for persons of low income.

(2) To this end the authority shall fix the rentals or payments for dwellings in its projects at no higher rates than it finds to be necessary in order to produce revenues which, together with all other available moneys, revenues, income, and receipts of the authority from whatever sources derived including federal financial assistance necessary to maintain the low rent character of the projects, will be sufficient to cover:

- (a) Reasonable and proper costs of management, operation, maintenance, and improvement of the projects;
- (b) Payments in lieu of taxes as it determines are consistent with the maintenance of the low rent character of projects;
- (c) The establishment of reasonable and proper reserves; and

(d) The payment of currently maturing installments of principal and interest on any indebtedness incurred in connection with the project by the authority.

(3) Rentals or payments for dwellings shall be established and the projects administered, insofar as possible, so as to assure that any federal financial assistance required shall be strictly limited to amounts and periods necessary to maintain the low rent character of the projects. In the operation or management of a project, the authority may enter into any agreement with the federal government respecting tenant eligibility.

29-4-507. Exemption from special assessments - tax exemptions. The authority and the property of the authority shall be exempt from all taxes and special assessments on the same basis and subject to the same conditions as provided for city housing authorities in sections 29-4-226 and 29-4-227. In lieu of taxes on its property, the authority may agree to make such annual payments to the taxing bodies in which the projects are situated as it finds consistent with the maintenance of the low rent character of the projects or the achievement of the purposes of this part 5.

29-4-508. Boundaries of authority. The boundaries of such authority shall be the boundaries of the county, but in no event shall they include the whole or a part of any city unless the governing body of said city passes a resolution authorizing the inclusion of said city within the boundaries of such authority nor may it include any area within the county which at the time of the organization of such housing authority was included within the boundaries of a housing authority previously established under part 2 of this article; but nothing in this section shall be deemed to prevent the organization of a housing authority subsequently established by any such city embracing any area within the county exclusive of the area of any project owned or operated by an authority organized under this part 5.

29-4-509. Conformity with building laws. All projects of an authority shall be subject to the planning, zoning, sanitary, and building laws, ordinances, and regulations applicable to the locality in which the project is situated.

PART 6

PUBLIC HOUSING - ELECTION

29-4-601. Applicability of part 6. For the purposes of this part 6, there shall be excluded from the term "project" or "housing project" any such project where there is in existence on or after October 1, 1963, a contract for financial assistance between any city, city and county, authority, housing authority, or county housing authority, and the federal government in respect to such project. Notwithstanding any other provisions of this part 6, no vote of the registered electors shall be required in order to make expenditures for preliminary surveys and planning of projects or housing

projects, or in order to authorize the reconstruction, replacement, restoration, or remodeling of any project or housing project, or part thereof, which has deteriorated or become damaged or destroyed, from any cause, nor shall such vote be required in order to authorize the acquisition of land for or the construction or erection of such service building, structures, or facilities as may be necessary or convenient for the efficient and proper operation or management of any authorized project or housing project.

29-4-602. Posting and publication of notice - petition. (1) A city, city and county, authority, housing authority, or county housing authority shall not, on or after October 1, 1963, commence the construction of or acquire by purchase, lease, or otherwise any project, housing project, or addition to an existing project or housing project, unless it first posts notice of such proposed action, specifying the exact nature of the project to be undertaken, in the office of the city clerk of any city or of the county clerk and recorder of any county within which such project is proposed to be located and publishes a copy of such notice once each week for three successive weeks in some daily or weekly newspaper having a general circulation within the area of the city, city and county, authority, housing authority, or county housing authority within which the project is proposed to be located. If, within thirty days after the posting and the completion of the publication of such notice, a petition, as described in subsection (2) of this section, is filed with the governing body of the city, city and county, authority, housing authority, or county housing authority proposing such action requesting that the question of the approval or disapproval of the project be first submitted to a vote of the registered electors, such city, city and county, authority, housing authority, or county housing authority shall not commence the construction of or acquire such project or housing project until a majority of the votes cast by the registered electors of such city, city and county, authority, housing authority, or county housing authority has been cast in favor of such act at an election called for such purpose pursuant to the provisions of this part 6. If no such petition is filed within said thirty-day period, the authority may proceed with such project.

(2) The petition, one or more copies of which may be submitted and treated as one petition, shall be addressed by name to the city, city and county, authority, housing authority, or county housing authority proposing such action and shall contain: The identification of the project or action proposed as specified in the notice provided in subsection (1) of this section; a request that the question of the approval or disapproval of such proposed project be submitted to the registered electors of the city, city and county, authority, housing authority, or county housing authority proposing such action; and the signatures and residence addresses of registered electors of such city, city and county, authority, housing authority, or county housing authority equal in number to not less than five percent of the votes cast for governor or for president of the United States at the last preceding general election held within such city, city and county, authority, housing authority, or county housing authority; except that, in cities, cities and counties, authorities, housing authorities, and county housing authorities having a population of more than three hundred thousand persons as determined by the last preceding federal census, only the signatures of registered electors equal in number to three percent of the votes cast at the last preceding general election for governor or president held within such city, city and county, authority, housing authority, or county housing authority shall be required on said petition in order to require an election as provided in this section.

29-4-603. Cooperative agreement - costs of election. When, pursuant to the provisions of this part 6, an election is required in order to authorize an authority or housing authority to construct or acquire a project or housing project, the cooperation agreement between such authority or housing authority and the governing body of the city, city and county, or county from which such cooperation agreement must be obtained shall make provision for the payment of the costs of such election and all cities as defined in article 55 of title 24, C.R.S., and parts 1 and 2 of this article, and cities and counties and counties as defined in part 5 of this article shall have the power to assume and pay for the costs of such election or to lend or donate sufficient money to an authority or housing authority for such purpose.

29-4-604. Election - resolution. (1) When, pursuant to the provisions of this part 6, an election of the registered electors of a city, city and county, authority, housing authority, or county housing authority is required in order to authorize any proposed act, said election may be held either concurrently with any general election held under the laws of the state of Colorado throughout the area of the city, city and county, authority, housing authority, or county housing authority calling the election or at a special election called for such purpose. The council, board of commissioners, or other governing body of the city, city and county, authority, housing authority, or county housing authority shall call such election by resolution, which resolution shall:

(a) Specify the objects and purposes of the election, including specifically the particular act which is proposed and which requires the approval of the registered electors;

(b) Specify the day and hours of such election, which day and hours may be the same as those of any concurrent general election;

(c) Provide for the appointment and compensation of judges of election, and if the election is to be held concurrently with a general election, the resolution shall recite that the judges of the concurrent general election shall serve as the judges for the election held in accordance with this part 6 and provide for the additional compensation, if any, which such persons are to receive as judges of the election held in accordance with this part 6;

(d) Designate the precincts and polling places for such election. All precincts and polling places for a concurrent general election which are located within the boundaries of the city, city and county, authority, housing authority, or county housing authority calling the election under this part 6 shall likewise be designated as the precincts and polling places of the election under this part 6. In the event that a portion of any precinct for the concurrent general election extends beyond the boundaries of the city, city and county, authority, housing authority, or county housing authority calling the election under this part 6, and in the event that the polling place for such precinct is beyond such boundaries, such polling place may nevertheless be designated as a polling place for the election under this part 6. No judge of the concurrent general election, serving at a polling place so designated as a polling place for the election under this part 6, shall be disqualified from also serving as a judge of this election by reason of the fact that he or she resides in the portion of the precinct which is beyond the boundaries of the city, city and county, authority, housing authority, or county housing authority calling the election.

- (e) Set forth the question to be submitted to the registered electors and the form of the ballot. The question to be submitted shall be worded in a clear and concise manner.
- (f) Specify the estimated cost of the proposed construction or acquisition;
- (g) Set forth the location of the proposed project, housing project, addition, or improvement.

29-4-605. Notice of election. (1) Upon the adoption of such election resolution, notice of such election shall be given as follows:

(a) By publication of a full copy of the election resolution once each week for three successive weeks in some daily or weekly newspaper having a general circulation within the area of the city, city and county, authority, housing authority, or county housing authority calling such election, the first publication to be not less than forty-five days nor more than sixty days before the general election at which the question is to be submitted;

(b) By posting or causing to be posted a full copy of the election resolution in each polling place designated as a polling place for such election, which notice shall be posted at all times during the hours that such polls are open for the election;

(c) By having available, at the request of all interested persons, at the principal offices of the city, city and county, authority, housing authority, or county housing authority, and during regular business hours, full copies of such election resolution.

29-4-606. Conduct of election. Said election shall be conducted in all respects in accordance with the general election laws of this state insofar as the same are applicable and not inconsistent with the provisions of this part 6.

29-4-607. Count of ballots - canvass - results of election. At the hour designated for closing in the election resolution, the ballot boxes or voting machines in the several polling places shall be closed, the ballots counted, and the returns thereof made to the council, board of commissioners, or other governing body calling the election. At or before the next regular meeting of the council, board of commissioners, or other governing body calling the election, next succeeding the date of such election, such council, board of commissioners, or governing body shall canvass the returns and determine and declare the results of the election, and if a majority of the votes cast at such election have been cast in favor of an act which has been so proposed, the city, city and county, authority, housing authority, or county housing authority shall be deemed to have proper authority to proceed with the same in accordance with the authority so granted, but not otherwise.

PART 7

HOUSING AND BUSINESS DEVELOPMENT AND FINANCING

29-4-701. Short title. This part 7 shall be known and may be cited as the "Colorado Housing

and Finance Authority Act".

29-4-702. Legislative declaration. (1) The general assembly finds and declares that there is a shortage in Colorado of decent, safe, and sanitary housing which is within the financial capabilities of low- and moderate-income families. In order to alleviate the high cost of construction loans and home mortgage interest costs for such families, the general assembly believes that it is essential that additional public moneys be made available, through the issuance of revenue bonds, to assist both private enterprise and governmental entities in meeting critical housing needs. The general assembly also finds and declares that the compelling need within the state for such assistance can best be met by the establishment of a quasi-governmental and corporate entity vested with the powers and duties specified in this part 7.

(2) The general assembly further finds and declares that many housing facilities occupied by low- and moderate-income families use excessive and unnecessary amounts of energy for heating and other home uses due to inadequate insulation or to the absence of other design features or materials which reduce total home energy requirements; that high costs impair the ability of such families to afford decent, safe, and sanitary housing facilities; that many such facilities do not conform to building, housing maintenance, fire, health, or other state, county, or municipal codes or standards applicable to housing; that many such facilities are located in, and by their condition contribute to, deteriorating neighborhoods; that many such facilities are inadequate for the number of persons occupying them; that many such facilities cannot be repaired or improved within the financial capabilities of the low- or moderate-income owners or occupants; and that existing private and public means of enterprise and investment cannot provide financing or assistance on terms and conditions within the means of many such low- or moderate-income families. These conditions are adverse to the safety, health, and welfare of the citizens of this state and are contrary to the public policies of promoting the conservation of scarce energy resources, of minimizing the impact of higher costs on the ability of low- and moderate-income families to afford decent, safe, and sanitary housing facilities, and of preventing and eliminating blight in urban and rural areas. The general assembly therefore further finds and declares that it is a valid public purpose to preserve and promote the safety, health, and welfare of the citizens of this state by the exercise of the powers specified in this part 7.

(3) The general assembly further finds and declares that there exists in this state a need to promote sound economic development, to maintain employment, and to encourage job opportunities in areas of unemployment and underemployment by assisting in the provision of facilities for business enterprises, including profit and nonprofit enterprises and particularly enterprises of small and moderate size, by assisting in the provision of capital to such business enterprises, and by otherwise supporting such business enterprises. The general assembly therefore finds and declares that it is a valid public purpose to preserve and promote the safety, health, and welfare of this state and its inhabitants by the exercise of the powers specified in this part 7 to finance the acquisition, construction, reconstruction, rehabilitation, improvement, and equipping of facilities for business enterprises, including profit and nonprofit enterprises and particularly enterprises of small and moderate size, by private persons and political subdivisions of this state, to finance loans to and to make equity investments in such business enterprises for capital purposes, and to otherwise support

such business enterprises.

(4) The general assembly further finds and declares that the purpose of this part 7 is to create the Colorado strategic seed fund to meet the special needs of entrepreneurs and small business operators in Colorado who would not otherwise be able to obtain funding for the development of ideas into viable and marketable products and services which would enhance the economic growth and development of Colorado, that this fund will be used to establish operating seed funds for investment in small businesses, and that this investment will, in turn, lead to further growth, diversification, and improvement of the Colorado economy.

(5) The general assembly further finds and declares:

(a) That there exists a need to leverage private sector investment in new and innovative products, in entrepreneurial activity, and in economic development finance and that, therefore, state assistance for development finance should reflect a leveraging investment strategy; and

(b) That the lending and investment of moneys to develop and improve the economy of the state requires specialized and unique knowledge, skill, and experience.

(6) The general assembly further finds and declares that the investment strategy of the managers of the operating seed funds should be:

(a) To invest in companies in the earliest stages of their development;

(b) To invest in companies which have exceptional merit and which will be located within the state of Colorado;

(c) To invest in companies in which the founding entrepreneurs have made significant individual investments;

(d) To invest in companies whose success will result in the creation of jobs in Colorado;

(e) To invest in companies which will attract other sources of venture capital for long-term development;

(f) To invest in attractive growth companies which are coupled with the state's business incubators;

(g) To assist companies with direct and ongoing business consultation to establish a viable management structure and strategic plan;

(h) To provide an opportunity for subsequent financing for follow-up operations of successful companies;

(i) To limit the amount invested by a manager in investments outside of Colorado to not more than fifty percent of the capital of an operating seed fund.

29-4-703. Definitions - rules. As used in this part 7, unless the context otherwise requires:

(1) "Authority" means the Colorado housing and finance authority created by this part 7.

(2) "Board" means the board of directors of the Colorado housing and finance authority.

(3) "Bond" means any bond, note, or other obligation of the Colorado housing and finance authority authorized to be issued under this part 7.

(3.1) "Capital" means funds that are provided for the research, development, refinement, or commercialization of a product or process, and funds that are provided for the operation of a business enterprise, including but not limited to the cost of personnel, rent, administrative services,

utilities, insurance, equipment, raw materials, work in progress and stock in trade, or debt service on the financing thereof, or such other corporate purposes as may be approved by the board. "Capital" shall not include the cost of facilities that are financed by the authority as a project pursuant to this part 7.

(3.5) "County" means any county within this state.

(4) "Executive director" means the executive director of the Colorado housing and finance authority appointed by the board of directors of said authority.

(4.5) (Deleted by amendment, L. 2007, p. 703, § 1, effective May 3, 2007.)

(5) "Family" means two or more persons, whether or not related by blood, marriage, or adoption, who live or expect to live together as a single household in the same home, a single person who is either at least sixty-two years of age or has a disability, or such other single persons as the board may by rule determine to be eligible for assistance under this part 7.

(5.1) "Federal government" means the United States and any agency or instrumentality, corporate or otherwise, of the United States.

(5.2) "Financing agreement" includes a lease, sublease, installment purchase agreement, rental agreement, option to purchase, loan agreement, participation agreement, loan purchase agreement, or any other agreement, or any combination thereof, entered into in connection with the financing of a project or housing facility or the provision of capital pursuant to this part 7.

(5.3) "Governing body" means the board, council, officer, or group charged with exercising the legislative power of a government.

(5.4) "Government" means the federal government, the state government, and any county, municipality, or state agency.

(5.5) "Home improvement loan" means a loan of money for the alteration, repair, or improvement of an existing housing facility. The term does not include a loan for a pool, hot tub, or any other construction not directly improving the structural integrity, general appearance, or living conditions within the housing facility.

(6) "Housing facility" means any work or undertaking that is designed and financed pursuant to this part 7 for the primary purpose of providing decent, safe, and sanitary dwelling accommodations. Such dwelling accommodations may provide for separate, shared, or congregate facilities. "Housing facility" may include any buildings, land, equipment, facilities, or other real or personal property:

(a) Found necessary by the authority to insure required occupancy or balanced community development; or

(b) Found necessary or desirable by the authority for sound economic or commercial development of a community.

(7) "Housing facility loan" means a loan of money, including advances and temporary and permanent loans, for the construction, reconstruction, rehabilitation, or purchase of a housing facility.

(8) "Lender" means any state bank chartered by the state of Colorado or any national banking association located in Colorado, state or federal savings and loan association located in Colorado, FHA-approved mortgagee, insurance company, mortgage banking or other financial institution, or public or private entity providing economic development assistance approved by the board.

(9) "Loan to lender" means a loan of money to a lender.

(10) "Low-income family" and "low- or moderate-income family" mean a family whose income is insufficient to secure decent, safe, and sanitary housing provided by private industry without loans or other incentives made by the authority or federal subsidies and whose income is below respective income limits established by the board by rule, taking into consideration such factors as the following:

- (a) The amount of the total income of such family available for housing needs;
- (b) The size of the family;
- (c) The cost and condition of housing facilities available;
- (d) The ability of such family to compete successfully in the private housing market and to pay the amounts at which private enterprise is providing decent, safe, and sanitary housing; and
- (e) Standards established by various programs of the federal government for determining eligibility based on income of such family.

(11) "Mortgage" means a mortgage, deed of trust, or other instrument constituting a first lien on real property in this state and improvements constructed or to be constructed thereon or on a leasehold under a lease having a remaining term, at the time such mortgage is acquired, of not less than the term for repayment of the obligation secured by such mortgage.

(12) "Mortgage loan" means a loan of money, including advances and temporary loans, for the construction, reconstruction, rehabilitation, purchase, or refinancing of a housing facility, which loan is evidenced by an obligation secured by a mortgage.

(12.1) "Municipality" means any city, including without limitation any city or city and county operating under a home rule or special legislative charter, or town within this state.

(12.4) "Project" means a work or improvement that is or will be located in this state, including but not limited to real property, buildings, equipment, furnishings, and any other real and personal property or any interest therein, financed, refinanced, acquired, owned, constructed, reconstructed, extended, rehabilitated, improved, or equipped, directly or indirectly, in whole or in part, by the authority and that is designed and intended for the purpose of providing facilities for manufacturing, warehousing, commercial, recreational, hotel, office, research and development, or other business or economic purposes, including but not limited to machinery and equipment deemed necessary for the operation thereof, excluding raw material, work in process, or stock in trade. "Project" includes more than one project or any portion of a project, but shall not include a housing facility or any portion thereof unless the authority elects to treat such housing facility or portion thereof as a project. "Project" shall not include the financing by the authority of any county or municipal public facilities beyond the boundaries of the project, except to the extent that such facilities are adjacent to the project and support the operation of the project.

(12.5) "Project costs" means the sum total of all costs incurred in the development of a project which are approved by the authority as reasonable and necessary. "Project costs" includes, but is not limited to:

- (a) The cost of acquiring real property and any buildings thereon, including but not limited to payments for options, deposits, or contracts to purchase properties;
- (b) The cost of site preparation, demolition, and development;
- (c) Any expenses relating to the issuance of bonds or notes;
- (d) Fees in connection with the planning, execution, and financing of the project, such as those of architects, engineers, attorneys, accountants, and the authority;

(e) The cost of studies, surveys, plans and permits, insurance, interest, financing, tax and assessment costs, and other operating and carrying costs incurred during construction;

(f) The cost of construction, rehabilitation, reconstruction, and equipping of the project, not including the cost of raw materials, work in process, and stock in trade;

(g) The cost of land improvements, such as landscaping and off-site improvements;

(h) Expenses in connection with initial occupancy of the project;

(i) A reasonable profit and risk fee in addition to job overhead to the general contractor and, if applicable, the sponsor;

(j) An allowance established by the authority for contingency reserves and reserves for any anticipated operating deficits after completion of the project; and

(k) The cost of other items that the authority determines to be reasonable and necessary for the development of the project, including but not limited to relocation costs, utility connection fees, indemnity and surety bonds, premiums on insurance, and fees and expenses of trustees, depositories, and paying agents for the bonds and notes.

(12.6) "Project plan" means the plan for a project or projects and includes but is not limited to:

(a) A map or any other appropriate representation of the area and the location of the project;

(b) A statement of proposed land uses;

(c) Any proposed amendments to, changes in, or variances from the master plan, official map, or zoning regulations or other land use regulations, codes, or ordinances of the county or municipality in which the project is to be located;

(d) A proposal for the acquisition of real property;

(e) A proposal for the demolition and removal of existing structures;

(f) A description of the project;

(g) A statement of the plan's relationship to any officially adopted objectives of the county or municipality as to land uses, density of population, traffic, public transportation, public utilities, recreational and community facilities, other public improvements, and the protection of the environment;

(h) A statement of the provision being made for the temporary and permanent relocation of any persons who may be displaced by the construction of the project;

(i) A proposed time schedule for the effectuation of the plan; and

(j) Additional statements or documentation as the authority may deem appropriate.

(12.8) "Real property" means all lands and franchises and interests in land located within this state, including lands under water and riparian rights, space rights and air rights, and any and all other things usually included within said term. "Real property" includes any and all interests in such property less than full title, such as easements, incorporeal hereditaments, and every estate, interest, or right, legal or equitable.

(12.9) "Small business" means a profit or nonprofit enterprise of small or moderate size, as determined by the board pursuant to regulation taking into consideration such factors as the following:

(a) The net assets of the enterprise;

(b) The number of employees involved or to be involved in the normal operation of the project;

(c) The total number of employees involved or to be involved in the normal operation of the enterprise as a whole;

(d) The type, size, and cost of the project; and

(e) Applicable standards and criteria periodically applied by the federal government in administering assistance programs for enterprises of small or moderate size.

(13) "Sponsor" means an individual, joint venture, partnership, limited partnership, trust, corporation, cooperative, condominium, association, public body, including the authority, or any other legal entity or combination thereof, which:

(a) The authority has approved as qualified to own, construct, acquire, rehabilitate, operate, lease, manage, or maintain part or all of a housing facility or a project; and

(b) Except for a county, municipality, or other public body, has agreed to subject itself to the regulatory powers of the authority.

(14) Repealed.

(15) "State agency" means any board, authority, agency, department, commission, public corporation, body politic, or instrumentality of this state other than a municipality or a county.

(16) Repealed.

29-4-704. Colorado housing and finance authority. (1) There is hereby created the Colorado housing and finance authority, which shall be a body corporate and a political subdivision of the state, shall not be an agency of state government, and shall not be subject to administrative direction by any department, commission, board, bureau, or agency of the state.

(2) The powers of the authority shall be vested in the governing body of the authority, which shall be a board of directors consisting of:

(a) The state auditor;

(b) A member of the general assembly appointed jointly by the speaker of the house and the majority leader of the senate to serve for the legislative biennium. The legislative member shall be appointed in January at the beginning of the regular session held in odd-numbered years.

(c) Eight persons, who shall be appointed by the governor, with the consent of the senate, as follows:

(I) One member who shall be experienced in mortgage banking;

(II) One member who shall be experienced in real estate transactions;

(III) Six additional members to be appointed without regard to their occupations; except that, in making such appointments, the governor shall give strong consideration to the appointment of a member trained in architecture and a member trained in city or regional planning;

(d) An executive director of a principal department of the state government appointed by the governor who shall serve at the pleasure of the governor.

(3) (a) For appointments made prior to June 15, 1987, each member appointed by the governor shall be appointed for a term of seven years, but the original members shall be appointed for the following terms beginning July 1, 1973:

(I) Three members shall be appointed for terms of two years;

(II) Two members for terms of four years; and

(III) Two members for terms of six years.

(b) Prior to June 15, 1987, their successors shall be appointed for terms of seven years each.

(c) Members of the authority serving on May 20, 1987, shall continue to serve in the manner provided in this subsection (3). The additional member of the authority appointed pursuant to subsection (2) of this section shall be appointed for a term of four years beginning July 1, 1987.

(d) Persons holding office on June 15, 1987, are subject to the provisions of section 24-1-137, C.R.S. For appointments made thereafter, each member appointed by the governor shall be appointed for a term of four years.

(4) Each member shall hold office for his term and until his successor is appointed and qualified. Any member shall be eligible for reappointment, but members shall not be eligible to serve more than two consecutive full terms. Members of the board shall receive no compensation for such services but shall be reimbursed for their necessary expenses while serving as a member of the board. Any vacancy shall be filled in the same manner as the original appointments for the unexpired term.

(5) Any appointed member of the board may be removed by the governor, and the legislative representative by the speaker of the house and the majority leader of the senate, for malfeasance in office, failure to regularly attend meetings, or for any cause which renders said member incapable of or unfit to discharge the duties of his office.

(6) No part of the revenues or assets of the authority shall inure to the benefit of, or be distributed to, its members or officers or any other private persons or entities.

(7) The authority and its corporate existence shall continue until terminated by law; except that no such law shall take effect so long as the authority has bonds, notes, or other obligations outstanding, unless adequate provision has been made for the payment thereof. Upon termination of the existence of the authority, all its rights and properties in excess of its obligations shall pass to and be vested in the state.

29-4-704.5. Reference in contracts and documents. Whenever the Colorado housing finance authority is referred to or designated by any contract or document in connection with the duties and functions set forth in this part 7, such reference or designation shall be deemed to apply to the Colorado housing and finance authority.

29-4-705. Records of board. All resolutions and orders shall be recorded and authenticated by the signature of the secretary or any assistant secretary of the board. Every legislative act of the board of a general or permanent nature shall be by resolution. The book of resolutions, corporate acts, and orders shall be a public record. A public record shall also be made of all other proceedings of the board, minutes of the meetings, annual reports, certificates, contracts, and bonds given by officers, employees, and any other agents of the authority. The account of all moneys received by and disbursed on behalf of the authority shall also be a public record. All public records of the authority shall be subject to the "Colorado Open Records Act", part 2 of article 72 of title 24, C.R.S. All records shall be subject to the uniform budget and audit laws and shall be subject to regular audit as provided therein.

29-4-706. Meetings of board. (1) All meetings of the board shall be open to the public. No business of the board shall be transacted except at a regular or special meeting at which a quorum consisting of at least a majority of the total membership of the board is present. Any action of the board shall require the affirmative vote of a majority of the members present at such meeting.

(2) One or more members of the board may participate in any meeting and may vote through the use of telecommunications devices, including, but not limited to, a conference telephone or similar communications equipment. Such participation through telecommunications devices shall constitute presence in person at such meeting. Such use of telecommunications shall not supersede any requirements for public hearing otherwise provided by law.

29-4-707. Disclosure of interests required. Any board member, employee, or other agent or adviser of the authority, who has a direct or indirect interest in any contract or transaction with the authority, shall disclose this interest to the authority. This interest shall be set forth in the minutes of the authority, and no board member, employee, or other agent or adviser having such interest shall participate on behalf of the authority in the authorization of any such contract or transaction.

29-4-708. General powers of the authority. (1) In addition to any other powers granted to the authority in this part 7, the authority shall have the following powers:

(a) To have the duties, privileges, immunities, rights, liabilities, and disabilities of a body corporate and political subdivision of the state;

(b) To have perpetual existence and succession;

(c) To adopt, have, and use a seal and to alter the same at its pleasure;

(d) To sue and be sued;

(e) To enter into any contract or agreement not inconsistent with this part 7 or the laws of this state;

(f) To borrow money and to issue bonds evidencing the same;

(g) To purchase, lease, trade, exchange, or otherwise acquire, maintain, hold, improve, mortgage, lease, and dispose of real property and personal property, whether tangible or intangible, and any interest therein;

(h) To acquire office space, equipment, services, supplies, and insurance necessary to carry out the purposes of this part 7;

(i) To deposit any moneys of the authority in any banking institution within or without the state or in any depository authorized in section 24-75-603, C.R.S., and to appoint, for the purpose of making such deposits, one or more persons to act as custodians of the moneys of the authority, who shall give surety bonds in such amounts and form and for such purposes as the board requires;

(j) To disburse any moneys in the revolving fund established pursuant to section 29-4-728 in accordance therewith;

(k) To contract for and to accept any gifts, grants, and loans of funds, property, or any other aid in any form from the federal government, the state, any state agency, or any other source, or any combination thereof, and to comply, subject to the provisions of this part 7, with the terms and

conditions thereof;

(l) To act as agent for federal, state, or local government or for qualified organizations or corporations in connection with the acquisition, construction, reconstruction, rehabilitation, leasing, operation, or management of a housing facility or project or any part thereof or the furnishing of capital to business enterprises;

(m) To authorize the executive director to enter into contracts, execute all instruments, and do all things necessary or convenient in the exercise of the powers granted in this part 7 and to secure the payment of bonds;

(n) To have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted in this part 7, which specific powers shall not be considered as a limitation upon any power necessary or appropriate to carry out the purposes and intent of this part 7;

(o) To fix the time and place or places at which its regular and special meetings are to be held. Meetings shall be held on the call of the chairman, but no less than eight meetings shall be held annually.

(p) To adopt and from time to time amend or repeal bylaws and rules and regulations consistent with the provisions of this part 7;

(q) To elect one director as chairman of the board and another director as chairman pro tem of the board and to appoint one or more persons as secretary and treasurer of the board and such other officers as the board may determine and provide for their duties and terms of office;

(r) To appoint an executive director and such other agents, employees, and professional and business advisers as may from time to time be necessary in its judgment to accomplish the purposes of this part 7, and to fix the compensation of such employees, agents, and advisers, and to establish the powers and duties of all such officers, agents, and employees and other persons contracting with the authority;

(s) To provide a method for sponsors to let contracts on a fair and equitable basis for the construction of housing facilities or projects or the performance or furnishing of labor, materials, or supplies as required in this part 7;

(t) To the extent permitted under its contract with the holders of bonds, to enter into contracts containing provisions permitting the reduction of the rental or carrying charges to persons unable to pay the regular schedule of charges where, by reason of other income or payment by any department, agency, or instrumentality of the United States or this state, such reduction can be made without jeopardizing the economic stability of the housing facility being financed;

(u) To protect the interest of the authority in housing facilities, projects, and loans to and equity investments in business enterprises for capital made under this part 7 by such action as is in the best interests of the authority, including, without limitation, taking assignment of leases, rentals, and other revenues and assets and proceeding with foreclosure, repossession, purchase, sale, or other means of acquisition of such facilities or projects or other security and, in the case of equity investments, taking any action permitted by law or pursuant to any subscription, partnership, or other instrument, certificate, or document related to such investment;

(v) To act as a coinsurer with any department or agency of the federal government with respect to a loan to finance housing facilities for low- or moderate-income families;

(w) To waive, by such means as the authority deems appropriate, the exemption from federal income taxation of interest on the authority's bonds, notes, or other obligations provided by the

"Internal Revenue Code of 1986", as amended, or any other federal statute providing a similar exemption;

(x) To make and execute agreements, contracts, and other instruments necessary or convenient in the exercise of the powers and functions of the authority under this part 7, including but not limited to contracts with any person, firm, corporation, municipality, state agency, county, or other entity. All municipalities, counties, and state agencies are hereby authorized to enter into and do all things necessary to perform any such arrangement or contract with the authority.

(y) To arrange for guaranties or insurance of its bonds, notes, or other obligations by the federal government or by any private insurer, and to pay any premiums therefor;

(z) To enter into agreements to pay annual sums in lieu of taxes to any county, municipality, or other taxing entity with respect to any real property which is owned by the authority and is located in such county, municipality, or other taxing entity;

(aa) To provide financial advice and counseling with respect to business enterprises and to provide for guaranties, insurance, coinsurance, or reinsurance against risks of loss on loans to business enterprises to finance projects or provide capital.

29-4-709. Power of board - housing facility plans. (1) The board shall establish criteria for the financial feasibility of any plan for the development of housing facilities to be undertaken with the proceeds of housing facility loans.

(2) If the authority determines that such plan meets the board's criteria, that private financing is not available on reasonably equivalent terms and conditions, and that the necessary means of financing such plan are available to the authority, the authority may accept such plan.

29-4-710. Powers of the board - executive director - housing facility loans - assistance in housing facility development. (1) Upon acceptance of a housing facility plan pursuant to section 29-4-709 and upon or prior to the issuance of bonds or other financial arrangement for the development of such facility, the board shall have adopted rules and regulations applicable to such plan. In addition to the other powers granted in this part 7, the authority shall have the power to, and, upon the adoption of a plan as provided in section 29-4-709, the board shall authorize the executive director to:

(a) (I) Make, purchase, or participate in making or purchasing housing facility loans or commitments therefor to sponsors, which are approved pursuant to section 29-4-716 and are subject to the limitations prescribed by section 29-4-717, and to low- or moderate-income families and, in connection with any such loan:

(A) To agree to limitations upon the right to dispose of any housing facility or part thereof or to undertake additional housing facility programs;

(B) To a governmental entity, to agree to limitations upon the exercise of any powers conferred upon the authority by this part 7.

(II) Except as provided in this section, housing facility loans to sponsors or to low- or moderate-income families shall be secured by a mortgage or such other security interest as the authority shall determine adequate to secure repayment of the housing facility loan.

(b) Make or participate in the making of housing facility loans secured by second deeds of trust or mortgages to sponsors or low- or moderate-income families if the total amount of such second deeds of trust or mortgages does not exceed fifteen percent of the total amount of loans secured by first deeds of trust or mortgages issued by the authority;

(c) Collect and pay reasonable fees and charges in connection with making, purchasing, and servicing of loans;

(d) Sell at public or private sale, including the sale to the federal national mortgage association or the government national mortgage association, all or any part of any mortgage or other instrument or document securing a construction, land development, mortgage, or temporary loan of any type permitted by this part 7;

(e) Purchase, in order to meet the requirements of the sale of its mortgages to the federal national mortgage association, stock of the association;

(f) Consent to the modification of the rate of interest, time of payment of any installment of principal or interest, or any other terms of any mortgage loan, mortgage loan commitment, construction loan, temporary loan, contract, or agreement of any kind to which the authority is a party;

(g) Include in any loan such amounts necessary to pay financing charges, consultant, advisory, and legal fees, and such other expenses, including interest charges, as are necessary or incidental to such loan;

(h) Make and execute agreements, contracts, and other instruments necessary or convenient in accordance with the provisions of this part 7, including contracts with any person, firm, corporation, governmental agency, or other entity;

(i) Receive, administer, and comply with the conditions and requirements respecting any appropriation or any gift, grant, or donation of any property or money;

(j) Assist in the preparation and operation of housing facility programs and planning for the construction of any such housing facility or any part thereof;

(k) Set construction standards for housing facilities financed under this part 7;

(l) Insure or require the insuring of the property or operations of the housing facilities against such risks as the board deems advisable;

(m) Procure insurance of any secured debts or parts thereof made or held by the board on any property included in any housing facility.

(n) Repealed.

29-4-710.5. Powers of the board - lease, sale, or financing of projects. (1) Except as otherwise provided in an intergovernmental agreement entered into pursuant to article 46.5 of title 24, C.R.S., the authority may not undertake or finance a project until the board or the executive director pursuant to rules and regulations adopted by the board first determines that:

(a) Providing the project will assist in promoting sound economic development or in maintaining employment in the area in which the project is or is to be located, or in an area reasonably accessible thereto, or in the reduction of unemployment or underemployment in such area;

(b) The financing agreement relating thereto provides for payment to the authority of such

revenues that, together with any government subsidies relating to the project and other moneys available or expected to be available, will be sufficient to pay the principal of and interest on all notes and bonds issued to finance the project, to build up and maintain any reserves deemed advisable by the authority in connection therewith, and to pay the costs of maintaining the project in good repair and keeping it properly insured, unless the financing agreement obligates the sponsor to pay for the maintenance of and insurance on the project; and

(c) The sponsor of the project is not a state agency, county, municipality, or other public body except the authority and the land on which the project is to be located has not been acquired by exercise of the power of eminent domain during the two years preceding the submission of the project plan to the authority.

(2) Upon making the determinations specified in subsection (1) of this section and in case of projects involving the acquisition, construction, or rehabilitation of a building, upon approval by the board of a project plan, the authority, in addition to the other powers granted by this part 7, shall have the following powers:

(a) To commit to enter and to enter into a financing agreement to sell, make, or participate in a loan to finance or lease for a term not exceeding ninety-nine years, with or without an option to purchase, any project, without public bidding or public sale, and upon such terms and conditions as the authority may deem appropriate. The authority may enter into such a financing agreement prior to, at the date of, or subsequent to the completion of the project. Where such a financing agreement is entered into, the authority may pay the project costs of the project and complete the construction and development of the project prior to any actual conveyance, loan, or lease.

(b) To commit to enter and to enter into a financing agreement to purchase or participate in the purchase, from a lender, of loans to sponsors to finance project costs, upon such terms and conditions as the authority may deem appropriate. The authority may enter into such a financing agreement prior to, at the date of, or subsequent to the completion of the project.

(c) To commit to enter and to enter into a financing agreement to make a loan to a lender, upon the condition that the lender invest the proceeds of such loan in loans to sponsors to finance project costs on such terms and conditions as the authority may deem appropriate;

(d) To acquire, construct, reconstruct, rehabilitate, improve, alter, equip, and repair or to provide for the acquisition, construction, reconstruction, rehabilitation, improvement, alteration, equipping, and repairing of any project; to maintain, operate, and manage or to provide for the maintenance, operation, and management of any project; to mortgage or otherwise encumber any project; and to sell or lease any project;

(e) To prepare or cause to be prepared plans, specifications, designs, and estimates of costs for the acquisition, construction, reconstruction, rehabilitation, improvement, alteration, equipment, maintenance, or repairing of any project and to periodically modify such plans, specifications, designs, and estimates.

(3) All projects shall be subject to any applicable master plan, official map, zoning regulations, building code, and other regulations governing land use or planning of the county or municipality in which the project is or is to be located. However, nothing in this subsection (3) shall be construed to prohibit or otherwise affect the right of the authority, a sponsor, or any other person to apply for and obtain, by any lawful means and to the extent otherwise permitted by law, an amendment to, a change in, or a variance from any such master plan, official map, zoning regulation,

building code, or other regulation governing land use or planning with respect to any project.

(4) Each county and municipality in which a project is located, in connection with such project, shall provide police, fire, sanitation, health protection, and other governmental services of the same character and to the same extent as those provided for other residents of such county and municipality.

(5) The authority shall be empowered to enter into contractual agreements with any county or municipality with respect to the furnishing of any additional community, municipal, or public facilities or services necessary or desirable for any project.

(6) Notwithstanding the provisions of any other law, the state, any state agency, any county, and any municipality in which a project is or is to be located, and any board, authority, agency, department, commission, public corporation, or instrumentality of such county or municipality, shall have the power to lend or grant money or any other form of property, real, personal, or mixed, to the authority and to enter into contracts to make such loans and grants, all upon such terms and conditions as the authority and the state, state agency, county, or municipality, as the case may be, may agree upon.

(7) Except as otherwise provided in an intergovernmental agreement entered into pursuant to article 46.5 of title 24, C.R.S., the authority shall exercise its powers in connection with the financing of projects primarily for the benefit of small businesses, and the authority shall prepare as part of its annual report a summary of the nature and extent of its assistance rendered to small business projects.

29-4-710.6. Powers of the board - loans for capital. (1) The authority may not assist the capital needs of any profit or nonprofit enterprise or undertaking until the board or the executive director pursuant to rules and regulations adopted by the board first determines that:

(a) Repealed.

(b) The amount of a loan to provide capital to an enterprise does not exceed the amount by which the total capital needs of such enterprise during a specified period exceeds the sum of the revenues of the operation reasonably expected to be available to the enterprise during such period to meet capital needs and the amount of any reserves for anticipated operating deficits and available to the enterprise during such period; and

(c) The financing agreement relating thereto provides for the payment to the authority of such revenues as will be, together with any government subsidies relating to the enterprise and other moneys available or expected to be available, sufficient to pay the principal of and interest on all notes and bonds issued to finance the loan and to build up and maintain any reserves deemed advisable by the authority in connection therewith.

(2) Upon making the determinations specified in subsection (1) of this section, the authority, in addition to the other powers granted by this part 7, shall have the following powers:

(a) To commit to enter and to enter into a financing agreement to purchase or participate in the purchase from a lender of loans to provide capital to business enterprises upon such terms and conditions as the authority may deem appropriate;

(b) To commit to enter and to enter into a financing agreement to make a loan to a lender

upon the condition that the lender invest the proceeds of such loan in loans to provide capital to business enterprises upon such terms and conditions as the authority may deem appropriate;

(c) In connection with the preservation of its rights with respect to any loan, to provide capital to a business enterprise, to provide for the acquisition, operation, management, or maintenance of a business enterprise, and to sell or otherwise dispose of any business enterprise.

29-4-710.7. Powers of the board - issuance of bonds to maintain balances in the unemployment compensation fund. (1) Upon receiving the certifications specified in subsection (2) of this section, the authority, in addition to the other powers granted by this part 7, has the following powers:

(a) To issue from time to time its bonds and notes as provided in this part 7 to provide sufficient funds to maintain adequate balances in the unemployment compensation fund; to repay amounts advanced to the state pursuant to 42 U.S.C. sec. 1321; to pay the principal of, and interest and premium, if any, on, the bonds and notes, the costs of bond issuance and administration, and any other related fees and costs of the authority or the division of unemployment insurance; to establish reserves for and make deposits into the unemployment compensation fund and otherwise apply the proceeds of the bonds and notes for any of the purposes set forth in this paragraph (a);

(b) To levy certain bond assessments as follows:

(I) (A) All bonds and notes issued pursuant to this section are limited obligations of the authority, payable solely from revenues generated through the levy by the authority of a bond assessment against each employer, as defined in section 8-70-113, C.R.S., subject to experience rating under articles 70 to 82 of title 8, C.R.S., in an aggregate amount sufficient to satisfy subparagraph (II) of this paragraph (b) or from revenues generated through the levy by the division of unemployment insurance of a bond assessment under section 8-71-103 (2) (d), C.R.S., from payments from the division of unemployment insurance to the authority or moneys applied by the division under section 8-77-101 (1), C.R.S., from proceeds derived from the sale of bonds and notes issued under this section and from the earnings on those proceeds, and all money and securities in all special accounts created by and under the control of the authority under this section. The division of unemployment insurance shall collect and administer the bond assessment in substantially the same manner as other employer premiums and surcharges required under articles 70 to 82 of title 8, C.R.S. Subject to articles 70 to 82 of title 8, C.R.S., the assessment does not apply to the covered employers of state and local government, to those nonprofit organizations that are reimbursable employers, or to political subdivisions electing the special rate.

(B) The division of unemployment insurance may deposit all or any portion of moneys collected from assessments for principal-related bond repayment costs into the unemployment compensation fund. The portion of these revenues deposited into the unemployment compensation fund constitutes part of each employer's unemployment insurance contributions, and the division of unemployment insurance shall pay amounts from these revenues to the authority for the repayment of the principal of bonds issued under this section or section 8-71-103 (2) (d), C.R.S.

(II) The levy must be at a rate or rates that, when applied against the taxable wages of those employers subject to the bond assessment, will produce an amount sufficient to pay all costs associated with or otherwise relating to bonds and notes issued pursuant to subsection (1) of this

section, including the principal of, and interest and premium, if any, on, the bonds and notes, the costs of bond issuance and administration, other related fees and costs of the authority or the division of unemployment insurance, and reserves therefor.

(III) Employers shall submit bond assessments described in this paragraph (b) associated with nonprincipal-related bond repayment costs in the same manner as the employer's normal premiums and surcharges paid under articles 70 to 82 of title 8, C.R.S., and the assessments are a lien upon the real and personal property of an employer in the manner and to the extent set forth in section 8-79-103, C.R.S. The division of unemployment insurance shall deposit these assessments into the unemployment bond repayment account created in section 8-77-103.5, C.R.S., and shall, after offsetting the division's costs for collecting and administering the bond assessments, use these funds only for payment from time to time to one or more special accounts created by and under the control of the issuer of the bonds. The issuer of the bonds shall use all moneys accruing in a special account only to pay nonprincipal-related bond repayment costs described in subparagraph (II) of this paragraph (b), and the issuer of the bonds shall pay any moneys remaining in such an account and not be required to pay nonprincipal-related bond repayment costs to the division of unemployment insurance for deposit in the unemployment compensation fund.

(IV) Employers shall submit bond assessments described in this paragraph (b) associated with principal-related bond repayment costs in the same manner as the employer's normal premiums and surcharges paid under articles 70 to 82 of title 8, C.R.S., and the assessments are a lien upon the real and personal property of an employer in the manner and to the extent set forth in section 8-79-103, C.R.S. The division of unemployment insurance may deposit all or any portion of the assessments into the unemployment compensation fund. The portion of the assessments deposited into the unemployment compensation fund constitute part of each employer's unemployment insurance contributions. Bond assessments described in this paragraph (b) associated with principal-related bond repayment costs are available for payment from time to time to one or more special accounts created by and under the control of the issuer of the bonds. All moneys accruing in a special account for principal-related bond repayment costs can be used by the issuer of the bonds only to pay the principal costs of the bonds.

(2) The authority shall not issue its bonds and notes pursuant to subsection (1) of this section until the monthly balance in the unemployment compensation fund is equal to or less than nine-tenths of one percent of the total wages reported by ratable employers for the calendar year, or the most recent available four consecutive quarters prior to the last computation date and the governor, the state treasurer, and the executive director of the department of labor and employment have each certified in writing to the authority:

(a) That other funding alternatives to the issuance of bonds and notes by the authority pursuant to subsection (1) of this section have been considered and that the issuance of such bonds and notes is the most cost-effective means for the division of unemployment insurance to maintain adequate balances in the unemployment compensation fund or to repay moneys advanced to the state pursuant to 42 U.S.C. sec. 1321;

(b) The amount of money required to maintain adequate balances in the unemployment compensation fund or to repay moneys advanced to the state pursuant to 42 U.S.C. sec. 1321, or both;

(c) The amount of bonds and notes required for the purposes described in subsection (1) of

this section; and

(d) The bond assessment rate or rates, or a formula or other procedure for determining such rate or rates, that will produce an amount sufficient, together with any other moneys available or expected to be available, to pay all costs associated with or otherwise relating to bonds and notes issued pursuant to subsection (1) of this section, including the principal of, and interest and premium, if any, on, the bonds and notes, the costs of bond issuance and administration, and any other related fees and costs of the authority or the division of unemployment insurance, and reserves therefor.

29-4-711. Power of board - housing facility plans - mortgage purchase - loans to lenders. Upon a finding by the board that investment in, or purchase or participation in the purchase of, mortgage loans or interests therein or that making loans to lenders is necessary to provide housing facilities within the means of low- or moderate-income families, it may cause the executive director to formulate and from time to time modify a plan for the development of housing facilities by the authority investing in, purchasing, or participating in the purchase of mortgage loans or interests therein from lenders or making loans to lenders. If the board ascertains that the necessary means of financing such a plan are available to the authority, the board may signify its approval of such a plan.

29-4-712. Powers of the board - executive director - mortgage purchase - loans to lenders - assistance in providing housing facilities. (1) Upon the approval by the board of a plan pursuant to section 29-4-711 and upon or prior to the authorization of bonds or other financial arrangement to implement the plan, the board shall authorize the executive director to:

(a) Invest in, purchase, participate in the purchase, make commitments for the purchase or participation in the purchase, and take assignments from lenders of mortgage loans;

(b) Make loans and commitments therefor to lenders.

(2) No mortgage loan or interest therein purchased from a lender shall be eligible for purchase or commitment to purchase by the authority under this section unless, at or before the time of transfer thereof to the authority, such lender certifies that in its judgment the mortgage loan would in all respects be a prudent investment at the purchase price paid.

(3) The authority shall require, as a condition of a loan to a lender, that the lender invest the proceeds of such loan in mortgage loans to families or sponsors upon such terms and conditions as the authority may require.

(3.5) The authority shall require, as a condition of purchase or commitment to purchase mortgage loans or interests therein, the following:

(a) That such mortgage loans shall have been made upon such terms and conditions as the authority may require; or

(b) That the proceeds of such purchase, or their equivalent, shall be invested in mortgage loans upon such terms and conditions as the authority may require.

(4) (a) Mortgage loans made by lenders to families with the proceeds of a loan as provided for in subsection (3) of this section, pursuant to a commitment to purchase as provided for in paragraph (a) of subsection (3.5) of this section, or with the proceeds of the purchase of a mortgage

loan as provided for in paragraph (b) of subsection (3.5) of this section, shall be to families who qualify as low-income or low- or moderate-income families.

(b) Mortgage loans made by lenders to sponsors with the proceeds of a loan under subsection (3) of this section shall be made on such terms and conditions as the board may determine periodically.

(5) In conjunction with the purchase of such mortgage loans or interests therein from lenders, the authority may require the lender to furnish collateral security in such amounts as the authority shall determine to be necessary to assure the payment of such mortgage loans and the interest thereon as the same become due. Such collateral security shall consist of any obligations or mortgages satisfactory to the authority.

(6) (a) Each loan to a lender shall be a general obligation of the lender and shall be additionally secured as to payment of both principal and interest by a pledge of and lien upon collateral security in such amounts and of such types as the board, by regulation, determines to be necessary to assure the payment of such loans and the interest thereon as the same become due and payable.

(b) The authority may require in the case of any or all lenders that any required collateral be lodged with a bank or trust company, located either within or outside the state, designated by the authority as custodian therefor. In the absence of such requirement, each lender shall enter into an agreement with the authority referring to this subsection (6); containing such provisions as the authority deems necessary to identify, maintain, and service such collateral; and providing that the lender shall hold such collateral as trustee for the benefit of the authority and shall be held accountable as the trustee of an express trust for the application and disposition of such collateral, including the income and proceeds therefrom, solely for the uses and purposes as provided in the agreement. A copy of each such agreement and any revisions or supplements thereto, which revisions or supplements may, among other things, add to, delete from, or substitute items of collateral pledged by such agreement, shall be filed with the secretary of state to perfect the security interest of the authority in the collateral. No filing, recording, possession, or other action under article 9 of title 4, C.R.S., or any other law of this state shall be required to perfect the security interest of the authority in such collateral. The security interest of the authority in such collateral shall be deemed perfected, and the trust for the benefit of the authority so created shall be binding on and after the time of such filing with the secretary of state against all parties having prior unperfected or subsequent security interests or claims of any kind in tort, in contract, or otherwise against such lender. The authority may also establish such additional requirements as it deems necessary with respect to the pledging, assigning, setting aside, or holding of such collateral and the making of substitutions therefor or additions thereto and the disposition of income and receipts therefrom.

(7) Subject to any agreement with holders of bonds, the authority may collect, enforce the collection of, and foreclose on any collateral required by subsections (5) and (6) of this section and acquire or take possession of such collateral and sell the same at public or private sale, with or without public bidding, and otherwise deal with such collateral as may be necessary to protect the interest of the authority therein.

(8) In addition to the other powers granted by this part 7, the authority shall have the power, with respect to mortgage purchases and loans to lenders as provided under this section and section 29-4-711, to collect and pay reasonable fees and charges, to exercise the powers enumerated in

section 29-4-710 (1) (c) to (1) (m), and to establish the terms and conditions of such mortgage purchases and loans to lenders by rules and regulations, including, without limitation, rules and regulations as to:

(a) Reinvestment and commitments to reinvest by lenders of the proceeds of mortgage purchases or loans;

(b) Requirements as to the location, number of units, and other characteristics of the housing facilities to be financed through such reinvestment by lenders;

(c) The type, term, interest rate, purchase price, and condition of mortgages to be acquired by the authority and of mortgage loans to be made by lenders;

(d) The warranties, representations, and services of lenders;

(e) Restrictions as to the interest rates on housing facility loans or the return realized therefrom in order to protect against the realization by lenders of excessive financial returns or benefits as determined by prevailing market conditions;

(f) Such other matters related to such mortgage purchases and loans to lenders as shall be deemed necessary by the authority to accomplish the purposes of this part 7.

(9) Repealed.

29-4-713. Power of the board - home improvement loans. (1) The board may cause the executive director to formulate and from time to time modify a plan for the provision of home improvement loans upon a finding by the board that the provision of such loans is necessary for any one or more of the following purposes:

(a) To bring housing facilities for low- or moderate-income families into compliance with state, county, or municipal building, housing maintenance, fire, health, or similar codes and standards applicable to housing, including standards adopted by the authority under section 29-4-714;

(b) To reduce the total energy requirements of such housing facilities;

(c) To improve such housing facilities to a more livable and maintainable condition as part of a program or plan to arrest deterioration by means of neighborhood conservation and upgrading.

(2) If the board ascertains that private financing for home improvement loans is not available on reasonably equivalent terms and conditions and that the necessary means of financing such plan are available to the authority, the board may approve such plan.

29-4-714. Powers of the board - home improvement loans - purchase of such loans - loans to lenders. (1) Upon the approval by the board of a plan pursuant to section 29-4-713 and upon or prior to the authorization of bonds or other financial arrangement to implement the plan, the board shall authorize the executive director to:

(a) Make home improvement loans and commitments therefor to sponsors;

(b) Invest in, purchase, participate in the purchase of, make commitments for the purchase or participation in the purchase of, and take assignments from lenders of home improvement loans;

(c) Make loans and commitments therefor to lenders for the purpose of making funds available for home improvement loans.

(2) Home improvement loans may be insured or uninsured and may be made with such security, or may be unsecured, as the board deems advisable.

(3) Notwithstanding anything in the provisions of sections 29-4-711 and 29-4-712, the authority shall require, as a condition of a loan to a lender under this section, that the lender invest the proceeds of such loan in home improvement loans or in short-term obligations pending the making of such home improvement loans.

(4) Loans to lenders under this section shall be subject to the provisions of section 29-4-712 (6) and (7).

(5) Home improvement loans made or acquired by the authority under this section or made by a lender with the proceeds of a loan under this section shall be to families who qualify as low-income or low- or moderate-income families.

(6) In addition to the other powers granted by this part 7, the authority shall have the power, with respect to home improvement loans, the purchase of such loans, and loans to lenders under this section and section 29-4-713, to collect and pay reasonable fees and charges, to exercise the powers enumerated in section 29-4-710 (1) (c) to (1) (m), and to establish the terms and conditions of such loans, loan purchases, and loans to lenders by rules and regulations, including but not limited to rules and regulations as to:

(a) The alterations, repairs, and improvements which may be financed with home improvement loans;

(b) The term, interest rate, and principal amount of home improvement loans made by the authority or by lenders and the purchase price of such loans purchased by the authority;

(c) Requirements as to the type, age, location, condition, and other characteristics of housing facilities as to which home improvement loans may be made;

(d) Requirements as to the application and use by lenders of the proceeds of home improvement loan purchases or loans to lenders;

(e) The warranties, representations, compensation, and services of lenders;

(f) Such other matters related to home improvement loans, to the purchase thereof, or to loans to lenders under this section as shall be deemed necessary by the authority.

29-4-715. Sponsor - limitations on distributions. (Repealed)

29-4-716. Standards for approval of organizations. (1) No sponsor shall be considered eligible to develop housing facilities or provide services in connection therewith pursuant to this part 7 unless it shows to the authority's satisfaction that the organization is incorporated, authorized to do business, or otherwise organized as required by the laws of this state.

(2) The sponsor, as provided in subsection (1) of this section, shall submit full details of its organizational documents, articles, and bylaws to the authority and shall provide and pay for an independent annual audit as may be required by the authority.

29-4-717. Findings - percentage of low-income families required. (1) Prior to the

authority's making or committing to make a housing facility loan for a housing facility with more than five dwelling units under this part 7, the board shall find:

(a) That low-income families can afford, on the basis of the use of not more than thirty percent of annual income as determined in accordance with rules and regulations of the authority, the adjusted rentals set for no less than twenty percent of the dwelling units in such proposed housing facility;

(b) That the number of units intended for occupancy by low- and moderate-income families shall approximate seventy-five percent of the total number of units available;

(c) That such housing facility will not create or contribute to an undue concentration of low-income families in any one neighborhood.

(2) Prior to the authority's making or committing to make any housing facility loan, the authority shall find:

(a) That, with respect to such housing facility, no restrictions are imposed as to sex, sexual orientation, race, creed, color, religion, ancestry, or national origin of occupants;

(b) That such housing facility is designed to house families of varied economic means and will not create or contribute to an undue concentration of low-income families in any one neighborhood.

29-4-718. Bonds and notes. (1) (a) The authority has the power and is authorized to issue from time to time its notes and bonds in such principal amounts as the authority determines to be necessary to provide sufficient funds for achieving any of its corporate purposes, including the payment of interest on notes and bonds of the authority, the establishment of reserves to secure such notes and bonds, and all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers.

(b) (I) The authority has the power, from time to time, to issue:

(A) Notes to renew notes;

(B) Bonds to pay notes, including the interest thereon, and, whenever it deems refunding expedient, to refund any bonds or obligations of other public entities, whether the bonds or such other obligations to be refunded have or have not matured; and

(C) Bonds partly to refund bonds or obligations of other public entities then outstanding and partly for any of its corporate purposes.

(II) Refunding bonds issued pursuant to this paragraph (b) may be exchanged for the bonds or obligations of other public entities to be refunded or sold and the proceeds applied to the purchase, redemption, or payment of such bonds or obligations.

(c) The authority has the power to provide for the replacement of lost, destroyed, or mutilated bonds or notes.

(d) Except as may otherwise be expressly provided by the authority, every issue of its notes and bonds shall be general obligations of the authority payable out of any revenues or moneys of the authority, subject only to any agreements with the holders of particular notes or bonds pledging any particular revenues.

(2) The notes and bonds shall be authorized by a resolution adopted by the board.

(3) Any resolution authorizing any notes or bonds or any issue thereof may contain provisions, which shall be a part of the contract with the holders thereof, as to:

(a) Pledging all or any part of the revenues of the authority to secure the payment of the notes or bonds or of any issue thereof, subject to such agreements with noteholders or bondholders as may then exist;

(b) Pledging all or any part of the assets of the authority to secure the payment of the notes or bonds or of any issue of notes or bonds, subject to such agreements with noteholders or bondholders as may then exist, such assets to include:

(I) Any grant or contribution from the federal government or any corporation, association, institution, or person; or

(II) Financing agreements, mortgages or home improvement loans, and obligations securing the same;

(c) The use and disposition of the gross income from financing agreements and mortgages owned by the authority and payment of principal of financing agreements and mortgages owned by the authority;

(d) The setting aside of reserves or sinking funds and the regulation and disposition thereof;

(e) Limitations on the purpose to which the proceeds of sale of notes or bonds may be applied and pledging such proceeds to secure the payment of the notes or bonds or of any issue thereof;

(f) Limitations on the issuance of additional notes or bonds, the terms upon which additional notes or bonds may be issued and secured, and the refunding of outstanding or other notes or bonds;

(g) The procedure, if any, by which the terms of any contract with noteholders or bondholders may be amended or abrogated, the amount of notes or bonds the holders of which must consent thereto, and the manner in which such consent may be given;

(h) Limitations on the amount of moneys to be expended by the authority for operating expenses of the authority;

(i) Vesting in a trustee such property, rights, powers, and duties in trust as the authority may determine, which may include any or all of the rights, powers, and duties of the trustee appointed by the bondholders pursuant to this part 7, and limiting or abrogating the right of the bondholders to appoint a trustee under this part 7 or limiting the rights, powers, and duties of such trustee;

(j) Defining the acts or omissions to act which shall constitute a default in the obligations and duties of the authority to the holders of the notes or bonds and providing for the rights and remedies of the holders of the notes or bonds in the event of such default, including as a matter of right the appointment of a receiver; except that such rights and remedies shall not be inconsistent with the general laws of this state and the other provisions of this part 7;

(k) Any other matters, of like or different character, which in any way affect the security or protection of the holders of the notes or bonds.

(4) The bonds or notes of each issue may, in the discretion of the authority, be made redeemable before maturity at such prices and under such terms and conditions as may be determined by the authority. Notes shall mature at such time as may be determined by the authority, and bonds shall mature at such time or times, not exceeding forty-five years from their date of issue, as may be determined by the authority. The notes and bonds shall bear interest at such fixed or variable rate or rates determined by or in accordance with methods approved by the authority without regard to any

interest rate limitation appearing in any other law of this state, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment and at such place, and be subject to such terms of redemption as the authority may provide. The notes and bonds of the authority may be sold by the authority, at public or private sale, at such price as the board shall determine.

(5) In case any officer whose signature or a facsimile of whose signature appears on any bonds or notes or coupons attached thereto ceases to be such officer before the delivery thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. The board may also provide for the authentication of the bonds or notes by a trustee or fiscal agent.

(6) Prior to the preparation of definitive bonds or notes, the authority may, under like restrictions, issue interim receipts or temporary bonds or notes until such definitive bonds or notes have been executed and are available for delivery.

(7) The authority, subject to such agreements with noteholders or bondholders as may then exist, has the power out of any funds available therefor to purchase notes or bonds of the authority, which shall thereupon, at the election of the authority, be canceled.

(8) In the discretion of the authority, the bonds may be secured by a trust indenture by and between the authority and a corporate trustee, which may be any trust company or bank having the power of a trust company within or without this state. Such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the exercise of its corporate powers and the custody, safeguarding, and application of all moneys. The authority may provide by such trust indenture for the payment of the proceeds of the bonds and the revenues to the trustee under such trust indenture or other depository and for the method of disbursement thereof, with such safeguards and restrictions as it may determine. All expenses incurred in carrying out such trust indenture may be treated as a part of the operating expenses of the authority. If the bonds are secured by a trust indenture, the bondholders shall have no authority to appoint a separate trustee to represent them, except as may be otherwise provided in such trust indenture.

(9) Repealed.

(10) The authority has the power and is authorized to issue from time to time notes, bonds, and other securities which may be collateralized or otherwise secured in whole or in part by loans or participations or other interests in such loans or which may evidence loans or participations or other interests in such loans to provide net funds that are to be dedicated in whole or in part by resolution of the authority to the carrying out of one or more of the purposes of the authority. The interest on or from such notes, bonds, and other securities may be subject to or exempt from federal income taxation.

29-4-719. Special funds - repeal. (Repealed)

29-4-719.1. Economic development fund - repeal. (1) There is hereby created in the

authority the economic development fund. The authority shall deposit into such economic development fund:

(a) Any moneys appropriated and made available by the state for purposes of such economic development fund;

(b) Any proceeds from the sale of bonds to the extent provided in the resolutions of the authority authorizing the issuance thereof; and

(c) Any moneys which may be made available by or to the authority from any other sources for the purposes of such economic development fund.

(2) Moneys held in the economic development fund shall be expended by the authority for the following purposes:

(a) To pay the principal of, premium, if any, and interest on bonds issued by the authority pursuant to this part 7 to finance the authority's economic development program;

(b) To finance projects or provide capital as provided in this part 7;

(c) To provide guaranties, insurance, coinsurance, or reinsurance as provided in this part 7 and to establish reserves therefor by separate accounts or in such other manner as may be determined by the board in its sole discretion;

(d) Notwithstanding the provisions of section 29-4-730, to make equity investments in business enterprises, including but not limited to direct investments in such business enterprises, investments in a legal entity which makes investments in such enterprises, and investments in an investment fund which makes investments in such enterprises, on such terms and conditions and as evidenced by such certificates, instruments, or documents, all as may be determined by the board in its sole discretion; except that properties, or revenues of the authority, other than the amount of such investments, shall not be placed at risk on account of such investments, and neither the authority nor the members of the board or employees of the authority shall be personally liable for the debts or obligations of the business enterprises in which such investments are made; and

(e) Notwithstanding the provisions of sections 29-4-710.5 and 29-4-710.6, and upon a finding by the board that investment in, or purchase or participation in the purchase of, loans or interests therein is necessary or useful to the financing of projects or the provision of capital to business enterprises, to invest in, purchase, or participate in the purchase from lenders of loans to finance projects or provide capital to business enterprises if such loans shall be insured or guaranteed, in whole or in part, by the federal government or by an agency or instrumentality thereof.

(f) Repealed.

(3) Moneys held in the economic development fund may be transferred to any of the other funds created by the authority pursuant to this part 7.

(4)(a) There is hereby created within the economic development fund the Colorado strategic seed fund, which fund shall be administered by the authority in consultation with the Colorado strategic seed fund council created in section 29-4-735. The Colorado strategic seed fund is established for the purpose of providing seed capital to small businesses. For the purposes of this subsection (4), "seed capital" means moneys which are provided for: The preparation of a business plan, the performance of an initial market analysis, the assembling of a management team, the initial legal and accounting work, the development of a working prototype of a product or process, the development of follow-up financing, and such similar purposes as may be determined by the board.

(b) The general assembly may make appropriations to the department of local affairs for the

Colorado strategic seed fund. Any moneys not used to make loans shall remain in said fund and shall not be transferred to or revert to the general fund of the state at the end of any fiscal year. Any interest earned on the investment or deposit of moneys in the Colorado strategic seed fund shall remain in the fund and shall not be credited to the general fund of the state.

(c) The authority shall utilize moneys in the Colorado strategic seed fund to make loans to operating seed funds. Such loans shall be made only if the board determines that:

(I) The businesses to be assisted are small businesses with no prior sales or small businesses with existing sales, which small businesses are undergoing substantial changes in their businesses or product lines;

(II) No professional or institutional investor has made any prior investment in any business to be assisted prior to the investment by the operating seed fund;

(III) The businesses to be assisted have the potential to be rapidly growing businesses or value-added businesses which have the potential of having a long-term presence in Colorado's economy and the amount invested by any operating seed fund in businesses outside of Colorado do not exceed more than fifty percent of the capital of the operating seed fund;

(IV) Private sector financial support equal to the amount of any loan will be obtained by an operating seed fund. The authority may make a preliminary commitment of funds to an operating seed fund before the private sector financial support is obtained, but the authority shall not close the loan until at least one-third of the private sector financial support has been contributed, with the remainder to be paid not later than two years after the date of closing.

(d) The authority shall establish criteria for making loans to operating seed funds, and such criteria shall include qualifications for the managers of such funds. The authority shall consult with the Colorado strategic seed fund council as to the criteria for determining which operating seed funds shall be eligible to receive loans from the fund, and no more than one operating seed fund, which fund shall be the rural economic development seed fund created in paragraph (g) of this subsection (4), shall be assisted pursuant to this subsection (4).

(e) Loans made by the authority to operating seed funds shall be in the form of nonrecourse, noncompounding loans bearing interest, which shall be accrued at a rate determined by the board. The principal and accrued interest on any such loan shall be due not later than the initially scheduled termination date of the operating seed fund or ten years from the date of closing of the loan, whichever date is earlier.

(f) The authority may require that an operating seed fund receiving a loan under this subsection (4) submit a quarterly financial statement, an audited annual financial statement, and such other reports regarding its finances and operations as the board determines to be necessary or appropriate.

(g) Of the seed funds established pursuant to paragraph (d) of this subsection (4), one shall be a rural economic development seed fund, which shall be established for the purpose of assisting economic development in rural areas of Colorado. The moneys in the rural economic development seed fund shall be used to assist value-added businesses, and all of the provisions of this subsection (4) relating to loans made by the authority to operating seed funds shall also apply to the rural economic development seed fund. The salary of the fund manager shall be paid out of moneys appropriated to the fund by the general assembly and not from matching private sector funds.

29-4-720. Validity of any pledge. Any pledge made by the authority shall be valid and binding from the time when the pledge is made, and any assets or revenues shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority, irrespective of whether such parties have notice thereof. Neither the resolution nor any other instrument by which a pledge is created need be recorded. Nothing in this section shall be construed to prohibit the board from selling any assets subject to any such pledge, except to the extent that any such sale may be restricted by a trust agreement or resolution providing for the issuance of such bonds.

29-4-721. Remedies. Any holder of bonds issued under the provisions of this part 7, or any coupons appertaining thereto and the trustee under any trust agreement or resolution authorizing the issuance of such bonds, except to the extent the rights under this part 7 may be restricted by such trust agreement or resolution, may, either at law or in equity by suit, action, mandamus, or other proceeding, protect and enforce any and all rights under the laws of the state or granted under this part 7 or under such agreement or resolution, or under any other contract executed by the authority pursuant to this part 7, and may enforce and compel the performance of all duties required by this part 7 or by such trust agreement or resolution to be performed by the authority or by an officer thereof.

29-4-722. Negotiable instruments. Notwithstanding any of the foregoing provisions of this part 7 or any recitals in any bonds issued under the provisions of this part 7, all such bonds and interest coupons appertaining thereto shall be negotiable instruments under the laws of this state, subject only to any applicable provisions for registration.

29-4-723. Bonds eligible for investment. Bonds issued under the provisions of this part 7 are hereby made securities in which all insurance companies, trust companies, banking associations, savings and loan associations, investment companies, executors, administrators, trustees, and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Public entities, as defined in section 24-75-601 (1), C.R.S., may invest public funds in such bonds only if said bonds satisfy the investment requirements established in part 6 of article 75 of title 24, C.R.S. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the state for any purpose for which the deposit of bonds, notes, or obligations of the state is authorized by law.

29-4-724. Refunding bonds. (1) The board may provide for the issuance of refunding obligations of the authority for the purpose of refunding any obligations then outstanding that have been issued under this part 7 or issued by other public entities, including the payment of any

redemption premium thereon and any interest accrued or to accrue to the date of redemption of such obligations, and for any corporate purpose of the authority.

(2) Refunding obligations issued as provided in subsection (1) of this section may be sold or exchanged for outstanding obligations being refunded, and, if sold, the proceeds thereof may be applied, in addition to any other authorized purposes, to the purchase, redemption, or payment of such outstanding obligations. Pending the application of the proceeds of any such refunding obligations, with any other available funds, to the payment of the principal, the accrued interest, and any redemption premium on the obligations being refunded and, if so provided or permitted in the resolution authorizing the issuance of such refunding obligations or in the trust agreement securing the same, to the payment of any interest on such refunding obligations and any expenses in connection with such refunding, such proceeds may be invested in securities meeting the investment requirements established by the authority, which shall mature or which shall be subject to redemption by the holders thereof, at the option of such holders, not later than the respective dates when the proceeds, together with the interest accruing thereon, will be required for the purposes intended.

29-4-725. Nonliability of state for bonds. The state of Colorado shall not be liable for bonds of the authority, and such bonds shall not constitute a debt of the state. The bonds shall contain on the face thereof a statement to such effect.

29-4-726. Members of authority not personally liable on bonds. Neither the members of the board nor any authorized person executing bonds issued pursuant to this part 7 shall be personally liable for such bonds by reason of the execution or issuance thereof.

29-4-727. Property taxation - exemption of bonds from taxation. (1) In any instance where a proposed housing facility or project, whether owned by the authority or by another sponsor, would qualify for a property tax exemption under the laws of Colorado, the board may require that, as a condition for a loan or other assistance under this part 7, any such property shall be subject to an agreement between the taxing authorities and the authority or the sponsor for payments in lieu of taxes; except that, in the case of a housing facility, such payments shall not exceed ten percent of the rentals of such housing facility.

(2) Any bonds issued by the authority under the provisions of this part 7, their transfer, and the income therefrom, including any profit made on the sale thereof, shall at all times be free from taxation by the state or any political subdivision or other instrumentality of the state.

(3) Except where an agreement for payments in lieu of taxes has been entered into as provided in subsection (1) of this section, where property of the authority would qualify for a property tax exemption under the laws of this state and unless property of the sponsor would qualify for a property tax exemption under the laws of this state, the authority shall annually pay, solely from the revenues from the project and not from any other source, to this state and to the city, town, school district, and any other political subdivision or public body authorized to levy taxes in the jurisdiction

in which the project is located, a sum equal to the amount of tax which the taxing entity would annually receive if title to the property were held directly by the sponsor, any other law to the contrary notwithstanding. In addition to the requirements of section 29-4-710.5, the authority, before entering into a financing agreement for a project pursuant to this part 7, shall make a prior determination of the sufficiency of revenues for the purposes of subsection (1) of this section or this subsection (3), and each financing agreement shall provide for revenues sufficient to meet the payments required by this subsection (3).

(4) If and to the extent the proceedings under which the notes or bonds issued to finance the project so provide, the authority may agree to cooperate with the sponsor of a project in connection with any administrative or judicial proceedings for determining the validity or amount of any such payments and may agree to appoint or designate and reserve the right in and for such sponsor to take all action which the authority may lawfully take in respect of such payments and all matters relating thereto, but such sponsor shall bear and pay all costs and expenses of the authority thereby incurred at the request of such sponsor or by reason of any such action taken by such sponsor in behalf of the authority.

(5) Any sponsor which has made payments in lieu of taxes in accordance with subsection (1) of this section or paid the amounts required by subsection (3) of this section to be paid by the authority shall not be required to pay taxes on such property to the state or to any county, city, town, school district, or other political subdivision, any other law to the contrary notwithstanding. In the event title to the project is held directly by a private person or corporation, the financing agreement shall require such private person or corporation to pay the taxes which such taxing entity or entities are entitled to receive from such private person or corporation with respect to the project.

29-4-728. Revolving fund established. (1) The board shall establish a revolving fund and shall pay into such revolving fund any moneys made available by the federal, state, or local government for the purpose of assisting in the provision of housing facilities for low- and moderate-income families. The board shall also deposit in such fund any other moneys which may be available to the authority for its general purposes from any source or sources other than proceeds from the issuance and sale of bonds by the authority.

(2) All moneys held in the revolving fund, including but not limited to income or interest earned by, or any other increment to, such fund shall be used by the board for its general purposes, and to the extent authorized by the board any such moneys in excess of the amount required to make and keep the authority self-supporting shall be deposited to a surplus fund. Any such surplus moneys may from time to time, at the board's discretion, be forwarded to the state treasurer for deposit in the state general fund.

29-4-729. Reporting. (1) The authority shall submit to the governor and the health, environment, welfare, and institutions committees of the house of representatives and the senate within six months after the end of the fiscal year a report that shall set forth a complete and detailed operating and financial statement of the authority during such year. Also included in the report shall be any recommendations with reference to additional legislation or other action that may be

necessary to carry out the purposes of the authority.

(2) On or before December 31, 2001, the authority, acting through the program, created and administered by the authority, commonly known as E-Star Colorado, or the successor to such program, shall submit to the governor and general assembly an assessment of existing energy conservation and efficiency programs and standards established by the state, local governmental entities, or private entities. The assessment shall include a comparison of such programs and standards to similar programs and standards adopted in other states, as well as an evaluation of the effectiveness of voluntary performance programs and other financial incentives. The authority, on behalf of E-Star Colorado, may accept and expend moneys from gifts, grants, and donations to help defray the expenses of providing the assessment required under this subsection (2).

29-4-730. Powers of the authority - investments. (1) The authority has the power:

(a) To invest any funds held in reserve, sinking funds, capital reserve funds, or any funds not required for immediate disbursement in property or in securities in which the state treasurer may legally invest funds subject to his control; and to sell from time to time such securities thus purchased and held; and to deposit any securities in any trust bank within or without the state. Any funds deposited in a banking institution or in any depository authorized in section 24-75-603, C.R.S., shall be secured in such manner and subject to such terms and conditions as the board may determine, with or without payment of any interest on such deposit, including, without limitation, time deposits evidenced by certificates of deposit. Any commercial bank incorporated under the laws of this state which may act as depository of any funds of the authority may issue indemnifying bonds or may pledge such securities as may be required by the board.

(b) Notwithstanding the provisions of paragraph (a) of this subsection (1), to contract with the holders of any of its notes or bonds as to the custody, collection, securing, investment, and payment of any moneys of the authority and of any moneys held in trust or otherwise for the payment of notes or bonds and to carry out such contract. Moneys held in trust or otherwise for the payment of notes or bonds or in any way to secure notes or bonds and deposits of such moneys may be secured in the same manner as moneys of the authority, and all banks and trust companies are authorized to give such security for such deposits.

(c) To authorize a corporate trustee which holds funds of the authority pursuant to a bond or note resolution or a trust indenture between such trustee and the authority to invest or reinvest such funds in any investments, other than those specified in paragraph (a) of this subsection (1), if the board determines by resolution, including but not limited to a bond or note resolution, that, as of the date of such resolution:

(I) Such investments meet the standard for investments established in section 15-1-304, C.R.S.;

(II) The income on such investments is at least comparable to income then available on the investments permitted in paragraph (a) of this subsection (1); and

(III) Such investments assist the authority in carrying out its public purposes as described in this part 7.

29-4-731. Agreement of this state. This state does hereby pledge to and agree with the holders of any notes or bonds issued under this part 7 that this state will not limit or alter the rights hereby vested in the authority to fulfill the terms of any agreements made with the said holders thereof or in any way impair the rights and remedies of such holders until such notes and bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders are fully met and discharged. The authority is authorized to include this pledge and agreement of this state in any agreement with the holders of such notes or bonds.

29-4-732. This part 7 not a limitation of powers. Nothing in this part 7 shall be construed as a restriction or limitation upon any other powers which the authority might otherwise have under any other law of this state, and this part 7 is cumulative to any such powers. This part 7 does and shall be construed to provide a complete, additional, and alternative method for the doing of the things authorized thereby and shall be regarded as supplemental and additional to powers conferred by other laws. However, the issuance of bonds, notes, and other obligations and refunding bonds under the provisions of this part 7 need not comply with the requirements of any other state law applicable to the issuance of bonds, notes, and other obligations. No proceedings, notice, or approval shall be required for the issuance of any bonds, notes, or other obligations or any instrument as security therefor, except as is provided in this part 7.

29-4-733. Termination of powers. (Repealed)

29-4-734. Termination of powers. On and after June 30, 1992, the authority may not make equity investments pursuant to the powers granted to the authority by section 29-4-719.1 (2) (d). The authority may continue to discharge all present and future obligations regarding equity investments made prior to June 30, 1992.

29-4-735. Colorado strategic seed fund council - creation. (1) There is hereby created the Colorado strategic seed fund council. Said council shall be composed of nine members, as follows: Four venture capitalists, one management consultant, and two institutional investors, all of whom shall be appointed by the governor, and one member appointed by the president of the senate and one member appointed by the speaker of the house of representatives. The members of the council shall be confirmed by the senate and shall serve for terms of four years; except that, of the members first appointed, three shall be appointed for terms of two years, three shall be appointed for terms of three years, and three shall be appointed for terms of four years.

(2) At the request of the board, the Colorado strategic seed fund council shall provide advice to the authority from time to time as to the criteria to be used in making loans, and the council shall make recommendations to the board with respect to the board's determinations regarding such loans from the Colorado strategic seed fund to operating seed funds. Said council shall receive reports

from the authority regarding the operations and investments of the operating seed funds and shall make an annual report on the operating seed funds to the health and human services committees of the house of representatives and the senate, or any successor committees.

PART 8

ALLOCATION OF QUALIFIED MORTGAGE BONDS

29-4-801 to 29-4-811. (Repealed)

PART 9

COLORADO RENTAL ASSISTANCE DEMONSTRATION PROGRAM

29-4-901 to 29-4-909. (Repealed)

MISCELLANEOUS

ARTICLE 5

Peace Officers and Firefighters

PART 1

GENERAL PROVISIONS

29-5-101. Peace officers must be residents - exception. No sheriff, mayor of a city, or other person authorized by law to appoint special deputy sheriffs, marshals, policemen, or other peace officers in the state to preserve the public peace and prevent or quell public disturbances shall hereafter appoint as such special deputy sheriff, marshal, policeman, or other peace officer any person who is not at the time of the appointment a bona fide resident of the state of Colorado, and no person shall assume or exercise the functions, powers, duties, or privileges incident and belonging to the office of special deputy sheriff, marshal, policeman, or other peace officer without having first received his appointment in writing from the lawfully constituted authorities of the state. Notwithstanding the residency requirement stated in this section, a person may be deputized or otherwise assigned to law enforcement duty pursuant to section 29-5-104 (2) although such person is not a bona fide resident of this state.

29-5-102. Impersonating an officer - penalty. (Repealed)

29-5-103. Assignment of police officers or deputy sheriffs for temporary duty. The chief of police or person performing the functions thereof of any town, city, or city and county or of any state institution of higher education employing peace officers in accordance with article 7.5 of title 24, C.R.S., or the sheriff of any county may in his or her discretion, upon request of the chief of police or person exercising the functions thereof in any other town, city, or city and county or any other state institution of higher education employing a peace officer in accordance with article 7.5 of title 24, C.R.S., or the sheriff of any other county, assign police officers or deputies under his or her control, together with any equipment he or she deems proper, to perform temporary duty within the jurisdiction of the requesting chief of police or sheriff and under the direction and command of the requesting chief of police or sheriff; but the chief of police or sheriff assigning the officers or deputies may provide that the officers or deputies shall be under the immediate command of a superior officer designated by the assigning chief of police or sheriff, which superior officer shall be under the direct supervision and command of the requesting chief of police or sheriff. Nothing contained in this section or sections 29-5-104 to 29-5-110 shall be construed to limit the power of any town, city, city and county, or state institution of higher education employing peace officers in accordance with article 7.5 of title 24, C.R.S., to prohibit or limit by ordinance the exercise by a chief of police or sheriff of the discretion granted in sections 29-5-103 to 29-5-110.

29-5-104. Request for temporary assignment of police officers or deputy sheriffs - authority. (1) The chief of police, or person performing the functions thereof, of any town, city, or city and county or of a state institution of higher education employing a peace officer in accordance with article 7.5 of title 24, C.R.S., and the sheriff of any county may, when in his or her opinion the same is required to quell disturbances or riots or in any other situation wherein he or she deems that an emergency exists within his or her jurisdiction, request the chief of police or person performing the function thereof of any other city, town, or city and county or at another state institution of higher education employing peace officers in accordance with article 7.5 of title 24, C.R.S., or the sheriff of any other county to assign officers or deputy sheriffs under their respective commands to perform temporary duty within the jurisdiction of the requesting chief of police or sheriff and under the direction and control of the requesting chief of police or sheriff under the terms and conditions as shall be agreed upon between the requesting and assigning chiefs of police or sheriffs. The officers or deputy sheriffs shall, while so assigned and performing duties subject to the direction and control of the requesting chief of police or sheriff, have the same power within the jurisdiction of the requesting chief of police or sheriff as do regular officers or deputies, as the case may be, of the requesting chief of police or sheriff.

(2) Where, under the provisions of section 29-1-206 (1), a county, municipality, or state institution of higher education, in this state enters into an intergovernmental agreement for reciprocal law enforcement with a bordering county or with a municipality within a bordering county that is

located in another state, the law enforcement agency head of either county or municipality or of the state institution of higher education may, pursuant to the provisions of the intergovernmental agreement, request the law enforcement agency head of the other county or municipality or state institution of higher education to assign deputy sheriffs or other peace officers to perform law enforcement duties within the jurisdiction of the requesting law enforcement agency head and under the terms and conditions as are stated in the intergovernmental agreement. Prior to an assignment, the deputy sheriffs or other peace officers shall obtain recognition as peace officers in this state as provided for in section 29-1-206 (1). The deputy sheriffs or other peace officers shall, while so assigned and performing duties subject to the direction and control of the requesting law enforcement agency head, have the same power within the jurisdiction of the requesting law enforcement agency head as do regular deputies or other peace officers of the requesting law enforcement agency head.

(3) Repealed.

29-5-105. Assignment of firefighters for temporary duty. The chief of the fire department of any town, city, city and county, or fire protection district may, in his or her discretion and upon request therefor by the chief of any fire department of any other town, city, city and county, or fire protection district, assign members of his or her department or companies thereof, together with such equipment as the fire chief determines to be proper, to perform temporary fire fighting or other duties under the direction and control of the requesting fire chief; except that the assigning fire chief may require that such firefighters, fire companies, and equipment shall be under the immediate direction and control of a superior officer of the assigning fire department, which superior officer shall be, during such temporary assignment, under the direction and control of the requesting fire chief. Nothing contained in sections 29-5-103 to 29-5-110 shall be construed to limit the power of any town, city, or city and county or fire protection district to prohibit or limit by ordinance or regulation the exercise by a fire chief of the discretion granted in sections 29-5-103 to 29-5-110.

29-5-106. Temporary assignment to labor dispute area. Police or sheriffs' officers may be assigned to any duties provided for in sections 29-5-103 and 29-5-104 in an area where there is a labor dispute so long as the situation or incident for which such temporary assignment has been requested is not directly the result of a labor dispute and does not involve those individuals participating in the labor dispute. In a case where the temporary assignment of police or sheriffs' officers is deemed necessary as the direct result of a labor dispute, such temporary assignment may be made only after authorization by the governor or his designee.

29-5-107. Request for temporary assignment of firefighters. The chief of the fire department of any town, city, city and county, or fire protection district may, when in his or her opinion the same is required by any conflagration, fire, or other such emergency, request the chief of the fire department of any other town, city, city and county, or fire protection district to assign to him or her firefighters, fire companies, and equipment of such other fire department to perform temporary duty within the boundaries of such requesting town, city, city and county, or fire

protection district, under the direction and control of such requesting fire chief and under such terms and conditions as shall be agreed upon between the requesting and assigning fire chiefs. Such firefighters shall, while so assigned and performing duties subject to the direction and control of the requesting fire chief, have the same power as regular firefighters and fire companies of the requesting town, city, city and county, or fire protection district.

29-5-108. Liability of requesting jurisdiction. (1) During the time that a police officer, deputy sheriff, or firefighter of a town, city, city and county, county, or fire protection district or of a state institution of higher education employing a peace officer in accordance with article 7.5 of title 24, C.R.S., is assigned to temporary duty within the jurisdiction of another town, city, city and county, county, or fire protection district, or of another state institution of higher education employing a peace officer in accordance with article 7.5 of title 24, C.R.S., as provided in sections 29-5-103 to 29-5-107, any liability that accrues under the provisions of article 10 of title 24, C.R.S., on account of the negligent or otherwise tortious act of the police officer, deputy sheriff, or firefighter while performing the duty shall be imposed upon the requesting town, city, city and county, county, fire protection district, or state institution of higher education, and not upon the assigning jurisdiction.

(2) During the time that a person from another state is performing firefighting duties within the jurisdiction of a county, municipality, fire protection district, or fire protection authority in this state under an agreement authorized in section 29-1-206.5 (1), any liability that accrues under the provisions of article 10 of title 24, C.R.S., on account of the negligent or otherwise tortious act of the firefighter while performing the duty is imposed upon the county, municipality, fire protection district, or fire protection authority of this state that is a party to the agreement.

29-5-109. Workers' compensation coverage. The coverage of any police officer, deputy sheriff, or firefighter of any town, city, city and county, county, or fire protection district or of any state institution of higher education employing peace officers in accordance with article 7.5 of title 24, C.R.S., under the "Workers' Compensation Act of Colorado", articles 40 to 47 of title 8, C.R.S., shall not be affected by reason of the performance of temporary duties in a requesting town, city, city and county, county, fire protection district, or state institution of higher education under the provisions of sections 29-5-103 to 29-5-107, and the police officers, deputy sheriffs, and firefighters shall remain covered by the workers' compensation insurance while performing the temporary duty as fully as if they were performing their regular duties within the assigning jurisdiction.

29-5-110. Pension fund payments. If any police officer, deputy sheriff, or firefighter of any town, city, city and county, county, or fire protection district or of any state institution of higher education employing peace officers in accordance with article 7.5 of title 24, C.R.S., should become disabled or be killed by reason of the performance of temporary duty within the jurisdiction of another town, city, city and county, county, fire protection district, or state institution of higher education, as provided in sections 29-5-103 to 29-5-107, and the disability would entitle him or her

or his or her death would entitle his or her survivor to payment from any police or firefighters' or employee pension fund of the town, city, city and county, county, fire protection district, or state institution of higher education assigning him or her to temporary duty in another jurisdiction, had the injury occurred during the performance of his or her duties within the assigning town, city, city and county, county, fire protection district, or state institution of higher education, the police officer, deputy sheriff, or firefighter, or his or her survivor, shall be entitled to the same payment from the pension fund of the assigning town, city, city and county, county, fire protection district, or state institution of higher education, as he or she would have been entitled to receive if the injury or death had occurred within the assigning town, city, city and county, county, fire protection district, or state institution of higher education, and he or she shall not be entitled to receive a payment from any police or firefighters' or employee pension fund of the jurisdiction in which he or she performed the temporary duties.

29-5-111. Liability of peace officers. (1) Notwithstanding the doctrines of sovereign immunity and respondeat superior, a city, town, county, or city and county or other political subdivision of the state or a state institution of higher education employing peace officers in accordance with article 7.5 of title 24, C.R.S., shall indemnify its paid peace officers and reserve officers, as defined in section 16-2.5-110, C.R.S., while the peace officers and reserve officers are on duty for any liability incurred by them and for any judgment, except a judgment for exemplary damages, entered against them for torts committed within the scope of their employment if the person claiming damages serves the political subdivision or state institution of higher education with a copy of the summons within ten days from the date when a copy of the summons is served on the peace officer or reserve officer. In no event shall any political subdivision or state institution of higher education be required so to indemnify its peace officers in excess of one hundred thousand dollars for one person in any single occurrence or three hundred thousand dollars for two or more persons for any single occurrence; except that in such instance no indemnity shall be allowed for any person in excess of one hundred thousand dollars. It is the duty of the city, town, county, city and county, or other political subdivision and of the state institution of higher education to provide the defense handled by the legal staff of the public entity or by other counsel, in the discretion of the public entity, for the peace officer in the claim or civil action. However, in the event that the court determines that a reserve officer, as defined in section 16-2.5-110, C.R.S., incurred the liability while acting outside the scope of his or her assigned duties or that the reserve officer acted in a willful and wanton manner in incurring the liability, the court shall order the reserve officer to reimburse the political subdivision or the state institution of higher education for reasonable costs and reasonable attorney fees expended for the defense of the reserve officer. With the approval of the governing body of the city, town, county, city and county, or other political subdivision or of the state institution of higher education, the claim or civil action may be settled or compromised. A city, town, county, city and county, or other political subdivision or a state institution of higher education may carry liability insurance to insure itself and its peace officers. If the political subdivision or state institution of higher education purchases insurance that provides substantial coverage for the peace officers with a policy limitation of at least one hundred thousand dollars for one person in any single occurrence and three hundred thousand dollars for two or more persons for any single occurrence,

except that in such instance no indemnity shall be allowed for any person in excess of one hundred thousand dollars, then the political subdivision or state institution of higher education shall be liable under this section to indemnify the peace officers only to the extent of the limits and for such torts as are covered by the policy and only to the extent of the coverage of the policy. Nothing in this section shall be deemed to condone the conduct of any peace officer who uses excessive force or who violates the statutory or constitutional rights of any person.

(2) This section shall apply only with respect to causes of action accruing on or after July 1, 1972.

29-5-112. Dog interactions with local law enforcement officers - training to be provided by local law enforcement agencies - policies and procedures - scope - task force - creation - composition - immunity - short title - legislative declaration - definitions. (1) **Short title.** This section shall be known and may be cited as the "Dog Protection Act".

(2) **Legislative declaration.** The general assembly finds, determines, and declares that it is the policy of this state to prevent, whenever possible, the shooting of dogs by local law enforcement officers in the course of performing their official duties. It is therefore the intent of the general assembly to:

(a) Require training for officers of local law enforcement agencies on differentiating between canine behaviors that indicate imminent danger of attack to persons and benign behaviors commonly exhibited by dogs, such as barking, that do not suggest or pose imminent danger of attack;

(b) Require local law enforcement agencies in the state to adopt policies and procedures for use of lethal and nonlethal force against dogs, which policies and procedures must:

(I) Emphasize alternative methods that may be employed when dogs are encountered; and

(II) Allow a dog owner or animal control officer, whenever the owner or an animal control officer is present and it is feasible, the opportunity to control or remove a dog from the immediate area in order to permit a local law enforcement officer to discharge his or her duties;

(c) Recognize the important work of the dog protection task force in developing the training and incorporating the specifics of the training into the statutes. The seventeen members appointed to the task force represented a victim of a dog shooting, veterinarians, animal welfare advocates, animal behaviorists, animal control officers, the sheriffs, the police, and legal professionals. The training includes instruction regarding a dog's body language and how to interpret it, scene assessment, tools to use in dog encounters, situations involving multiple dogs, how to interact with a dog, and responses to dog behavior. The dog encounters training required by this section was designed to protect law enforcement officers, animal control officers, dog owners, innocent bystanders, and the dog. The training is not intended to provide dangerous dog training. Most importantly, the training was designed to limit, as much as feasible, the instances in which an officer would need to use deadly force against a dog, since the possibility of collateral damage, injury, or death from stray rounds is ever-present when a law enforcement officer uses deadly force.

(3) **Definitions.** As used in this section:

(a) "Dog" means any canine animal owned for domestic, companionship, service, therapeutic, assistance, sporting, working, ranching, or shepherding purposes.

(b) "Dog owner" means a person owning, possessing, harboring, keeping, having guardianship of, having financial or property interest in, or having control or custody of, a dog.

(c) "Licensed veterinarian" means a person who is licensed pursuant to article 64 of title 12, C.R.S., to practice veterinary medicine in this state.

(d) "Local law enforcement agency" means a municipal police department or a county sheriff's office.

(e) "Local law enforcement officer" means any officer in a local law enforcement agency. The term does not include an animal control officer, code enforcement officer, or a deputy sheriff who is assigned exclusively to work in jails, court security, or administration.

(4) **Training required.** (a) (I) Each local law enforcement agency is required to provide to its officers training pertaining to encounters with dogs in the course of duty. At a minimum, the training must cover the policies and procedures adopted by the agency pursuant to subsection (6) of this section and assist officers in assessing what dog posture, barking and other vocalizations, and facial expressions typically signify, the options for distracting and escaping from a dog, options for safely capturing a dog, and defensive options in dealing with a dog.

(II) Each local law enforcement agency in the state shall:

(A) Develop, by September 1, 2014, a training program consistent with the requirements of this section and the minimum training curricula developed by the dog protection task force pursuant to subsection (5) of this section;

(B) Require its current local law enforcement officers to complete the training program required by this subsection (4) by June 30, 2015; and

(C) Require all local law enforcement officers hired on or after June 30, 2015, to complete the training required by this subsection (4) within each officer's first year of employment.

(b) (I) In establishing the training program required by this subsection (4), a local law enforcement agency shall adopt or incorporate any minimum training curricula developed by the dog protection task force created in subsection (5) of this section.

(II) (A) The training program required by this subsection (4) must be wholly or principally provided or overseen by either a qualified animal behavior expert or licensed veterinarian. The qualified animal behavior expert or licensed veterinarian selected to provide the training must possess the minimum qualifications specified by the dog protection task force created in subsection (5) of this section.

(B) Nothing in sub-subparagraph (A) of this subparagraph (II) requires live, in-person training be provided to local law enforcement agencies by qualified animal behavior experts or licensed veterinarians.

(III) In order to reduce the costs of providing the training program required by this subsection (4), a local law enforcement agency may develop its own web- or video-based training or utilize such training developed by the dog protection task force under subparagraph (III) of paragraph (d) of subsection (5) of this section, and local law enforcement agencies are encouraged to seek qualified animal behavior experts or licensed veterinarians who will volunteer to provide or participate in the training.

(IV) A local law enforcement agency may collaborate with county sheriffs of Colorado, incorporated, the Colorado association of chiefs of police, the Colorado fraternal order of police, and the Colorado veterinary medical association, as well as nonprofit organizations engaged in animal

welfare, to develop the training program required by this subsection (4).

(c) (I) The training program required by this subsection (4) must consist of a minimum of three hours of training for local law enforcement officers.

(II) Nothing in this section prevents a local law enforcement agency from implementing a training program or adopting policies and procedures that exceed the minimum number of hours or other requirements set forth in this section and by the dog protection task force pursuant to subsection (5) of this section.

(5) **Task force.** (a) There is hereby created the dog protection task force.

(b) (I) The task force consists of the following nineteen members:

(A) Three licensed veterinarians appointed by the Colorado veterinary medical association or its successor entity;

(B) Two representatives of the Colorado federation of animal welfare agencies or its successor entity;

(C) One animal behaviorist or animal behavior expert appointed by the Colorado federation of dog clubs or its successor entity;

(D) Two representatives of the Colorado association of animal control officers or its successor entity;

(E) Three sheriffs or deputy sheriffs representing county sheriffs of Colorado, incorporated, or its successor entity, one of whom must have at least two years of experience working in a K-9 unit and one of whom must work in a county with a population of fewer than one hundred fifty thousand persons;

(F) Three representatives of the Colorado association of chiefs of police or its successor entity, one of whom must have at least two years of experience working in a K-9 unit and one of whom must work in a municipality with a population of fewer than twenty-five thousand persons;

(G) One representative of the Colorado fraternal order of police or its successor entity;

(H) Three persons appointed by the Colorado bar association or its successor entity, two of whom must be attorneys with expertise and experience in animal law and dog shooting cases, and one of whom must be a person, who need not be an attorney, who owns or owned a dog shot by a local law enforcement officer; and

(I) One member, appointed by the Colorado veterinary medical association, with expertise in canine behavior or other animal behavior. Licensed veterinarians and attorneys are ineligible for appointment under this sub-subparagraph (I).

(II) The entities responsible for appointing task force members shall notify the Colorado veterinary medical association in writing of the identity of their appointees prior to the first meeting of the task force and upon any change in their appointees.

(III) Members of the task force shall not be compensated for, or reimbursed for expenses incurred in, attending meetings of the task force.

(IV) The following two members are co-chairs of the task force:

(A) One of the veterinarians appointed pursuant to sub-subparagraph (A) of subparagraph (I) of this paragraph (b), which co-chair shall be named by the Colorado veterinary medical association; and

(B) One of the members appointed pursuant to either sub-subparagraph (E) or (F) of subparagraph (I) of this paragraph (b), as mutually agreed to by the appointing authorities.

(c) (I) The task force shall hold its first meeting no later than September 1, 2013.

(II) (A) The task force shall meet as often as necessary to complete the tasks described under paragraph (d) of this subsection (5) on or before July 1, 2014.

(B) After July 1, 2014, and prior to January 31, 2015, the task force shall meet as often as it deems necessary, but no less frequently than once, to ensure that the curriculum, guidelines, and web- or video-based training are implemented and effective.

(III) The task force shall hold its meetings and staff those meetings in a location offered for those purposes by one of the entities represented with task force membership, with preference accorded for the principal office of the Colorado veterinary medical association.

(d) By July 1, 2014, the task force shall:

(I) Develop minimum training curricula that a local law enforcement agency must use to fulfill the training requirement of subparagraph (I) of paragraph (a) of subsection (4) of this section;

(II) Specify the appropriate minimum qualifications, including education, experience, or skills, that an animal behavior expert or licensed veterinarian providing the training pursuant to subparagraph (I) of paragraph (b) of subsection (4) of this section must possess; and

(III) Develop, using volunteered and donated resources to the greatest extent possible, web- or video-based training that may be utilized by a local law enforcement agency to fulfill the training requirement of subsection (4) of this section.

(e) The task force shall not recommend that the training required under this section be conducted by the peace officers standards and training board created in part 3 of article 31 of title 24, C.R.S.

(f) The curricula, qualifications, and web- or video-based instruction described in paragraph (d) of this subsection (5) must be readily accessible by Colorado's local law enforcement agencies on one or more internet websites designated by the task force.

(g) The task force created by paragraph (a) of this subsection (5) is dissolved, effective January 31, 2015.

(6) **Policies and procedures.** (a) (I) In addition to the training program developed under subsection (4) of this section, not later than September 1, 2014, each local law enforcement agency in the state shall adopt written policies and procedures that are specifically designed to address encounters with dogs occurring in the course of duty and the use of force against such dogs.

(II) At a minimum, the policies and procedures must address the following:

(A) The identification and meaning of common canine behaviors, and differentiating between dogs that are exhibiting behavior that puts local law enforcement officers or other persons in imminent danger and dogs who are not engaging in such behavior;

(B) The alternatives to lethal use of force against dogs;

(C) The reasonable opportunity for a dog owner to control or remove his or her dog from the immediate area. The policies and procedures adopted in accordance with this sub-subparagraph (C) must allow a local law enforcement officer to take into account the officer's own safety and the safety of other persons in the area, the availability of nonlethal equipment, the feasibility of so allowing a dog owner to act considering the totality of the circumstances, including the presence of an animal control officer or whether the call is a location that is listed in the dangerous dog registry created in section 35-42-115, C.R.S., or is a location at which illegal narcotics are suspected to be manufactured or trafficked, or any exigencies that may be present, such as when the local law

enforcement officer is responding to a call that asserts or suggests that a person has been bitten by a dog or is in physical danger.

(b) Each local law enforcement agency shall make the written policies and procedures available to the public for inspection in accordance with the "Colorado Open Records Act", part 2 of article 72 of title 24, C.R.S.

(7) **Immunity.** All task force members, as volunteers, are immune from civil actions and liabilities pursuant to section 13-21-115.5, C.R.S.

(8) **Scope and effect.** (a) This section applies only to local law enforcement agencies and is not intended to affect, implicate, or abrogate the authority of the peace officers standards and training board created in part 3 of article 31 of title 24, C.R.S.

(b) This section is not intended to apply to situations in which a dog is shot accidentally, including when a local law enforcement officer intends to fire at a person but inadvertently shoots a dog.

(c) Nothing in this section affects or abrogates the ability of any duly authorized person to impound or euthanize a dog in accordance with section 18-9-202.5, C.R.S., or in accordance with any resolution adopted pursuant to section 30-15-101, C.R.S.

29-5-113. Peace officers - post-traumatic stress disorder task force - creation - report - repeal. (Repealed)

PART 2

COLLECTIVE BARGAINING
AND MEET AND CONFER

29-5-201. Short title. This part 2 shall be known and may be cited as the "Colorado Firefighter Safety Act".

29-5-202. Legislative declaration. (1) The general assembly hereby finds and declares that:

(a) The people of Colorado have a fundamental interest in the development of harmonious and cooperative relationships between public employers and firefighters, particularly related to safety issues;

(b) The state has an obligation to protect the public safety by assuring, at all times, the orderly and uninterrupted operation of fire protection agencies;

(c) In order to continually maintain public safety, firefighters must be denied the right to strike;

(d) The denial by some public employers of the right of firefighters to organize and bargain collectively or meet and confer leads to various forms of strife and unrest, which obstruct public safety, and when the right to strike is denied, collective bargaining with the possibility to meet and confer are the appropriate counterbalance to prevent the obstructions to public safety;

(e) Unresolved disputes between firefighters and their public employers harm the public, the governmental agencies, and the employees involved;

(f) Experience has proven that legal protection of the right of firefighters to organize safeguards public safety by removing certain recognized sources of strife and unrest and encouraging practices fundamental to the amicable resolution of disputes over compensation, hours, and terms and conditions of employment and by creating equality of bargaining power between public employers and the firefighters that they employ;

(g) The Colorado wildfires of 2012 demonstrate the potential for loss of life and property damage associated with natural disasters. Responding to natural disasters requires a coordinated response by, and the significant contribution of staffing and resources from, fire departments all around the state. The departments are required to work closely with one another during these times, which demonstrates the statewide nature of fire protection and natural disaster response. Most departments have automatic mutual aid agreements with adjacent departments that blur jurisdictional lines even further. The ability to coordinate and cooperate is critical to effective fire protection and disaster response in the state.

(h) It is the policy of this state to eliminate the causes of certain substantial obstructions to public safety and to mitigate and eliminate these obstructions when they occur by:

(I) Protecting the exercise by firefighters of full freedom of association, self-organization, and other mutual aid or protection without fear of intimidation or retaliation;

(II) Encouraging and promoting the practice and procedure of collective bargaining;

(III) Protecting the right of firefighters to designate representatives of their own choosing for the purpose of collective bargaining, and protecting their right to participate in the political process while off duty and not in uniform, like any other citizen of this state; and

(IV) If approved by a vote of the citizens of a jurisdiction, obligating public employers and employee organizations of firefighters to enter into collective bargaining with the willingness to resolve disputes relating to compensation, hours, and the terms and conditions of employment and to reduce to writing any agreements reached through negotiations; and

(i) Collective bargaining for firefighters is a matter of statewide concern that affects the public safety and general welfare, as the Colorado supreme court held in *City of Aurora v. Aurora Firefighters' Protective Association*, 193 Colo. 437, 566 P.2d 1356 (1977). The citizens of Colorado have the right to expect a consistently high level of public safety throughout the state, which will allow the economy of Colorado to grow and prosper.

(2) It is also the policy of this state to obligate public employers to meet and confer with their firefighters, upon request, to discuss safety, equipment, and noncompensatory matters.

29-5-203. Definitions. As used in this part 2, unless the context otherwise requires:

(1) "Advisory fact-finder" means the person agreed upon by the parties or appointed by the American arbitration association, its successor organization, or a similar organization agreed upon by both parties in accordance with section 29-5-210.

(2) "Bargaining unit" means all firefighters employed by the same public employer, excluding supervisors.

(3) "Collective bargaining" means the performance of the mutual obligation of a public

employer, through its designated representatives, and an exclusive representative to meet at reasonable times and places and negotiate in good faith with respect to compensation, hours, and terms and conditions of employment, to meet and negotiate in good faith any question arising under a collective bargaining agreement, and to execute a written contract incorporating any agreements reached.

(4) "Collective bargaining agreement" means an agreement negotiated between an exclusive representative and a public employer, including one accepted by the parties after fact-finding, in addition to any terms approved by the registered electors of a public employer pursuant to section 29-5-210.

(5) "Collective bargaining provisions of this part 2" means all of this part 2; except that sections 29-5-202, 29-5-203 (7), (13), and (14); 29-5-204 (1) (a), (1) (e), (2), and (3); 29-5-205; 29-5-211; 29-5-212 (4) and (5); 29-5-213; and 29-5-214 shall apply to all public employers and firefighters without regard to section 29-5-206.

(6) "Compensation" means base wages or salary; any form of direct monetary payments; employer-paid health, accident, life, and disability insurance programs; employer-paid pension programs, including the amount of pension and contributions to the extent not controlled by law; deferred compensation; retiree health programs; paid time off; uniform and equipment allowances; expense reimbursement; and all eligibility conditions for compensation.

(7) "Employee organization" means an organization that admits firefighters employed by a public employer to membership and represents firefighters in collective bargaining or the meet and confer process. "Employee organization" includes a person acting as an officer, representative, or agent of an employee organization.

(8) "Exclusive representative" means the employee organization recognized by the public employer or named in a petition filed pursuant to section 29-5-206.

(9) "Final offer" means the latest written offer made by an exclusive representative to a public employer and by a public employer to an exclusive representative at least seven days prior to the beginning of an impasse resolution hearing as described in section 29-5-210.

(10) "Firefighter" means an employee of a public employer whose primary duties are directly involved with the provision of fire protection or firefighting services. "Firefighter" does not include clerical personnel or volunteer firefighters as defined in section 31-30-1102, C.R.S.

(11) "General election" means a general municipal election, regular special district board election, statewide primary election, or statewide general election.

(12) "Party" means an exclusive representative or a public employer.

(13) "Public employer" means a municipality, including a home rule municipality, special district, fire authority, or county improvement district, that offers fire protection service and employs two or more firefighters.

(14) "Strike" means the following concerted actions taken by members of a bargaining unit for the purpose of inducing, influencing, or coercing a change in the terms and conditions of employment, compensation, rights, privileges, or obligations of employment:

- (a) Failure to report for duty;
- (b) Willful absence from a position;
- (c) Stopping or deliberately slowing work;
- (d) Withholding, in whole or in part, the full, faithful, and proper performance of duties of

employment; or

(e) Interrupting the operations of the public employer.

(15) "Supervisor" means the chief and all officers in the rank or position immediately below the chief who report directly to the chief. No other firefighter is included in the definition of supervisor for the purposes of this part 2.

(16) "Terms and conditions of employment" means compensation, hours, and all matters affecting the employment of firefighters, including items related to safety, except the budget and organizational structure of the public employer.

29-5-204. Rights of firefighters. (1) Firefighters have the right to:

(a) Organize, form, join, or assist an employee organization or to refrain from doing so;

(b) Negotiate collectively or address grievances through representatives of their own choosing;

(c) Engage in other concerted activity for the purpose of collective bargaining or other mutual aid or protection, if and to the extent that the activity is not prohibited by this part 2 or any other law of Colorado;

(d) Be represented by an exclusive representative without discrimination, intimidation, or retaliation; and

(e) Fully participate in the political process of their public employers while off duty and not in uniform, including speaking with members of the public employer's governing body and engaging in other legitimate political activities in the same manner as other citizens of Colorado without discrimination, intimidation, or retaliation.

(2) Nothing in this part 2 limits the right of a supervisor to be a member of an employee organization.

(3) Nothing in this part 2 applies to volunteer firefighters.

29-5-205. Obligation to meet and confer. (1) Unless the public employer and its firefighters are already party to a collective bargaining agreement or the public employer has opted into the collective bargaining provisions of this part 2, if requested to do so by the firefighters or their employee organization, a public employer has the obligation to meet and confer with its firefighters or their employee organization to discuss policies and other matters relating to their employment, including safety and equipment, but not including compensation.

(2) The obligation to meet and confer does not include the obligation to engage in collective bargaining unless approved by the voters pursuant to section 29-5-206. The obligation to meet and confer includes the obligation to recognize the employee organization that requests the meet and confer process.

29-5-206. Vote of the citizens to obligate a public employer to engage in collective bargaining. (1) If a petition signed by at least five percent of the number of persons who voted in the last general municipal election, general district election, or the total votes of each party's general

election in the case of a fire authority, unless petition requirements are otherwise outlined by city charter or local ordinance, asks the public employer to engage in collective bargaining with a named employee organization, the public employer shall place on the ballot at the next general election the following question for a yes or no vote: "Should the firefighters employed by the [name of the public employer] be covered by the "Colorado Firefighter Safety Act"?". If a majority of the registered electors voting on this question vote "yes", the public employer is obligated to engage in collective bargaining pursuant to this part 2, and the employee organization named in the petition becomes the exclusive representative of the firefighters of that public employer. If a majority of the registered electors voting on this question vote "no", the public employer will not be obligated to engage in collective bargaining under this part 2, and the meet and confer process in section 29-5-205 will continue to apply to that public employer.

(2) Prior to circulating the petition referenced in subsection (1) of this section to collect the required number of signatures to place the question on the ballot, an employee organization must submit to the public employer a notice of intent to circulate the petition that contains signatures from firefighters equal to at least seventy-five percent of the potential bargaining unit. The notice need not be in any particular format.

(3) If the issue of whether the public employer will be covered by the collective bargaining provisions of this part 2 has been previously voted on, the issue may be placed before the voters pursuant to the same procedure in subsection (1) of this section, no sooner than four years after the issue was last previously voted upon. If the collective bargaining provisions of this part 2 have been applied to the public employer, the ballot question presented in any subsequent election shall be: "Should the firefighters employed by the [name of the public employer] continue to be covered by the "Colorado Firefighter Safety Act"?".

(4) If there is a collective bargaining agreement in effect at the time of subsequent votes, and if any of those votes results in the public employer no longer being covered by the collective bargaining provisions of this part 2, the agreement shall remain in effect for the remainder of its term.

(5) Nothing in this section prohibits a public employer from voluntarily agreeing to be covered by the collective bargaining provisions of this act.

(6) The collective bargaining provisions of this part 2 apply only to a public employer that employs twenty-four or more firefighters.

29-5-207. Employee organization as exclusive representative. (1) The employee organization recognized or named in the petition pursuant to section 29-5-206 for the purpose of collective bargaining becomes the exclusive representative of all firefighters in the bargaining unit for the purpose of collective bargaining. The exclusive representative shall represent all firefighters in the bargaining unit without discrimination. If an exclusive representative exists in a bargaining unit, a public employer shall not bargain in regard to matters covered by this part 2 with any firefighter, group of firefighters in the bargaining unit, or other employee organization of firefighters.

(2) (a) Nothing in this section prevents firefighters, individually or as a group, from presenting complaints to a public employer and from having complaints adjusted without the intervention of the exclusive representative for the bargaining unit of which they are a part if:

(I) The exclusive representative is given an opportunity to be present at the adjustment and to express its views; and

(II) The adjustment is not inconsistent with the terms of a collective bargaining agreement then in effect between the public employer and the exclusive representative.

(b) The ability to adjust complaints as described in this subsection (2) does not include the use of any process in a collective bargaining agreement to resolve grievances over the application and interpretation of the agreement.

(3) An employee organization that is an exclusive representative has the right to have its dues, initiation fees, assessments, or other moneys deducted and collected by the public employer from the pay of those firefighters within the bargaining unit who authorize, in writing, the deduction of the moneys. The authorization is revocable at the firefighter's written request. The deductions commence upon the exclusive representative's written request to the public employer. The right to the deduction remains in force as long as the employee organization remains the exclusive representative for the employees in the bargaining unit.

29-5-208. Obligation to negotiate in good faith. The public employer and the exclusive representative, through appropriate officials or their representatives, have the authority and the duty to bargain collectively in good faith. The obligation to bargain in good faith does not compel either party to agree to a proposal or make a concession. The obligation to bargain in good faith requires, upon request, the exchange of information possibly relevant to the terms and conditions of employment of the firefighters or the interpretation or application of the terms of any collective bargaining agreement.

29-5-209. Collective bargaining agreement. (1) A collective bargaining agreement entered into pursuant to this part 2 is for a term of at least one year and no more than three years, beginning January 1 and ending December 31, unless a different beginning date is agreed to by the parties, recommended by the advisory fact-finder and accepted by the parties, or set as a result of a special election.

(2) If a party requests collective bargaining by sending notice to the other party, collective bargaining is required to take place no later than July 15 of the last year of the existing collective bargaining agreement or, in the case of a newly certified or recognized exclusive representative, by July 15 of the year in which bargaining will take place. If no party requests bargaining under this section by July 15 of the last year of an existing collective bargaining agreement, the agreement will continue for the next calendar year unless the parties agree to negotiate and reach a voluntary agreement on all terms of a new contract.

(3) The public employer and the exclusive representative shall begin collective bargaining for the purpose of creating a new collective bargaining agreement no later than August 25 after notice to begin collective bargaining is given pursuant to subsection (2) of this section.

(4) A collective bargaining agreement may contain provisions requiring all members of the bargaining unit, as a condition of employment, to pay necessary fees and expenses germane to collective bargaining and enforcement of a collective bargaining agreement that are incurred by the

exclusive representative.

29-5-210. Impasse resolution. (1) At any time after thirty days from the start of the bargaining process, either party may declare an impasse in negotiations. If an impasse is declared, an advisory fact-finder must be appointed in the manner described in subsection (2) of this section.

(2) (a) Within three days after an impasse is declared, the exclusive representative or the public employer shall notify the American arbitration association, a successor organization, or a similar organization agreed upon by both parties, referred to in this section as the "arbitration organization", and request the arbitration organization to submit simultaneously to each party within fourteen days an identical list of seven persons qualified to serve as an advisory fact-finder. The parties may agree upon an advisory fact-finder that is not on the list requested.

(b) Within ten days after the arbitration organization delivers the list to the parties pursuant to paragraph (a) of this subsection (2), each party may strike two names from the list, rank the remaining names in order of preference, and return the list to the arbitration organization. If a party does not return the list within the specified time, all persons named in the list are deemed acceptable to that party.

(c) Within ten days after the last list is returned to the arbitration organization pursuant to paragraph (b) of this subsection (2), or within ten days after the time the list must be returned by the parties, whichever is earlier, the arbitration organization shall appoint one advisory fact-finder from the persons who have been approved on both lists and shall notify the parties of the appointment.

(3) The advisory fact-finder shall hold a hearing on the unresolved issues between the parties within thirty days after being appointed. The advisory fact-finder shall give written notice of the time and place of the hearing to the parties no later than ten days before the hearing. The hearing must be informal, and the rules of evidence prevailing in judicial proceedings are not binding. The advisory fact-finder may receive into evidence any documentary evidence and other information deemed relevant by the advisory fact-finder. The advisory fact-finder may administer oaths and require by subpoena the attendance and testimony of witnesses and the production of books, records, and other evidence relevant to the issues presented for determination. If a person refuses to obey a subpoena, take an oath, or testify, or if any witness, party, or attorney is guilty of contempt while in attendance at a hearing, the advisory fact-finder may, or the attorney general shall, if requested, invoke the aid of the district court of the county in which the hearing is being held, and the court shall issue an appropriate order. The court may punish a failure to obey the order as contempt.

(4) The hearing conducted by the advisory fact-finder must be concluded within ten days after the hearing begins. With notice to the advisory fact-finder at the conclusion of the hearing, a party may submit a written brief to the advisory fact-finder within ten days after the conclusion of the hearing.

(5) Within thirty days after receipt of the last written brief from a party, or within thirty days after the conclusion of the hearing if neither party notified the advisory fact-finder of its intent to file a written brief, the advisory fact-finder shall render a decision recommending a peaceful and just settlement of the unresolved issues between the exclusive representative and the public employer. The decision is limited to a recommendation of which portion of the final offers made by each party on each issue in dispute should be accepted. The decision must include written findings and a written

opinion on the issues presented. The advisory fact-finder shall mail or otherwise deliver a copy of the written decision to the exclusive representative and the public employer.

(6) In arriving at a decision, the advisory fact-finder shall consider:

- (a) The interests and welfare of the public;
- (b) The compensation, hours, and terms and conditions of employment of the firefighters involved in the collective bargaining in comparison with the compensation, hours, and terms and conditions of employment, including firefighter safety issues, of other firefighters in comparable communities as determined by the advisory fact-finder;
- (c) Stipulations of the parties;
- (d) The lawful authority of the public employer;
- (e) The financial ability of the public employer to meet the costs of any proposed settlement;
- (f) Changes in the cost of living; and
- (g) Other factors that are normally or traditionally taken into consideration in the determination of compensation, hours, and terms and conditions of employment through voluntary collective bargaining, interest arbitration, or otherwise between parties in public or private employment.

(7) The advisory fact-finder shall give due weight to each factor listed in subsection (6) of this section. If the advisory fact-finder determines that a factor listed in subsection (6) of this section is not relevant, the advisory fact-finder shall state in the findings the specific reason why the factor is not relevant to the advisory fact-finder's determination.

(8) The exclusive representative and the public employer shall equally bear the cost of the advisory fact-finder and related hearings.

(9) (a) The public employer and the exclusive representative have fourteen days after the issuance of the advisory fact-finder's decision to consider the recommendations and further negotiate the disputed issues. No later than the end of the fourteen-day period, the public employer and the exclusive representative shall notify the other party whether it accepts or rejects the recommendations on each of the remaining unresolved issues. If either party rejects any of the recommendations, the final offers of the parties on all of the issues remaining unresolved shall be submitted as alternative single measures to a vote of the registered electors of the public employer at a special election. The registered electors shall select either the final offer of the public employer or the final offer of the exclusive representative, as presented to the advisory fact-finder. Issues agreed to during the fourteen-day period specified in this subsection (9) must not be included in the final offers submitted to the registered electors. The party that refuses to accept the recommendations of the advisory fact-finder shall pay the cost of the special election. If both parties refuse to accept the advisory fact-finder's recommendations, the public employer and the exclusive representative shall pay the cost of the special election equally.

(b) The special election must not be held in conjunction with, or on the same day as, any other election and may be held on any date set by the public employer as long as it is held no more than ninety days after the date of the rejection of an advisory fact-finder's recommendation and at least thirty days' notice is given.

(10) Nothing in this part 2 prohibits or impedes a public employer and an exclusive representative from continuing to bargain in good faith or from using the services of a mediator at any time during collective bargaining. If at any point in the advisory fact-finding proceedings the

parties are able to conclude the dispute, or any portion thereof, with a voluntarily reached agreement, the parties shall notify the advisory fact-finder of the agreement, and the advisory fact-finder shall terminate the proceedings or discontinue the consideration of an issue resolved by the agreement. If an agreement is reached after a special election has been scheduled and the election cannot be canceled or issues cannot be removed from the ballot, the votes on the final offers of the public employer and the exclusive representative shall not be counted.

(11) During impasse resolution proceedings conducted pursuant to this section, existing compensation, hours, and other terms and conditions of employment may not be changed except by an agreement between the public employer and the exclusive representative, but any such agreement must be without prejudice to either party's rights or position in the advisory fact-finder's hearing. Any changes in the collective bargaining agreement from the expired agreement must be retroactive to January 1 unless the parties agree otherwise.

(12) The parties may agree to extend any of the time limits specified in this part 2 except the date for beginning bargaining.

(13) The public employer shall modify any adopted budget to comply with the results of accepted recommendations from an advisory fact-finder or of a special election held pursuant to this section.

29-5-211. Strikes prohibited. A firefighter or employee organization shall not strike. Nothing in this section limits or impairs the right of any firefighter to lawfully express or communicate a complaint or opinion on any matter related to compensation, hours, or terms and conditions of employment.

29-5-212. Existing bargaining relationships. (1) The collective bargaining provisions of this part 2 do not apply to any home rule city that has language in its charter on June 5, 2013, that provides for a collective bargaining process for firefighters employed by the home rule city. This part 2 applies to all other public employers, including home rule cities without language in their charters that address a collective bargaining process for firefighters.

(2) A bargaining unit in existence on June 5, 2013, remains the bargaining unit unless the bargaining unit is modified by voluntary agreement between the exclusive representative and the public employer or as otherwise provided by this part 2.

(3) An employee organization recognized by a public employer as the exclusive representative for a bargaining unit as of June 5, 2013, remains the exclusive representative for the bargaining unit until the employee organization is decertified as the exclusive representative by vote of a majority of the firefighters in the bargaining unit in accordance with a process established by the public employer.

(4) (a) All existing bargaining relationships of firefighters, whether created by ordinance, resolution, or voluntary recognition, remain in effect under the terms, conditions, and procedures in effect unless the public employer and exclusive representative agree to apply the collective bargaining provisions of this part 2 or until an election is held by petition pursuant to section 29-5-206. If the registered electors approve coverage of the collective bargaining provisions of this part

2 to the public employer, those provisions will apply to the bargaining unit regardless of any charter, ordinance, resolution, or voluntary recognition. An election may not be held under section 29-5-206 during the term of a collective bargaining agreement that is in existence on June 5, 2013.

(b) If a vote is held pursuant to paragraph (a) of this subsection (4), the terms, conditions, and procedures in the prior bargaining relationship remain in effect until the election is completed. If the registered electors reject coverage of the collective bargaining provisions of this part 2, all terms, conditions, and procedures in the prior process remain in effect.

(5) Nothing in this section changes or abrogates a collective bargaining agreement that is in existence on June 5, 2013.

29-5-213. Right to sue. A firefighter or employee organization may enforce any provision of this part 2 by filing suit in a district court in whichever venue is proper.

29-5-214. Severability. If any provision or clause of this part 2 or the application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this part 2 that can be given effect without the invalid provision or application.

PART 3

FIREFIGHTER HEART AND CIRCULATORY MALFUNCTION BENEFITS

29-5-301. Definitions. As used in this part 3, unless the context otherwise requires:

(1) "Employer" means a municipality, special district, fire authority, or county improvement district that employs one or more firefighters. "Employer" does not include a power authority created pursuant to section 29-1-204 or a municipally owned utility.

(2) "Firefighter" means a full-time, active employee of an employer who regularly works at least one thousand six hundred hours in any calendar year and whose duties are directly involved with the provision of fire protection services.

(3) "Heart and circulatory malfunction" means a sudden and serious malfunction of the heart and circulatory system as occurs in a diagnosis of coronary thrombosis, cerebral vascular accident, myocardial infarction, or cardiac arrest and that meets the requirements of section 29-5-302 (6). "Heart and circulatory malfunction" does not include hypertension or angina.

(4) "Volunteer firefighter" means a volunteer firefighter as defined in section 31-30-1102, C.R.S.

(5) "Work event" means stressful or strenuous activity related to fire suppression, rescue, hazardous material response, emergency medical services, disaster relief, or other emergency response activity. "Work event" includes a training activity that a firefighter engages in while on duty and that involves stressful or strenuous activity.

29-5-302. Required benefits - conditions of receiving benefits. (1) An employer shall maintain accident insurance, self-insure, or participate in a self-insurance pool or a multiple employer health trust in order to provide the benefits specified in this section for its firefighters. In addition, an employer may provide equivalent benefits for volunteer firefighters.

(2) An employer shall provide the following minimum benefits:

(a) (I) A four-thousand-dollar-lump-sum payment if a medical examination reveals that a firefighter has a heart and circulatory malfunction; and

(II) A one-thousand-five-hundred-dollar payment per week, up to a maximum of seven weeks, if a firefighter made an emergency room visit and was hospitalized for up to forty-eight hours for a heart and circulatory malfunction;

(b) (I) A two-thousand-dollar payment per week, up to a maximum of twenty-five weeks, if a firefighter made an emergency room visit and was hospitalized for more than forty-eight hours for a heart and circulatory malfunction; or

(II) A two-thousand-five-hundred-dollar payment, up to a maximum of eighty weeks, if a firefighter has a heart and circulatory malfunction that prohibits the firefighter from returning to employment to a position that the firefighter is trained for or reasonably could be trained to perform;

(c) A payment of up to twenty-five thousand dollars for rehabilitative employment services relating to a heart and circulatory malfunction;

(d) A ten-thousand-dollar payment if a firefighter incurs cosmetic disfigurement resulting from a heart and circulatory malfunction; and

(e) If the covered heart and circulatory malfunction is diagnosed as terminal, the firefighter will receive a lump sum payment of twenty-five thousand dollars as an accelerated payment toward the benefits due in paragraphs (a) and (b) of this subsection (2).

(3) The receipt of a payment pursuant to subparagraph (II) of paragraph (a) or subparagraph (I) of paragraph (b) of subsection (2) of this section does not prohibit the firefighter from receiving an additional benefit.

(4) If a firefighter returns to the same position of employment after a heart and circulatory malfunction, the firefighter is entitled to the benefits in subsection (2) of this section for any subsequent heart and circulatory malfunction.

(5) The maximum amount that may be paid to a firefighter for each heart and circulatory malfunction is two hundred fifty thousand dollars.

(6) The benefits and maximum payment amount in subsection (2) of this section are increased by the same percentage and at the same time as any fire and police pension association increase in the pension benefit paid to its members pursuant to section 31-31-407, C.R.S.

(7) (a) The benefits paid pursuant to this section must be offset by any payments made:

(I) Under the "Workers' Compensation Act of Colorado", articles 40 to 47 of title 8, C.R.S.;

(II) By the fire and police pension association;

(III) Pursuant to social security or a retirement plan; or

(IV) As part of any other employer-paid income benefit that is made as a result of a heart and circulatory malfunction.

(b) The offsets specified in paragraph (a) of this subsection (7) apply only from the date of the determination of entitlement for the payments and do not require the repayment of any money

received prior to the determination.

(8) The benefits in this section are reduced by twenty-five percent if a firefighter smoked a tobacco product within five years immediately preceding the work event.

(9) In order for a firefighter to be eligible for the benefits in subsection (2) of this section, the following conditions must be met:

(a) Prior to the work event that results in a heart and circulatory malfunction and after the firefighter became employed by an employer, the firefighter had a medical examination that would reasonably have found an illness or injury that could have caused the heart and circulatory malfunction and no illness or injury was found at the most recent medical examination;

(b) The firefighter has at least five years of continuous, full-time employment with an employer, except a volunteer firefighter must have five years of continuous service with the same employer; and

(c) The heart and circulatory malfunction occurred during or within forty-eight hours after a work event.

(10) For the purpose of employer policies and benefits, a heart and circulatory malfunction is treated as an on-the-job injury or illness. This subsection (10) does not affect any determination as to whether the heart and circulatory malfunction is covered under the "Workers' Compensation Act of Colorado", articles 40 to 47 of title 8, C.R.S.

(11) (a) There is hereby created in the state treasury the firefighter benefits cash fund. The fund consists of moneys appropriated from the general fund by the general assembly. The moneys in the fund are subject to annual appropriation by the general assembly to the department of local affairs for the purpose of reimbursing employers for the direct costs of maintaining accident insurance, self-insurance, or participation in a self-insurance pool or multiple employer health trust as required by this part 3.

(b) The department of local affairs shall reimburse employers for the direct costs of maintaining accident insurance, self-insurance, or participation in a self-insurance pool or multiple employer health trust as required by this part 3.

(12) If, at any time, the funding provided for the benefit required by this section is insufficient to cover the cost of the benefit, then the requirements of this section to maintain the benefit shall become optional pursuant to section 29-1-304.5.

ARTICLE 5.5

Political Subdivision Veteran's Preference Enforcement Act

29-5.5-101. Short title. This article shall be known and may be cited as the "Colorado Political Subdivision Veteran's Preference Enforcement Act".

29-5.5-102. Legislative declaration. The general assembly hereby finds, determines, and declares that the public policy of this state is to encourage, wherever and whenever possible at both the state and local level, the hiring of veterans of the United States armed services. This policy has been expressed through the adoption of article XII, section 15 of the Colorado constitution and is a matter of statewide concern.

29-5.5-103. Definitions. As used in this article, unless the context otherwise requires:

(1) "Political subdivision of the state" shall have the same meaning as in article XII, section 15 of the Colorado constitution including, but not limited to, the regional transportation district.

(2) "Veterans preference points" means those points to be awarded pursuant to article XII, section 15 of the Colorado constitution to veterans applying for public employment.

29-5.5-104. Veterans preference points. Each applicant for appointment or employment in any civil service, merit, or personnel system of a political subdivision of the state that is comparable to that of the state shall be awarded, at a minimum, the appropriate veterans preference points pursuant to article XII, section 15 of the Colorado constitution.

29-5.5-105. Appeals. (1) An applicant who believes that the applicant is entitled to, but has not received, the veterans preference points required by article XII, section 15 of the Colorado constitution may, within thirty days after the notice of the hiring decision, submit to the hiring authority of the political subdivision of the state a written request for a notice of whether the applicant has been awarded the veterans preference points. The hiring authority of the political subdivision of the state shall respond within fifteen days to the request.

(2) The hiring authority of the political subdivision of the state or, at the political subdivision of the state hiring authority's discretion, a three-member panel shall hear any appeal concerning the awarding of veterans preference points as required by the article XII, section 15 of the Colorado constitution. Such hearing shall be conducted in accordance with the provisions of this section.

(3) The selection and examination process action shall be overturned if the hiring authority of the political subdivision of the state finds that:

(a) The applicant has not been awarded the preference points specified in article XII, section 15 of the Colorado constitution; and

(b) The applicant, if awarded the preference points specified in article XII, section 15 of the

Colorado constitution would have otherwise obtained the position.

ARTICLE 6

Memorials

29-6-101. Erection of memorial buildings. Any county, city and county, city, or town of the state of Colorado, including any city under special charter, has the power, by a vote of the taxpayers, to purchase or condemn ground for, erect and equip, or purchase and equip a building as a soldiers', sailors', and marines' memorial, commemorative of their military and naval service. Such building may be or include military headquarters, memorial rooms, library, assembly hall, gymnasium, natatorium, club rooms, and rest rooms. It may include a city hall and offices for any county or municipal purpose, community house, or recreation center; or it may be a memorial hospital; or it may be for any one or more of such purposes; and for similar or appropriate purposes may be extended to general community and neighborhood uses, all under the control and regulation as to charges and otherwise of the city or town council, or the board of county commissioners of a county. Such buildings may be erected as an appropriate annex to any other city or public building or by reconstructing the same.

29-6-102. Bond issue. For the purpose of providing for the acquisition of necessary ground therefor and purchasing, erecting, constructing, or reconstructing such building and for the necessary equipment therefor, the county, city and county, city, or town may issue bonds to be known as liberty memorial bonds, to be issued and sold as provided by law; and the county, city and county, city, or town shall provide for portions of such bonds to become due at different, definite periods, but none in less than five nor more than fifty years from the date of issue.

29-6-103. Gifts and bequests authorized. Gifts and bequests to the county, city and county, city, or town for any of the purposes provided in this article are authorized. The same shall be used and applied as provided in this article and as especially stipulated by the donor.

ARTICLE 6.5

Charitable Solicitations from Motorists

29-6.5-101. Legislative declaration. (1) The general assembly hereby finds, determines, and declares that:

(a) For over fifty years, firefighters across Colorado have engaged in charitable fundraising events to:

(I) Support medical research of debilitating diseases such as muscular dystrophy;

(II) Provide comprehensive health care and support services, advocacy, and education on behalf of children and adults with neuromuscular diseases; and

(III) Conduct summer camps for children with muscular dystrophy;

(b) The most successful fundraising event that firefighters have employed is the signature "fill the boot" campaign, which consists of firefighters asking motorists passing fire stations to contribute to the causes specified in paragraph (a) of this subsection (1) by putting money into firefighter boots or facsimiles of firefighter boots; and

(c) Other nonprofit and charitable organizations would benefit from the ability to solicit and accept donations in a similar manner.

(2) Therefore, it is the intent of the general assembly in enacting this article to clarify that local governments may, in their discretion, allow law enforcement personnel and firefighters, other local public safety personnel, and nonprofit or charitable organizations to conduct fundraising activities.

29-6.5-102. Definitions. As used in this article, unless the context otherwise requires:

(1) "Charitable organization" has the same meaning as set forth in section 6-16-103 (1), C.R.S.

(2) "Charitable purpose" has the same meaning as set forth in section 6-16-103 (2), C.R.S.

(3) "Local government" means any county, town, city, city and county, municipality, or other local entity having the authority to enact local ordinances.

29-6.5-103. Local government authorization for solicitation of charitable donations. (1) A local government may permit, in its discretion, a charitable organization to engage in a solicitation for a charitable purpose, which solicitation involves persons standing in or adjacent to a public roadway and soliciting donations from motorists, if:

(a) The persons solicit in an area that is entirely within the jurisdiction of the local government; and

(b) The number of days for which a local government grants permission for such solicitations does not exceed five days in any calendar year per charitable organization.

ARTICLE 7

Recreational Facilities Districts

29-7-101. City or county may own and operate. (1) Any city, town, village, county, metropolitan recreational district, or park and recreation district organized under article 1 of title 32, C.R.S., may acquire, sell, own, exchange, and operate public recreation facilities, open space and parklands, playgrounds, and television relay and translator facilities; acquire, equip, and maintain land, buildings, or other recreational facilities either within or without the corporate limits of such city, town, village, or county; and expend funds therefor and for all purposes connected therewith.

(2) Any county through its board of county commissioners shall have the power, authority, and jurisdiction to regulate and control public recreation lands and facilities owned or operated by the county by the promulgation of rules and regulations pursuant to a lawfully adopted resolution. The rules and regulations may include but are not limited to the following: Removal, destruction, mutilation, or defacing of any natural object or man-made object owned by the county; explosives or any form of firearm; animal control; any public use, including boating, fishing, camping, or hunting; and polluting or littering. Any person violating any rule or regulation lawfully adopted pursuant to this subsection (2) commits a class 2 petty offense and, upon conviction thereof, shall be punished by a fine of not more than three hundred dollars. It is the duty of the sheriff and the sheriff's undersheriff and deputies, in their respective counties, as well as any county enforcement personnel authorized and appointed as described in subsection (3), to enforce the rules and regulations adopted pursuant to this subsection (2), and the county courts in their respective counties have jurisdiction in the prosecution of any violation of a rule or regulation adopted pursuant to this subsection (2). If authorized by resolution, the penalty assessment procedure provided in section 16-2-201, C.R.S., may be followed by any arresting law enforcement officer for any violation of a rule or regulation adopted pursuant to this subsection (2). As part of a resolution authorizing the penalty assessment procedure, the board of county commissioners may adopt a graduated fine schedule for violations. The graduated fine schedule may provide for increased penalty assessments for repeat offenses by the same person. All fines and forfeitures for the violation of county regulations adopted pursuant to this subsection (2) shall be paid into the treasury of the county at such times and in such manner as may be prescribed by resolution; or, if there is no resolution providing for the payment, it shall be paid to the county treasurer at once.

(3) (a) In addition to the enforcement of the rules and regulations by the sheriff, an undersheriff, or a deputy sheriff, a board of county commissioners may by resolution designate specific other county personnel, however titled or administratively assigned, to enforce rules and regulations duly adopted by the county to control and regulate the use of county public lands and recreation facilities, by issuance of citations or summonses and complaints.

(b) Personnel designated pursuant to this subsection (3):

(I) Shall not be subject to peace officer certification or any other requirements of part 3 of article 31 of title 24, C.R.S.;

(II) Shall be included within the definition of "peace officer or firefighter engaged in the performance of his or her duties" found in section 18-3-201 (2), C.R.S.; and

(III) Shall not have the power to arrest or to execute warrants and shall not have authority to enforce any other resolution, ordinance, or statute, unless otherwise provided by law.

29-7-102. School district may own and operate. (1) Any school district may operate a system of public recreation and playgrounds and television relay translator facilities and may exercise all other powers enumerated in section 29-7-101.

(2) (a) In addition to all other powers and duties that may be conferred by subsection (1) of this section and section 29-7-101, the board of education of a school district that is also a special district, as defined in section 29-21-101 (1) (g), and that began levying a tax for the operation and maintenance of a system of public recreation and playgrounds prior to August 4, 1999, may continue to levy such tax for said purposes, subject to the limitations set forth in paragraph (b) of this subsection (2).

(b) The board of education of a school district that is also a special district, as defined in section 29-21-101 (1) (g), shall submit, after notice, the question of either an imposition of a new tax after August 4, 1999, or any increase in the existing tax levy after said date for the operation and maintenance of a system of public recreation and playgrounds not previously established by resolution or ordinance, nor previously approved by a vote of the registered electors residing in the school district, to a vote of said registered electors at the next general election or the first Tuesday in November of odd-numbered years or on the school district's biennial election date.

(c) Following a vote by the registered electors residing in the school district that sets a maximum tax levy for the operation and maintenance of a system of public recreation and playgrounds, such tax levy shall remain in effect, subject to the requirements of section 29-1-301, until the registered electors residing in the school district have established a change in the levy by subsequent vote pursuant to the provisions of this section. A school district that is also a special district, as defined in section 29-21-101 (1) (g), and that began levying a tax for the operation and maintenance of a system of public recreation and playgrounds prior to August 4, 1999, may continue such levy until the registered electors residing in the school district have established a change in the levy by subsequent vote pursuant to the provisions of this section.

29-7-103. Operation - admission fees. Any city, town, village, county, or school district may operate such a system independently or may cooperate in its conduct in any manner which is mutually agreed upon or may delegate the operation of the system to a recreation board created by any or all of them and appropriate money voted for this purpose to such board, and it may make charges and require the payment of fees for the admission to and use and enjoyment of such recreation facilities and playgrounds.

29-7-104. Powers - eminent domain. Any municipal corporation or board given charge of the recreation system is authorized to conduct its activities on property under its custody and

management; other public property under the custody of other municipal corporations or boards with the consent of such corporations or boards; and private property with the consent of the owners or without such consent as provided in this section. It has authority to accept gifts and bequests for the benefit of the recreational service, employ supervisors and directors of the recreational service and employ supervisors and directors of recreational work, take private property for the aforesaid purposes without the owner's consent upon payment of just compensation, and exercise the right of eminent domain in accordance with the provisions of articles 1 to 7 of title 38, C.R.S., and other applicable laws and statutes.

29-7-105. Funds for television facilities. Any county, city and county, city, town, village, school district, or recreational district may receive funds from any private or public source for the purpose of constructing and operating such television transmission and relay booster facilities.

29-7-106. Tax limitations not to apply. No tax levy for the purposes of television relay or translator facilities as specified in sections 29-7-101, 29-7-102, and 29-7-105 and 32-1-1005 (1) (a), C.R.S., shall be within the limitations prescribed for any county, city, city and county, town, village, school district, or recreation district.

29-7-107. Recreational facility defined. "Recreational facility" or "recreational system" as used in this article includes such land or interest in land as may be necessary, suitable, or proper for park or recreational purposes or for the preservation or conservation of sites, scenes, open space, and vistas of scientific, historic, aesthetic, or other public interest. The term "interests in land" as used in this section means and includes all rights and interests in land less than the full fee interest, including but not limited to future interests, easements, covenants, and contractual rights. Every such interest in land held pursuant to this article when recorded shall run with the land to which it pertains for the benefit of the political subdivision holding such interest and may be protected and enforced by such subdivision in any court of general jurisdiction by any proceeding known at law or in equity.

29-7-108. Political subdivisions may unite in owning or operating recreational facilities. Any political subdivision of this state authorized under this article to own or operate a recreational facility may unite with any other similarly authorized political subdivision in owning or operating any recreational facility.

ARTICLE 7.5

Park and Open Space Act

29-7.5-101. Short title. This article shall be known and may be cited as the "Park and Open Space Act of 1984".

29-7.5-102. Legislative declaration. The general assembly declares that there is a need for parks, trail systems, and open space in urban areas of this state, that existing rights-of-way for high voltage electric transmission lines in such areas occupy significant land which could also be utilized for parks, trail systems, and open space, and that the safety of these lines could be enhanced by adopting appropriate safety measures as a part of utilizing this land for parks, trail systems, and open space. The general assembly further declares that the purpose of this article is to encourage the dedication and the utilization of such land for public parks, trail systems, and open space and the implementation of additional safety measures for these electric transmission lines.

29-7.5-103. Definitions. As used in this article, unless the context otherwise requires:

(1) "High voltage line" means any overhead line for the transmission of electric current with a nominal voltage in excess of sixty-nine kilovolts and all supporting structures and accessories necessary for such line.

(2) "Park and open space" means any land accepted as a public park, a public trail, or a public open space by the applicable park board.

(3) "Park board" means the governing body of any local governmental entity within the state which is authorized by state law to accept land for public park, trail, or open space purposes.

(4) "Transmission right-of-way" means any right-of-way, easement, or other land utilized for a high voltage line.

(5) "Urban area" means any land located within any incorporated city or municipality. The term also means any land located in the unincorporated areas of any county which is zoned as residential land and for which a final plat for subdivided land has been approved by the board of county commissioners pursuant to section 30-28-110 (3) and (4), C.R.S., and which is also included in a local governmental entity which has a statutory authorization to provide for public parks, trails, or open spaces.

29-7.5-104. Use as park, trail, or open space. In any urban area, the owners of any transmission right-of-way and the fee owner of any land subject to any transmission right-of-way may offer to dedicate or grant use of the transmission right-of-way to the park board for a public park, a public trail, or a public open space. This article shall not apply to any dedication or grant of use of a transmission right-of-way unless both the owner of the transmission right-of-way and the fee owner of the land involved consent to the dedication or grant of use. The park board may accept or reject this offered dedication or use of the transmission right-of-way based on the reasonable needs of the public, applicable rules and regulations governing the park board, and other criteria

normally applied by the park board in accepting or rejecting dedications of land. In accepting or rejecting such offer, the park board shall consider, among other factors, methods for enhancing the safety of the transmission right-of-way involved through design of the park, trail, or open space improvements. The park board shall also consider and protect the interests and property rights of adjacent landowners, particularly those adjacent to the termination points of trails, who are not participating in the dedication or grant of use of the transmission right-of-way. If needed, the park board shall provide an access or egress from the point of termination to a public street or highway. For purposes of this article, the right of eminent domain shall not be exercised to obtain ingress or egress. Nothing in this article shall prevent negotiations for a dedication or grant of use of a transmission right-of-way in incorporated areas from occurring during the subdivision approval process; except that such dedication or grant of use shall not be finalized until the final subdivision plat is approved.

29-7.5-105. Limitations on liability. If a transmission right-of-way has been accepted by the park board as park, trail, or open space, then neither the owners or operators of the high voltage line, transmission right-of-way, or land subject to the transmission right-of-way, nor the governmental or quasi-governmental entity exercising jurisdiction over the park board, nor any of their employees, officers, agents, or board or council members shall have any liability for any injury to person or property or for the death of any person caused by an act or omission of such person or party on the dedicated lands.

29-7.5-106. When liability is not limited. Nothing in this article limits in any way any liability which would otherwise exist for loss, injury, or death due to gross negligence or willful misconduct. If the provisions of article 41 of title 33, C.R.S., also apply to persons for whom liability is limited pursuant to section 29-7.5-105, the liability and limitations on liability in this article shall supersede article 41 of title 33, C.R.S.

ARTICLE 8

Underground Conversion of Utilities

29-8-101. Short title. This article shall be known and may be cited as the "Colorado Underground Conversion of Utilities Act".

29-8-102. Legislative declaration. The general assembly finds that landowners, cities, towns, counties, public utilities, and cable operators in many areas of the state desire to convert

existing overhead electric and communication facilities to underground locations. The general assembly further finds that the conversion of overhead electric and communication facilities to underground locations is a matter of statewide concern and interest. The general assembly declares that a public purpose will be served by providing a procedure to accomplish such conversion and that it is in the public interest to provide for such conversion by proceedings taken under this article, whether such areas are within the limits of a city or town or within a county. The general assembly further declares that all political subdivisions shall pursue such conversion only in accordance with this article; except that the use of the procedure set forth in this article is permissive and not mandatory for incidental and episodic conversions associated with public improvements such as street widening or sewer construction. Notwithstanding the provisions of this article, a political subdivision shall be able to perform such underground conversion without following the procedures outlined in this article if the political subdivision pays for all of the costs and expenses of such conversion from the political subdivision's own funds on the condition that the political subdivision does not seek to recover the costs or expenses of such conversion from the public utility or cable operator.

29-8-103. Definitions. As used in this article, unless the context otherwise requires:

(1) "Cable operator" shall have the same meaning as set forth in the federal "Cable Communications Policy Act of 1984", as amended, 47 U.S.C. sec. 522.

(1.5) "Communication service" means the transmission of intelligence by electrical means, including, but not limited to, telephone, telegraph, messenger-call, block, police, fire alarm, and traffic control circuits or the transmission of television or radio signals.

(2) "Convert" or "conversion" means the removal of all or any part of any existing overhead electric or communications facilities and the replacement thereof with underground electric or communication facilities constructed at the same or different locations.

(3) "Electric or communication facilities" means any works or improvements used or useful in providing electric or communication service, including, but not limited to, poles, supports, tunnels, manholes, vaults, conduits, pipes, wires, conductors, guys, stubs, platforms, crossarms, braces, transformers, insulators, cut-outs, switches, capacitors, meters, communication circuits, appliances, attachments, and appurtenances.

(4) "Electric service" means the transmission and distribution of electricity for heat, light, or power.

(5) "Governing body" means the board of county commissioners or city council or board of trustees, as may be appropriate, depending on whether the improvement district is located in a county or within a city or town.

(6) "Net effective interest rate" means the net interest cost of bonds divided by the sum of the products derived by multiplying the principal amounts of the securities maturing on each maturity date by the number of years from their date to their respective maturities. In all cases, the net effective interest rate shall be computed without regard to any option of redemption prior to the designated maturity dates of the bonds.

(7) "Overhead electric or communication facilities" means electric or communication facilities located, in whole or in part, above the surface of the ground.

(7.5) "Political subdivision" means a county, city and county, city, town, home rule city, home rule town, service authority, school district, local improvement district, law enforcement authority, any special district such as water, sanitation, fire protection, metropolitan, irrigation, or drainage, or any other kind of municipal, quasi-municipal, or public corporation organized pursuant to law.

(8) "Public utility" means one or more persons or corporations that provide electric or communication service to the public by means of electric or communication facilities and shall include any city, county, special district, or public corporation that provides electric or communication service to the public by means of electric or communication facilities.

(9) "Resolution" means ordinance, where the governing body properly acts by ordinance, or resolution, where the governing body is authorized to act by resolution.

(10) "Underground electric or communication facilities" means electric or communication facilities located, in whole or in part, beneath the surface of the ground, or facilities within the confines of a power substation. "Communication facilities" does not include facilities used or intended to be used for the transmission of intelligence by microwave or radio or outdoor public telephones. "Underground facilities" includes certain facilities even though such facilities remain above the surface, in accordance with standard underground practices, such as transformers, pull boxes, service terminals, meters, pedestal terminals, splice closures, apparatus cabinets, and similar facilities.

29-8-104. Powers conferred. (1) The governing body of every county is authorized to create local improvement districts under this article within the unincorporated portion of such county, and the governing body of every city and town is authorized to create local improvement districts under this article within its territorial limits to provide for the conversion of existing overhead electric or communication facilities to underground locations and the construction, reconstruction, or relocation of any other electric or communication facilities which may be incidental thereto, under the provisions of this article.

(2) The governing body of every municipal utility may, by resolution or ordinance, impose a surcharge on those consumers within such municipal utility's service area who derive a direct benefit from the conversion of overhead electric and communication facilities to underground locations.

29-8-105. Basis of assessments. When any improvement authorized to be made by any governing body by the terms of this article is ordered, the governing body shall provide for the apportionment of the cost and expenses thereof as in its judgment may be fair and equitable in consideration of the benefits accruing to the abutting, adjoining, contiguous, and adjacent lots and lands, and to the lots and lands otherwise benefited and included within the improvement district formed. Each lot and parcel of the land shall be separately assessed for the cost and expenses thereof in proportion to the number of square feet of such lands and lots abutting, adjoining, contiguous, and adjacent thereto or included in the improvement district, or assessed upon a frontage, zone, or other equitable basis, in accordance with the benefits, as the same may be determined by the governing

body. The entire cost of the improvement may be assessed against the benefited property as provided in this article or if money for paying part of such cost is available from any other source, the money so available may be so applied and the remaining cost so assessed against the benefited property. The cost and expenses to be assessed as provided in this article shall include the cost of the improvement, engineering and clerical service, advertising, cost of inspection, cost of collecting assessments, and interest upon bonds if issued, and for legal services for preparing proceedings and advising in regard thereto. Fee lands and property of public entities, such as the federal government, state of Colorado, or any county, city, or town, shall not be considered as lands or property benefited by any improvement district, and unless such public entity within the boundaries of an improvement district consents in writing, filed before the governing body adopts the resolution provided for in section 29-8-109, the lands and property of such public entity shall not be subject to assessment for the payment of any of the cost or expense of such improvement.

29-8-106. Resolution for cost and feasibility study. (1) Any governing body may on its own initiative, or upon a petition signed by at least a majority of the property owners owning at least a majority of the assessable land of any proposed district requesting the creation of an improvement district as provided in this article, pass a resolution at any regular or special meeting declaring that it finds that the improvement district is in the public interest. It must be determined that the formation of the local improvement district for the purposes set out in this article will promote the public convenience, necessity, and welfare.

(2) The resolution must state that the costs and expenses will be levied and assessed upon the property benefited and further request that each public utility serving such area by overhead electric or communication facilities shall make a study of the cost of conversion of its facilities in such area to underground service.

(3) The report of said study shall be provided to the governing body and made available in its office to all owners of land within the proposed improvement district. The resolution of the governing body shall require that the public utility be provided with the name and address of the owner of each parcel or lot within the proposed improvement district, if known, and if not known the description of the property and such other matters as may be required by the public utility in order to perform the work involved in the cost study.

(4) The resolution shall further state the governing body's preliminary determination as to the method of assessing each lot or parcel within the proposed improvement district area and shall provide the square feet or frontage feet of each lot or parcel, and zone or other information necessary for assessment in accordance with the governing body's preliminary determination. All public utilities serving such improvement district areas by overhead electric or communication facilities shall, within one hundred twenty days after receipt of the resolution, unless such time is extended, make a study of the costs of conversion of their facilities in such district to underground service, and the public utilities shall together provide to the governing body, and make available at their respective offices, a joint report as to the results of the study.

29-8-107. Bond of petitioners. At the time that action is commenced under section 29-8-

106, or at any time prior to the time of the hearing provided for in section 29-8-112, and if requested by the governing body or public utility, a bond shall be filed, with security approved by the governing body or cash deposit made sufficient to pay all expenses of the governing body connected with the proceedings and of the public utilities for actual time and expenses incurred in regard to the cost and feasibility study in case the organization of the district is not effected. If at any time during the organization proceedings the governing body is satisfied that the bond first executed or the amount of cash deposited is insufficient in amount, it, on its own initiative or at the request of a public utility, may require the execution of an additional bond or the deposit of additional cash within a time to be fixed, not less than ten days distant, and upon failure of the petitioners to file or deposit the same, the petition shall be dismissed.

29-8-108. Costs and feasibility report. (1) The public utility report shall set forth an estimate of the total underground conversion costs and shall also indicate the costs of underground conversion of facilities of the public utility located within the boundaries of the various parcels or lots then receiving service. The report shall also contain the public utility's recommendations concerning the feasibility of the project for the district proposed insofar as the physical characteristics of the district are concerned. The report shall make recommendations by the public utility concerning inclusion or exclusion of areas within the district or immediately adjacent to the district.

(2) The governing body shall give careful consideration to the public utility's recommendations concerning feasibility, recognizing its expertise in this area, and it may amend the boundaries of the proposed improvement district provided that the costs and feasibility report of the public utility contains a cost figure on the district as amended, or it may request a new costs and feasibility report from the public utility concerned on the basis of the amended district.

(3) The cost estimate contained in the report shall not be considered binding on the public utility if construction is not commenced within six months of the submission of the estimate, for reasons not within the control of the public utility. Should such a delay result in a significant increase of the conversion cost, new hearings shall be held on the creation of the district. If only a minor increase results, only the hearing on the assessments need be held again.

29-8-109. Resolution declaring intention to create district. On the filing with the clerk of any governing body of the cost and feasibility report by the public utility, as provided in section 29-8-108 and after considering the same, the governing body may, at any regular or special meeting, pass a resolution declaring its intention to create a local improvement district. The resolution shall state: That the costs and expenses of the district created are, except as otherwise provided for, to be levied and assessed upon the abutting, adjoining, and adjacent lots and lands along or upon which improvements are to be made, and upon lots and lands benefited by such improvements and included in the improvement district created; that it is the intention of the governing body to make such improvement which will promote public convenience, necessity, and welfare; and the area and boundaries of the proposed improvement district, the character of the proposed improvement, the estimated total cost of the same, and the intention of the governing body to hold a public hearing on

the proposed improvement.

29-8-110. Notice of public hearing on proposed improvement - contents. (1) Following the passage of the resolution in section 29-8-109, the governing body shall cause a notice of a public hearing on the proposed improvement to be given in the manner provided in section 29-8-111. Such notice shall:

(a) Describe the boundaries or area of the district with sufficient particularity to permit each owner of real property therein to ascertain that his property lies in the district;

(b) Describe in a general way the proposed improvement, specifying the streets or property along which it will be made and the nature of the benefits to the property within the district;

(c) State the estimated cost, as determined from the costs and feasibility report, and including the cost of the improvement and the cost of engineering and clerical service, advertising, inspection, collection of assessments, interests upon bonds, if issued, and for legal services for preparing proceedings and advising in regard thereto;

(d) State that it is proposed to assess the real property in the district to pay all or a designated portion of the cost of the improvement according to the benefits to be derived by each tract, block, lot, and parcel of land within the district, and the proposed means of apportioning such cost;

(e) State the time and place at which the governing body will conduct a public hearing upon the proposed improvement and on the question of benefits to be derived by the real property in the district;

(f) State that all interested persons will be heard and that any property owner will be heard on the question of whether his property will be benefited by the proposed improvement.

29-8-111. Notice of public hearing on proposed improvement - manner of giving. Such notice shall be published in full one time in a newspaper of general circulation in the district or, if there is no such newspaper, by publication in a newspaper of general circulation in the county, city, or town in which said district is located. A copy of such notice shall be mailed to the last known address of each owner of land within the proposed district whose property will be assessed for the cost of the improvement. The address to be used for said purpose shall be that last appearing on the real property records in the office of the county treasurer of the county wherein said property is located. In addition, a copy of such notice shall be addressed to "owner" and shall be so mailed, addressed to the street number of each piece of improved property to be affected by the assessment. Mailed notices and the published notice shall state where a copy of the resolution creating the district will be available for inspection by any interested parties.

29-8-112. Public hearing - changes in proposed improvements and area to be included in district. (1) On the date and at the time and place specified in the aforesaid notice, the governing body shall, in open and public session, hear all objections to the creation of the proposed district, the making of the proposed improvements, and the benefits accruing to any tract, block, lot, or parcel of land therein. Representatives of the public utility concerned shall be present at all such hearings.

Such hearing may be adjourned from time to time to a fixed future time and place. If at any time during the hearings it appears to the governing body that changes in the proposed improvements or the proposed district should be made, which, after consultation with the public utility concerned, appear to affect either the cost or feasibility of the improvements, the hearing shall be adjourned to a fixed future time and place and a new cost and feasibility report prepared on the basis of the contemplated changes.

(2) If action on the creation of the improvement district was initiated by petition as set forth in section 29-8-106, and if it appears that said petition is not signed by at least a majority of the property owners owning at least a majority of the assessable land of the proposed district, or if it is shown that the proposed improvement will not confer a general benefit on the district, or that the cost of the improvement would be excessive as compared with the value of the property in the district, the governing body shall thereupon dismiss the petition and adjudge the cost against those executing the bond filed to pay such costs. No appeal shall lie from the order dismissing said proceedings. Nothing in this section may prevent the filing of subsequent petitions for a similar district. The right to renew such a proceeding is expressly granted and authorized.

(3) After the hearing has been concluded and after all persons desiring to be heard have been heard, the governing body shall consider the arguments put forth and may make such changes in the area to be included in the district as it may consider desirable or necessary. However, no such changes shall be made unless a costs and feasibility report has been prepared on the basis of such changes.

(4) If at any time during the public hearing the governing body is presented with a petition signed by at least a majority of the property owners owning at least a majority of the assessable land of the proposed district protesting the proposed improvement, and such a petition is still outstanding at the close of the public hearing, the district and project shall be abandoned.

(5) If there is no such petition outstanding, the governing body, after consideration of matters brought forth at the public hearing, shall either abandon the district and project or adopt a resolution establishing the district and authorizing the project, either as described in the notice or with changes made as authorized in this section. Such resolution shall be published in the manner provided in section 29-8-111 but need not be mailed. If a resolution is adopted establishing the district, such resolution shall finally and conclusively establish the regular organization of the district against all persons, unless an action attacking the validity of the organization is commenced in a court of competent jurisdiction within thirty days after the adopting of such resolution. Such action shall be subject to the provisions of section 29-8-113. Thereafter, any such action shall be perpetually barred and the organization of said district shall not be directly or collaterally questioned in any suit, action, or proceeding.

29-8-113. Waiver of objections. Every person who has real property within the boundaries of the district and who fails to appear before the governing body at the hearing and make any objection he may have to the creation of the district, the making of the improvements, and the inclusion of his real property in the district shall be deemed to have waived every such objection. Such waiver shall not, however, preclude his right to object to the amount of the assessment at the

hearing for which provision is made in section 29-8-117.

29-8-114. Proposed assessment list. After a decision is made by a governing body to proceed with the district and project, it shall cause to be prepared an assessment list detailing the total amount to be assessed, the specific properties assessed, and the amount of assessment on each piece of property.

29-8-115. Proposed assessment resolution. After the preparation of the proposed assessment list, the governing body shall cause to be prepared for adoption at the hearing provided for in section 29-8-117, a resolution declaring the entire cost of improvement, including the cost of construction as determined from the costs and feasibility report, other incidental costs, legal and fiscal fees and costs, the cost of the publication of notices, and all other costs properly incident to the construction of the improvement and the financing and collecting thereof. Such resolution shall specify what share, if any, of the total cost is payable from sources other than the imposition of assessments, and shall incorporate the proposed assessment list provided for in section 29-8-114.

29-8-116. Notice of public hearing on proposed assessments. (1) After the preparation of the aforesaid resolution, notice of a public hearing on the proposed assessments shall be given. Such notice shall be published one time in a newspaper in which the first notice of hearing was published at least twenty days before the date fixed for the hearing, and shall be mailed not less than fifteen days prior to the date fixed for such hearing to each owner of real property whose property will be assessed for part of the cost of the improvement at the last known address of such owner, using for such purpose the names and addresses appearing on the last completed real property assessment rolls of the county wherein said affected property is located. In addition, a copy of such notice shall be addressed to "owner" and shall be so mailed, addressed to the street number of each piece of improved property to be affected by such assessment.

(2) Each notice shall state that at the specified time and place the governing body will hold a public hearing upon the proposed assessments and shall state that any owner of any property to be assessed pursuant to the resolution will be heard on the question of whether his property will be benefited by the proposed improvement to the amount of the proposed assessment against his property and whether the amount assessed against his property constitutes more than his proper proportional share of the total cost of the improvement.

(3) The notice shall further state where a copy of the resolution proposed to be adopted levying the assessments against all real property in the district will be on file for public inspection, and that subject to such changes and corrections therein as may be made by the governing body, it is proposed to adopt the resolution at the conclusion of the hearing.

(4) The public notice shall describe the boundaries or area of the district with sufficient particularity to permit each owner of real property therein to ascertain that his property lies in the district. The mailed notice may refer to the district by name and date of creation and shall state the amount of the assessment proposed to be levied against the real property of the person to whom the

notice is mailed. In the absence of fraud, the failure to mail any notice does not invalidate any assessment or any proceeding under this article.

29-8-117. Public hearing on proposed assessment resolution. (1) On the date and at the time and place specified in the aforesaid notice, the governing body shall, in open and public session, hear all arguments relating to the benefits accruing to any tract, block, lot, or parcel of land therein and the amounts proposed to be assessed against any such tract, block, lot, or parcel. The hearing may be adjourned from time to time to a fixed future time and place. After the hearing has been concluded and all persons desiring to be heard have been heard, the governing body shall consider the arguments presented and shall make such corrections in the assessment list as may be considered just and equitable. Such corrections may eliminate, may increase, or may decrease the amount of the assessment proposed to be levied against any piece of property. However, no increase of any proposed assessment shall be valid unless the owner of the property is given notice and an opportunity to be heard.

(2) After such corrections have been made, the governing body shall make a specific finding that no proposed assessment on the corrected assessment list exceeds the benefit to be derived from the improvement by the piece of property to be so assessed and that no piece of property so listed will bear more than its proper proportionate share of the cost of such improvement.

29-8-118. Adoption of the assessment resolution. After the public hearing has been concluded and all corrections made to the assessment list, the governing body shall proceed to adopt the assessment resolution. The adoption of such resolution shall be prima facie evidence of the fact that the property assessed is benefited in the amount of the assessments and that such assessments have been lawfully levied.

29-8-119. Assessment roll. The clerk of the governing body shall prepare a local assessment roll in book form showing in suitable columns each piece of land assessed, the total amount of assessment, the amount of each installment of principal and interest if, in pursuance of this article, the same is payable in installments, and the date when each installment will become due, with suitable columns for use, in case of payment of the whole amount or of any installment or penalty, and he shall deliver the same, duly certified, under seal as appropriate, to the proper officer for collection.

29-8-120. Payment of assessment. All assessments shall be due and payable within thirty days after the final publication of the assessing resolution without demand; except that all such assessments may be paid, at the election of the owner, in installments, with interest, as provided in section 29-8-121.

29-8-121. Installment payments. Failure to pay the whole assessment within said period of thirty days shall be conclusively considered to be an election on the part of all persons interested, whether under disability or otherwise, to pay in such installments. In case of such election, the assessment shall be payable in equal annual or semiannual installments of principal, the first of which installments shall be payable as prescribed by the governing body, and the last installment within not more than twenty years, with interest in all cases on the unpaid principal, payable annually or semiannually at a rate not exceeding the maximum net effective interest rate authorized by the governing body. The number of installments, the period of payments, the date of the initial payment, and the maximum net effective interest rate shall be determined by the governing body and set forth in the resolution required by section 29-8-115.

29-8-122. Failure to pay installments. Failure to pay any installment, whether of principal or interest, when due shall cause the whole of the unpaid principal to become due and collectable immediately, and the whole amount of the unpaid principal and accrued interest shall thereafter draw interest at the rate of one percent per month or fraction of a month until the day of sale; but at any time prior to the day of sale, the owner may pay the amount of all unpaid installments, with interest at one percent per month or fraction of a month, and all penalties accrued, and shall thereupon be restored to the right thereafter to pay in installments in the same manner as if the default had not been suffered.

29-8-123. Discount - assessment roll returned. Payment may be made to the city or town treasurer at any time within thirty days after the final publication of the assessing resolution and an allowance of five percent shall be made on all payments made during such period, but not thereafter. In the case of cities and towns, at the expiration of said thirty-day period, the city or town treasurer shall return the local assessment roll to the clerk, therein showing all payments made thereon, with the date of each payment. Said roll shall be certified by the city or town clerk under the seal of the city or town, and be hand delivered to the county treasurer of the same county, with his warrant for the collection of the same. The county treasurer shall show receipt for the same and all such rolls shall be numbered for convenient reference.

29-8-124. Sale of property for nonpayment. The county treasurer shall receive payment of all installment payments of assessments appearing upon the assessment roll, with interest. In case of default in the payment of any installment of principal or interest when due, the county treasurer shall advertise and sell any property concerning which such default is suffered for the payment of the whole of the unpaid assessment thereon. Said advertisements and sales shall be made at the same times, in the same manner, under all the same conditions and penalties, and with the same effect as provided by general law for sales of real estate in default of payment of general taxes.

29-8-125. Owner of interest may pay share. The owner of any divided or undivided

interest in the property assessed may pay his share of any assessment, upon producing evidence of the extent of his interest, satisfactory to the treasurer having the roll in charge.

29-8-126. When collections paid city. In the case of improvement districts located within cities or towns, all collections made by the county treasurer upon such assessment roll in any calendar month shall be accounted for and paid over to the city or town treasurer on or before the tenth day of the next succeeding calendar month, with separate statements for all such collections for each improvement district.

29-8-127. Assessment lien. All assessments made under this article, together with all interest thereon and penalties for default in payment thereof, and all costs in collecting the same, shall constitute, from the date of the final publication of the assessing resolution, a perpetual lien in the several amounts assessed against each lot or tract of land, and shall have priority over all other liens excepting general tax liens. No sale of property for the nonpayment of taxes or other special assessments shall extinguish the lien of other than the taxes or special assessments for the nonpayment of which such sale is had.

29-8-128. Advance payment of assessment installments. The governing body may, in the resolution levying the assessments, provide that all unpaid installments of assessments levied against any piece of property may (but only in their entirety) be paid prior to the dates on which they become due, if the property owner paying such installments pays all interest which would accrue thereon to the next succeeding date on which interest is payable on the bonds issued in anticipation of the collection of the assessments. In addition, the property owner must pay such additional amount of interest as in the opinion of the governing body is necessary to assure the availability of money fully sufficient to pay interest on the bonds as interest becomes due, and any redemption premiums which may become payable on the bonds in order to retire, in advance of maturity, bonds in a sufficient amount to utilize the assessments thus paid in advance. If no bonds have been issued, then all unpaid installments of assessments levied against any piece of property may be paid in their entirety prior to the date upon which they become due by paying the principal amount due and the interest accrued thereon to the date of payment.

29-8-129. Issuance of bonds. (1) After the expiration of thirty days from the effective date of the resolution levying the assessments, the governing body may borrow money and issue negotiable interest-bearing bonds in a principal amount not exceeding the unpaid balance of the assessments levied. The bonds shall be authorized by resolution of the governing body. The resolution shall prescribe the form of said bonds, the manner of their execution, which may be effected by the use of the facsimile signatures of the officers of the governing body in accordance with the laws of the state in effect at the time of their execution, shall provide for the terms thereof, including the maximum net effective interest rate for the issue of bonds, and may direct that the

bonds shall be sold at public or private sale at or below par. The bonds shall not be sold at a price such that the net effective interest rate of the issue of bonds exceeds the maximum net effective interest rate authorized.

(2) The governing body shall prescribe other details in connection with the issue of bonds. The bonds so authorized shall mature serially over a period of not exceeding twenty years, but in no event shall such bonds extend over a longer period of time than the period of time over which such installments of special assessments are due and payable and ninety days thereafter.

(3) The bonds shall be of such form and denomination and shall be payable in principal and interest at such times and place, and shall be sold, authorized, and issued in such manner as the governing body may determine. The bonds shall be dated no earlier than the date on which the special assessment shall begin to bear interest, and shall be secured by and payable from the irrevocable pledge and dedication of the funds derived from the levy and collection of the special assessments in anticipation of the collection of which they are issued. Said resolution and bonds may also include such other terms or recitals which, in the judgment of the governing body, are necessary or proper to render the same marketable.

(4) Any premium received on the sale of the bonds may be applied as other bond proceeds or if not so applied, the same shall be placed in the fund for the payment of principal of and interest on the bonds. The bonds shall be callable for redemption from the proceeds of the sale of any property sold for the nonpayment of special assessments, but not otherwise unless the bonds on the face thereof provide for redemption prior to maturity. The governing body may provide that the bonds shall be redeemable on any interest payment date prior to maturity pursuant to such notice and at such premiums as it deems advisable. Interest may be evidenced by interest coupons attached to such bonds and signed with a facsimile signature, as above provided, of one of the individuals who signed the bonds.

(5) In connection with the issuance of bonds payable solely from special assessments, the governing body may provide for the submission of the question of issuing such bonds to the registered electors eligible to vote on the question. For local improvement districts created by the governing body of any county pursuant to this article, the governing body may provide that all registered electors of the county shall be eligible to vote on the question or that only registered electors who are owners of property within or residents of the district shall be eligible to vote. For local improvement districts created by the governing body of any city or town pursuant to this article, the governing body may provide that all registered electors of the city or town shall be eligible to vote on the question or that only registered electors who are owners of property within or residents of the district shall be eligible to vote.

(6) In connection with the issuance of bonds payable from special assessments which are additionally secured by a pledge of any other funds of the county, city, or town, the governing body may provide for the submission of the question of issuing the bonds to all registered electors of the county, city, or town.

29-8-130. Civil action - grounds. (1) No civil action shall be brought or maintained to enjoin the collection of assessments or otherwise test the validity of assessments levied under this article except upon the following grounds:

(a) That notice of a hearing upon the amount of the assessment was not given as required in this article. Any person presenting objections to the governing body at or before the hearing on assessments shall be deemed to have waived this ground.

(b) That the hearing upon the amount of the assessment as provided in this article was not held;

(c) That the improvement ordered was not one authorized by this article;

(d) That the assessment levied exceeds the benefits received by the property assessed.

(2) Every person whose property is subject to such special assessment and who fails to appear during the public hearings on said assessment to raise his objection to such assessment shall be deemed to have waived all objection to such assessment, except objections on grounds specified in subsections (1) (a) and (1) (b) of this section. Any action brought under this article shall be commenced within thirty days after the passage of the assessing resolution or else be thereafter perpetually barred. Any such action shall be given preference in the courts of the state. If such action is unsuccessful, the courts may order the plaintiff to pay the costs thereof, and, in its discretion, may require a bond in a sufficient amount to cover such costs at the commencement of such action. The burden of proof to show that such special assessment or part thereof is invalid, inequitable, or unjust shall rest upon the party who brings such suit.

29-8-131. Conversion costs. (1) In determining the conversion costs included in the costs and feasibility report required by section 29-8-108, the public utility shall be entitled to amounts sufficient to repay them, with a reasonable allowance for overhead expense, for the following, as computed and reflected by the uniform system of accounts approved by the public utilities commission or federal communications commission, or in the event the public utility is not subject to regulation by either of the above governmental agencies, by the public utility's system of accounts then in use and in accordance with standard accounting procedures of said public utility:

(a) The original costs less depreciation taken of the existing overhead electric and communication facilities to be removed;

(b) The estimated costs of removing such overhead electric and communication facilities, less the salvage value of the facilities removed;

(c) If the estimated cost of constructing underground facilities exceeds the original cost of existing overhead electric and communication facilities, then the difference between the two;

(d) The cost of obtaining new easements when technical considerations make it reasonably necessary to utilize easements for the underground facilities different from those used for aboveground facilities, or where the preexisting easements are insufficient for the underground facilities.

(2) However, in the event that conversion costs are included in tariffs, rules, or regulations filed and in effect with the public utilities commission, such conversion costs shall be the cost included in the costs and feasibility report.

29-8-132. Maintenance, construction, and title to converted facilities. The public utility has the duty to maintain, repair, and replace all underground facilities installed under this article.

There shall be no competitive bidding as to the construction of the converted facilities since existing facilities are owned, maintained, and operated by the public utility and the continuity of service of the utility is essential, both of which make construction work by third persons impracticable. Therefore, the public utility concerned shall be responsible for the accomplishment of all construction work and may contract out such of the construction work as it deems desirable. Title to the converted facilities shall be at all times solely and exclusively in the public utility involved, as the public is only purchasing the intangible benefits which come from converted facilities, that is, the removal of the overhead facilities and replacement by underground facilities.

29-8-133. Conversion costs and service connection. (1) The public utility performing the conversion shall, at the expense of the property owner, convert to underground all electric and communication service facilities located upon any lot or parcel of land within the improvement district and not within the easement for distribution. This shall include the digging and the back filling of a trench upon such lot or parcel, unless the owner executes a written objection thereto and files the same with the clerk of the governing body not later than the date set for hearing objections to the improvement district as provided by law. Failure to file such written objection shall be taken as a consent and grant of easement to the public utility and shall be construed as express authority to the public utility and their respective officers, agents, and employees to enter upon such lot or parcel for such purpose, and, through failure to object, any right of protest or objection with respect to the doing of such work shall be waived. If an owner does file such written objection, he shall then be responsible for providing a trench which is in accordance with applicable rules, regulations, or tariffs from the owner's service entrance to a point designated by the public utility and for back filling a trench following installation of the underground service by the public utility involved.

(2) In any event, the cost of any work done by the public utility shall be included in the assessment to be levied upon such lot or parcel. Should a written objection be filed as provided in subsection (1) of this section, the owner involved shall be obligated for and the public utility involved shall be entitled to payment for the actual cost for such work accomplished upon the owner's property by the public utility; such amount shall be less than the cost if the public utility had performed the trenching and back filling.

(3) The owner shall, at his expense, make all necessary changes in the service entrance equipment to accept underground service.

29-8-134. Notice of possible disconnection. There shall be included in the notice of the public hearing concerning the improvements required by section 29-8-110 notice that all owners of land within the local improvement district may file written requests for inclusion of the cost of conversion of utility facilities upon their property within the contemplation of section 29-8-133. Such notice shall further advise that any owner who does not execute the objections provided for in section 29-8-133, or otherwise provide for underground service connections to his property, in a manner satisfactory to the public utility involved, shall be subject to disconnection from the electric or communication facilities providing service to all buildings, structures, and improvements located upon the lot or parcel.

29-8-135. Notice of disconnection. If the owner or person in possession of any lot or parcel of land prevents entrance upon the lot or parcel for conversion purposes, or fails to perform under section 29-8-133 and has not otherwise provided for underground service connections to the property in a manner satisfactory to the public utility involved, within sixty days from the time the converted facilities are ready for connection to the property, the electric or communication service shall be disconnected and removed and all overhead electric or communication facilities providing service to any building, structure, and improvement located upon such lot or parcel shall be disconnected. Written notice of disconnection shall be given at least twenty days prior to disconnection by leaving a copy of such notice at the principal building, structure, or improvement located upon such lot or parcel.

29-8-136. Payment of public utility. Upon completion of the conversion contemplated by this article, the public utility shall present the governing body with its verified bill for conversion costs, as computed under section 29-8-131, but based upon the actual cost of constructing the underground facility rather than the estimated cost of the facility. In no event shall the bill for conversion cost presented by the public utility exceed the amount of estimated conversion costs by the public utility. In the event the conversion costs are less than the estimated conversion costs, each owner within the improvement district shall receive the benefit, prorated in such form and at such time as the governing body determines. The bill of the public utility shall be paid within thirty days by the governing body from the improvement district funds or such other source as is properly designated by the governing body. In determining the actual cost of constructing the underground facility, the public utility shall use its standard accounting procedures, such as the uniform system of accounts as defined by the federal communications commission and as is in use at the time of the conversion by the public utility involved, as described in section 29-8-131.

29-8-137. Reinstallation of overhead facilities not permitted. Once removed, no overhead electric or communication facilities may be installed in a local improvement district for conversion of overhead electric and communication facilities.

29-8-137.5. Applicability to cable operators. This article shall apply to the overhead communication facilities of cable operators, and those provisions that refer to a public utility or public utilities shall also apply to cable operators.

29-8-138. No limitation on public utilities commission jurisdiction or franchises. Nothing contained in this article shall vest any jurisdiction over any public utility in the governing bodies. The public utilities commission shall retain all jurisdiction conferred on it by law. Nothing contained in this article shall be interpreted in such a way as to be in conflict with franchises

granted to any public utility, and in the event of any conflict, such franchises shall control over the requirements of this article.

29-8-139. Nonseverability. If any provision of this article is held invalid, such invalidity shall invalidate this article in its entirety, and to this end the provisions of this article are declared to be nonseverable.

29-8-140. Abatement of construction. If an improvement district is established under this article, the public utility involved shall not be required to commence conversion until the resolution, the assessment roll, and issuance of bonds have become final and no civil action has been filed, or if civil action has been filed, until the decision of the court upon the action has become final and is not subject to further appeal.

29-8-141. Early hearings. All cases in which there may arise a question of validity of the organization of a district or a question of the validity of any proceeding under this article shall be advanced as a matter of immediate public interest and concern and heard at the earliest practicable moment. The courts shall be open at all times for the purpose of this article.

29-8-142. Liberal construction. This article, being necessary to secure and preserve the public health, safety, and general welfare, shall be liberally construed to effect its purpose.

ARTICLE 9

Public Meetings

29-9-101. (Repealed)

ARTICLE 10

Seals

29-10-101. Seals. Whenever this title requires the use of a seal in the performance of any duties, it shall be sufficient that a rubber stamp with a facsimile affixed thereon of the seal required to be used is placed or stamped upon the document requiring the seal with indelible ink.

ARTICLE 10.5

Flag of the United States

29-10.5-101. Display of flag of the United States - legislative declaration - definitions. (1) Any local government that purchases a flag of the United States for display may only display such flag if it has been made in the United States.

(2) For purposes of this article, "local government" means a county, a municipality as defined in section 31-1-101 (6), C.R.S., a school district, or a special district formed in accordance with the provisions of title 32, C.R.S.

(3) The general assembly hereby finds and declares that the matter addressed in this article is a matter of statewide concern.

ARTICLE 11

Emergency Telephone and Nonemergency Referral Services

PART 1

EMERGENCY TELEPHONE SERVICE

29-11-100.5. Legislative declaration - provision of emergency service to wireless and multi-line telephone service users. (1) The general assembly hereby finds and declares that dialing 9-1-1 is the most effective and familiar way the public has of seeking emergency assistance. The amendments to this part 1 made in Senate Bill 97-132, enacted at the first regular session of the sixty-first general assembly, are intended to provide a funding mechanism for 9-1-1 and enhanced 9-1-1 service for wireless service users. Enhanced 9-1-1 permits rapid response in situations where callers are unable to relay their phone number or location. Public safety answering points will need to make extensive changes in, and additions to, existing equipment to provide enhanced 9-1-1 service to wireless service users. To do so, public safety answering points must have the resources

to purchase and update equipment, software, and training. A mechanism for recovery of costs reasonably incurred by wireless carriers, service suppliers, and basic emergency service providers in the acquisition and transmission of 9-1-1 information to public safety answering points is necessary to ensure that wireless service users receive the same level of 9-1-1 service as wireline service users.

(2) The general assembly further finds and declares that public safety agencies increasingly rely on enhanced 9-1-1 to provide dependable and precise information about the 9-1-1 caller's location and an accurate telephone number to reach the caller. Many multi-line telephone systems do not provide precise information about the 9-1-1 caller's location or telephone number. Inadequate location information can be life threatening if the caller is unable to verbalize the correct location. Not knowing an accurate location for a caller can result in a delay in service. In addition, many end-use customers of multi-line telephone systems do not know how to dial a 9-1-1 call from such telephones. Disclosure about 9-1-1 dialing and about the location identification capability of multi-line telephone systems are necessary first steps to ensure that multi-line telephone system service users can obtain emergency assistance by dialing 9-1-1.

(3) Nothing in this part 1 should be construed to alter the method of regulation or deregulation of providers of telecommunications service as set forth in article 15 of title 40, C.R.S.

29-11-101. Definitions. As used in this article, unless the context otherwise requires:

(1) "Automatic location identification" ("ALI") means the automatic display, on equipment at the PSAP, of the location of the caller's telephone number, the address for the telephone, including nonlisted and nonpublished numbers and addresses, and other information about the caller's precise location.

(1.1) "Automatic number identification" ("ANI") means the automatic display, on equipment at the PSAP, of the caller's telephone number.

(1.2) "Basic emergency service provider" ("BESP") means any person authorized by the commission to undertake the aggregation and transportation of 911 calls to a PSAP.

(1.3) "Commission" or "public utilities commission" means the public utilities commission of the state of Colorado, created in section 40-2-101, C.R.S.

(1.5) "Emergency notification service" means an informational service that, upon activation by a public safety agency, uses the 911 database or a database derived from the 911 database to rapidly notify all telephone customers within a specified geographic area of hazardous conditions or emergent events that threaten their lives or property, including, without limitation, floods, fires, and hazardous materials incidents.

(1.6) "Emergency service provider" means a primary provider of emergency fire fighting, law enforcement, ambulance, emergency medical, or other emergency services.

(1.7) "Emergency telephone charge" means a charge to pay the equipment costs, the installation costs, and the directly-related costs of the continued operation of an emergency telephone service according to the rates and schedules filed with the public utilities commission, if applicable.

(2) "Emergency telephone service" means a telephone system utilizing the single three-digit number 911 for reporting police, fire, medical, or other emergency situations.

(2.5) "Equipment supplier" means any person providing telephone or other equipment

necessary for an emergency telephone service to any public agency or governing body in this state, through lease or sale.

(3) "Exchange access facilities" means the access from a specific customer's premises to the telecommunications network to effect the transfer of information.

(4) "Governing body" means the board of county commissioners of a county or the city council or other governing body of a city, city and county, or town or the board of directors of a special district.

(4.3) "Interconnected voice-over-internet-protocol service" means a service that:

- (a) Enables real-time, two-way voice communications;
- (b) Requires a broadband connection from the service user's location;
- (c) Requires internet protocol-compatible customer premises equipment; and
- (d) Permits service users generally to receive calls that originate on the public switched telephone network and to terminate calls to the public switched telephone network.

(4.5) "MLTS operator" means the person that operates an MLTS from which an end-user may place a 911 call through the public switched network.

(4.6) "Multi-line telephone system" ("MLTS") means a system comprised of common control units, telephones, and control hardware and software providing local telephone service to multiple end-use customers in businesses, apartments, townhouses, condominiums, schools, dormitories, hotels, motels, resorts, extended care facilities, or similar entities, facilities, or structures. "Multi-line telephone system" includes:

- (a) Network and premises-based systems such as centrex, pbx, and hybrid-key telephone systems; and
- (b) Systems owned or leased by governmental agencies, nonprofit entities, and for-profit businesses.

(5) "Person" means any individual, firm, partnership, copartnership, joint venture, association, cooperative organization, corporation (municipal or private and whether organized for profit or not), governmental agency, state, county, political subdivision, state department, commission, board, or bureau, fraternal organization, nonprofit organization, estate, trust, business or common law trust, receiver, assignee for the benefit of creditors, trustee, or trustee in bankruptcy or any other service user.

(5.5) "Prepaid wireless telecommunications service" means wireless telecommunications access that allows a caller to dial 911 to access the 911 system, is paid for in advance, and is sold in predetermined units or dollars, of which the number of units or dollars available to the caller declines with use in a known amount.

(6) "Public agency" means any city, city and county, town, county, municipal corporation, public district, or public authority located in whole or in part within this state which provides or has the authority to provide fire fighting, law enforcement, ambulance, emergency medical, or other emergency services.

(6.5) "Public safety answering point" ("PSAP") means a facility equipped and staffed on a 24-hour basis to receive and process 911 calls.

(6.7) "Rates" means the rates billed by a service supplier pursuant to tariffs, price lists, or contracts, which rates represent the service supplier's recurring charges for exchange access facilities or their equivalent, exclusive of all taxes, fees, licenses, or similar charges.

(7) "Service supplier" means a person providing exchange telephone services, a person providing telecommunications service via wireless carrier, and a person providing interconnected voice-over-internet-protocol service to any service user in this state, either directly or by resale.

(8) "Service user" means a person who is provided exchange telephone service, a person who is provided telecommunications service via wireless carrier, and a person who is provided interconnected voice-over-internet-protocol service in this state.

(9) (Deleted by amendment, L. 97, p. 572, § 2, effective April 30, 1997.)

(10) "Telecommunications service" has the meaning set forth in section 40-15-102 (29), C.R.S.

(11) "Wireless automatic location identification" ("wireless ALI") means the automatic display, on equipment at the PSAP, of the location of the wireless service user initiating a 911 call to the PSAP.

(12) "Wireless automatic number identification" ("wireless ANI") means the mobile identification number of the wireless service user initiating a 911 call to the PSAP.

(13) "Wireless carrier" means a cellular licensee, a personal communications service licensee, and certain specialized mobile radio providers designated as covered carriers by the federal communications commission in 47 CFR 20.18 and any successor to such rule.

(14) "Wireless communications access" means the radio equipment and assigned mobile identification number used to connect a wireless customer to a wireless carrier for two-way interactive voice or voice-capable services.

29-11-102. Imposition of charge - liability of user for charge - collection - uncollected amounts - rules. (1) (a) In addition to any other powers for the protection of the public health, a governing body may incur any equipment, installation, and other directly related costs for the continued operation of an emergency telephone service as further described in section 29-11-104, and may pay such costs by imposing an emergency telephone charge for such service in those portions of the governing body's jurisdiction for which emergency telephone service will be provided. The governing body may do such other acts as may be expedient for the protection and preservation of the public health and as may be necessary for the acquisition of equipment, for the provision of initial services, and for the operation of the emergency telephone service.

(b) If the emergency telephone service is to be provided for territory which is included in whole or in part in the jurisdiction of the governing bodies of two or more public agencies which are the primary providers of emergency fire fighting, law enforcement, ambulance, emergency medical, or other emergency services, the agreement for such service with a BESP or any equipment supplier shall be entered into by each such governing body unless any such body expressly excludes itself therefrom. Any such agreement shall provide that each governing body that is a customer of such service shall make payment therefor from charges imposed under paragraph (a) of this subsection (1), unless all such customers make payments therefor from general revenues. Nothing in this paragraph (b) shall be construed to prevent two or more such governing bodies from entering into a contract under part 2 of article 1 of this title and to establish a separate legal entity thereunder to enter into such an agreement as the customer of the BESP or any equipment supplier.

(2) (a) The governing body is hereby authorized, by ordinance in the case of cities and by

resolution in the case of counties or special districts, to impose such charge in an amount not to exceed seventy cents per month per exchange access facility, per wireless communications access, and per interconnected voice-over-internet-protocol service in those portions of the governing body's jurisdiction for which emergency telephone service will be provided.

(b) In the event the governing body determines that a charge in excess of seventy cents per month is necessary in order to provide continued and adequate emergency telephone service, the governing body shall obtain from the public utilities commission approval of such higher charge before the imposition thereof.

(c) Regardless of the level at which the charge is set, the amount of the charge imposed per exchange access facility, per wireless communications access, and per interconnected voice-over-internet-protocol service shall be equal.

(d) The proceeds of the charge shall be utilized to pay for emergency telephone service, as set forth in section 29-11-104 (2), and may be imposed at any time after the governing body requests such service from the provider or, in the case of wireless carriers, at any time after the governing body requests wireless ANI or wireless ALI from the wireless carrier.

(e) This subsection (2) shall not apply to prepaid wireless telecommunications services.

(3) Such charge shall be imposed only upon service users whose address is in those portions of the governing body's jurisdiction for which emergency telephone service shall be provided; however, such charge shall not be imposed upon any state or local governmental entity.

(4) Every billed service user shall be liable for any charge imposed under this article until it has been paid to the service supplier.

(5) The duty to collect or pay any charge imposed under the authority of this article shall commence at such time as may be specified by the governing body. Charges imposed under the authority of this article and required to be collected by the service supplier shall be added to and may be stated separately in the billings, if any, to the service user.

(6) The service supplier shall have no obligation to take any legal action to enforce the collection of any charge imposed under the authority of this article. Such action may be brought by or in behalf of the public agency imposing the charge or the separate legal entity formed pursuant to paragraph (b) of subsection (1) of this section. The service supplier shall annually provide the governing body a list of the amounts uncollected along with the names and addresses of those service users that carry a balance that can be determined by the service supplier to be the nonpayment of any charge imposed under the authority of this article. The service supplier shall not be held liable for such uncollected amounts that have been billed to the service user.

(7) Any charge imposed under the authority of this article shall be collected insofar as practicable at the same time as, and along with, the charges for the rate in accordance with the regular billing practice of the service supplier. The rates determined by or stated on the billing of the service supplier are presumed to be correct if such charges were made in accordance with the service supplier's business practices. The presumption may be rebutted by evidence which establishes that an incorrect rate was charged.

29-11-102.5. Imposition of charge on prepaid wireless - rules - prepaid wireless trust cash fund - definitions. (1) As used in this section:

(a) "Consumer" means a person who purchases prepaid wireless telecommunications service in a retail transaction.

(b) "Department" means the department of revenue.

(c) "Prepaid wireless E911 charge" means the charge that is required to be collected by a seller from a consumer under subsection (2) of this section.

(d) "Provider" means a person that provides prepaid wireless telecommunications service.

(e) "Retail transaction" means the purchase of prepaid wireless telecommunications service from a seller for any purpose other than resale.

(f) "Seller" means a person who sells prepaid wireless telecommunications service to another person.

(2) (a) A prepaid wireless E911 charge of one and four-tenths percent of the price of the retail transaction is hereby imposed on each retail transaction.

(b) (I) The seller shall collect the prepaid wireless E911 charge from the consumer on each retail transaction occurring in this state. The amount of the prepaid wireless E911 charge shall be either disclosed to the consumer or separately stated on an invoice, receipt, or other similar document the seller provides to the consumer. A seller shall elect to either disclose or separately state the charge and shall not change the election without the written consent of the department.

(II) For purposes of this paragraph (b), a retail transaction occurs in Colorado if:

(A) The consumer effects the retail transaction in person at a business location in Colorado;

(B) If sub-subparagraph (A) of this subparagraph (II) does not apply, the product is delivered to the consumer at a Colorado address provided to the seller;

(C) If sub-subparagraphs (A) and (B) of this subparagraph (II) do not apply, the seller's records, maintained in the ordinary course of business, indicate that the consumer's address is in Colorado and the records are not made or kept in bad faith;

(D) If sub-subparagraphs (A) to (C) of this subparagraph (II) do not apply, the consumer gives a Colorado address during the consummation of the sale, including the consumer's payment instrument if no other address is available, and the address is not given in bad faith; or

(E) If sub-subparagraphs (A) to (D) of this subparagraph (II) do not apply, the mobile telephone number is associated with a Colorado location.

(c) The prepaid wireless E911 charge is the liability of the consumer and not of the seller or of any provider; except that the seller shall be liable to remit all prepaid wireless E911 charges that the seller collects from consumers as provided in subsection (3) of this section. The seller shall be deemed to have collected the charge notwithstanding that the amount of the charge has neither been separately disclosed nor stated on an invoice, receipt, or other similar document the seller provides to the consumer.

(d) The amount of the prepaid wireless E911 charge that is collected by a seller from a consumer shall not be included in the base for measuring any tax, fee, surcharge, or other charge that is imposed by this state, any political subdivision of this state, or any intergovernmental agency.

(3) (a) The seller shall remit any collected prepaid wireless E911 charges to the department at the times and in the manner provided in part 1 of article 26 of title 39, C.R.S. The department shall establish, by rule, registration and payment procedures that substantially coincide with the registration and payment procedures that apply under part 1 of article 26 of title 39, C.R.S. A seller

is subject to the penalties under part 1 of article 26 of title 39, C.R.S., for failure to collect or remit a prepaid wireless E911 charge in accordance with this section.

(b) (I) Effective July 1, 2011, a seller may deduct and retain three and three-tenths percent of the prepaid wireless E911 charges that are collected by the seller from consumers.

(II) Repealed.

(c) The audit and appeal procedures applicable to the state sales tax under part 1 of article 26 of title 39, C.R.S., shall apply to prepaid wireless E911 charges.

(d) The department shall establish procedures by which a seller may document that a transaction is not a retail transaction, which procedures shall substantially coincide with the procedures for documenting that a sale was wholesale for purposes of the sales tax under part 1 of article 26 of title 39, C.R.S.

(e) (I) Remittances of prepaid wireless E911 charges received by the department are collections for the local governing body, not general revenues of the state, and shall be held in trust in the prepaid wireless trust cash fund, which is hereby created. Except as provided in subparagraph (II) of this paragraph (e), the department shall transmit the moneys in the fund to each governing body within sixty days after the department receives the money in accordance with section 29-2-106 for use by such governing body for the purposes permitted under section 29-11-104.

(II) The department may expend an amount, not to exceed three percent of the collected charges in the prepaid wireless trust cash fund, necessary to reimburse the department for its direct costs of administering the collection and remittance of prepaid wireless E911 charges; except that the department may expend up to an additional four hundred fifty thousand dollars from January 1, 2011, through January 1, 2012, to cover the initial cost of establishing the collection and remittance process.

(III) The public utilities commission shall establish a formula for distribution of revenues from the prepaid wireless E911 charge based upon the governing authority's portion of the total 911 wireless call volume. The public utilities commission, or its designee, shall collect and transmit the percentage of wireless calls processed by each public safety answering point to the department by November 15 of each year. The public utilities commission may promulgate rules to implement this subparagraph (III).

(4) The prepaid wireless E911 charge imposed by this section shall be the only direct E911 funding obligation imposed with respect to prepaid wireless telecommunications service in this state. No tax, fee, surcharge, or other charge to fund E911 shall be imposed by this state, any political subdivision of this state, or any intergovernmental agency upon a provider, seller, or consumer with respect to the sale, purchase, use, or provision of prepaid wireless telecommunications service.

29-11-102.7. Imposition of telecommunications relay service surcharge on prepaid wireless - rules - definitions. (1) As used in this section, unless the context otherwise requires:

(a) "Consumer" means a person who purchases prepaid wireless telecommunications service in a retail transaction.

(b) "Department" means the department of revenue.

(c) "Prepaid wireless TRS charge" means the charge that is required to be collected by a seller from a consumer under subsection (2) of this section.

(d) "Provider" means a person that provides prepaid wireless telecommunications service.

(e) "Retail transaction" means the purchase of prepaid wireless telecommunications service from a seller for any purpose other than resale.

(f) "Seller" means a person who sells prepaid wireless telecommunications service to another person.

(g) "TRS charge" means a telecommunications relay service surcharge imposed pursuant to section 40-17-103 (3) (b.5), C.R.S.

(2) (a) A prepaid wireless TRS charge of one-tenth of one percent of the price of the retail transaction is hereby imposed on each retail transaction.

(b) (I) Along with the prepaid wireless E911 charge, as defined in section 29-11-102.5 (1) (c) and collected under section 29-11-102.5 (2), the seller shall collect the prepaid wireless TRS charge from the consumer on each retail transaction occurring in this state. The amount of the prepaid wireless TRS charge shall be either disclosed to the consumer or separately stated on an invoice, receipt, or other similar document the seller provides to the consumer. The amount of the prepaid wireless TRS charge and the amount of the prepaid wireless E911 charge may be stated on an invoice, receipt, or other documentation together as a single line item and as a single charge. A seller shall elect to either disclose or separately state the charge and shall not change the election without the written consent of the department.

(II) For purposes of this paragraph (b), a retail transaction occurs in Colorado if one of the circumstances set forth in section 29-11-102.5 (2) (b) (II) is met.

(c) The prepaid wireless TRS charge is the liability of the consumer and not of the seller or of any provider; except that the seller shall be liable to remit all prepaid wireless TRS charges that the seller collects from consumers as provided in subsection (3) of this section. The seller is deemed to have collected the charge notwithstanding that the amount of the charge has neither been separately disclosed nor stated on an invoice, receipt, or other similar document the seller provides to the consumer.

(d) The amount of the prepaid wireless TRS charge that is collected by a seller from a consumer shall not be included in the base for measuring any tax, fee, surcharge, or other charge that is imposed by this state, any political subdivision of this state, or any intergovernmental agency.

(3) (a) The seller shall remit any collected prepaid wireless TRS charges to the department at the times and in the manner provided in part 1 of article 26 of title 39, C.R.S. The department shall establish, by rule, registration and payment procedures that substantially coincide with the registration and payment procedures that apply under part 1 of article 26 of title 39, C.R.S. A seller may remit prepaid wireless TRS charges and prepaid wireless E911 charges, as defined in section 29-11-102.5 (1) (c), together to the department of revenue as a single remittance. A seller is subject to the penalties under part 1 of article 26 of title 39, C.R.S., for failure to collect or remit a prepaid wireless TRS charge in accordance with this section.

(b) Effective September 1, 2016, a seller may deduct and retain three and three-tenths percent of the prepaid wireless TRS charges that are collected by the seller from consumers.

(c) The audit and appeal procedures applicable to the state sales tax under part 1 of article 26 of title 39, C.R.S., shall apply to prepaid wireless TRS charges.

(d) The department shall establish procedures by which a seller may document that a transaction is not a retail transaction, which procedures shall substantially coincide with the

procedures for documenting that a sale was wholesale for purposes of the sales tax under part 1 of article 26 of title 39, C.R.S.

(4) The department shall transmit the money collected pursuant to this section to the state treasurer who shall credit the money to the Colorado telephone users with disabilities fund created in section 40-17-104 (1), C.R.S.

(5) The prepaid wireless TRS charge imposed by this section is the only direct telecommunications relay service funding obligation imposed with respect to prepaid wireless telecommunications service in this state. No tax, fee, surcharge, or other charge to fund telecommunications relay service shall be imposed by this state, any political subdivision of this state, or any intergovernmental agency upon a provider, seller, or consumer with respect to the sale, purchase, use, or provision of prepaid wireless telecommunications service.

29-11-103. Remittance of charge to governing body - administrative fee - establishment of rate of charge. (1) Any charge imposed under the authority of this article and the amounts required to be collected or paid are to be remitted monthly. The amount of the charge collected or paid in one month by the service supplier shall be remitted to the governing body no later than thirty days after the close of that month. On or before the sixtieth day of each calendar quarter, a return for the preceding quarter shall be filed with the governing body in such form as the governing body and service supplier shall agree upon. The service supplier required to file the return shall deliver the return, together with a remittance of the amount of the charge payable, to the office of the governing body. The service supplier shall maintain a record of the amount of each charge collected pursuant to this article. Such record shall be maintained for a period of one year after the time the charge was collected.

(2) From every remittance to the governing body made on or before the date when the same becomes due, the service supplier required to remit the same shall be entitled to deduct and retain two percent of said remittance.

(3) (a) At least once each calendar year, the governing body shall establish a rate of charge, not to exceed the amount authorized, that together with any surplus revenues carried forward will produce sufficient revenues to fund the expenditures authorized by this article. Amounts collected in excess of such necessary expenditures within a given year shall be carried forward to subsequent years and shall be used in accordance with section 29-11-104 (2). Immediately upon determining such rate, the governing body shall publish in its minutes the new rate, and if the rate has been changed from the prior rate, it shall notify by registered mail every service supplier at least sixty days before such new rate will become effective.

(b) The governing body may, at its own expense, require an annual audit of the service supplier's books and records concerning the collection and remittance of the charge authorized by this article. Public inspection of the audit and of documents reviewed in the audit shall be subject to section 24-72-204, C.R.S.

29-11-104. Agreements or contracts for emergency telephone service - use of funds collected. (1) Any governing body imposing the charge authorized by this article may enter into an

agreement directly with the supplier of the emergency telephone service or may contract and cooperate with any public agency or with other states or their political subdivisions or with any association or corporation for their political subdivisions or with any association or corporation for the administration of emergency telephone service as provided by law.

(2) (a) (I) Except as otherwise provided in paragraph (b) of this subsection (2), funds collected from the charges imposed pursuant to this article shall be spent solely to pay for:

(A) Costs of equipment directly related to the receipt and routing of emergency calls and installation thereof;

(B) Monthly recurring charges of service suppliers and basic emergency service providers (BESPs) for the emergency telephone service, which charges shall be billed by the BESP to the governing body of each jurisdiction in which it provides service;

(C) Reimbursement of the costs of wireless carriers and BESPs for equipment changes necessary for the provision or transmission of wireless ANI or wireless ALI to a public safety answering point;

(D) Costs related to the provision of the emergency notification service and the emergency telephone service, including costs associated with total implementation of both services by emergency service providers, including costs for programming, radios, and emergency training programs; and

(E) Other costs directly related to the continued operation of the emergency telephone service and the emergency notification service.

(II) If moneys are available after the costs and charges enumerated in subparagraph (I) of this paragraph (a) are fully paid, such funds may be expended for emergency medical services provided by telephone or the necessary equipment to redirect calls for nonemergency telephone services.

(b) Funds collected from the charges imposed pursuant to this article may also be spent for personnel expenses necessarily incurred for a public safety answering point. As used in this paragraph (b), "personnel expenses necessarily incurred" includes only expenses incurred for:

(I) Persons employed to take emergency telephone calls and dispatch them appropriately; and

(II) Persons employed to maintain the computer data base of the public safety answering point.

(c) (Deleted by amendment, L. 2004, p. 1880, § 3, effective July 1, 2004.)

(3) Funds collected from the charges imposed pursuant to this article shall be credited to a cash fund, apart from the general fund of the public agency, for payments pursuant to subsection (2) of this section. Any moneys remaining in such cash fund at the end of any fiscal year shall remain therein for payments during any succeeding year; except that, if such emergency telephone service is discontinued, moneys remaining in the fund after all payments to the service suppliers, basic emergency service providers, and all equipment suppliers pursuant to subsection (2) of this section have been made shall be transferred to the general fund of the public agency or proportionately to the general fund of each participating public agency.

(4) A wireless carrier or BESP that provides wireless ALI or wireless ANI services at the request of a governing body, and pursuant to a contract between the wireless carrier or BESP and the governing body, shall be reimbursed by such governing body or its designee for the costs incurred in making any equipment changes necessary for the provision of such services.

(5) Each governing body shall include as a part of the audit required by part 6 of article 1 of this title an audit on the use of the funds collected from the charges imposed pursuant to this article for compliance with paragraph (a) of subsection (2) of this section. A copy of each audit report shall be made available on the governing body's website if the governing body has a website.

29-11-105. Immunity of providers. No basic emergency service provider or service supplier and no employee or agent thereof shall be liable to any person or entity for infringement or invasion of the right of privacy of any person caused or claimed to have been caused, directly or indirectly, by any act or omission in connection with the installation, operation, maintenance, removal, presence, condition, occasion, or use of emergency service features, automatic number identification (ANI), or automatic location identification (ALI) service and the equipment associated therewith, including without limitation the identification of the telephone number, address, or name associated with the telephone used by the party or parties accessing 9-1-1 service, wireless ANI service, or wireless ALI service, and that arise out of the negligence or other wrongful act of the provider or supplier, the customer, the governing body or any of its users, agencies, or municipalities, or the employee or agent of any of said persons and entities. In addition, no basic emergency service provider or service supplier or any employee or agent thereof shall be liable for any damages in a civil action for injuries, death, or loss to person or property incurred as a result of any act or omission of such provider, service supplier, employee, or agent in connection with developing, adopting, implementing, maintaining, enhancing, or operating an emergency telephone service unless such damage or injury was intentionally caused by or resulted from gross negligence of the provider, supplier, employee, or agent.

29-11-106. Disclosure of 911 dialing and calling capabilities. (1) When the method of dialing a local call from an MLTS telephone requires the dialing of an additional digit to access the public switched network, MLTS operators shall provide written information to their end-users describing the proper method of dialing 911 from an MLTS telephone in an emergency. MLTS operators that do not give the ANI, the ALI, or both shall disclose such fact in writing to their end-users and instruct them to provide their telephone number and exact location when calling 911.

(2) (a) For purposes of this section, "end-user" means the person making telephone calls, including 911 calls, from the MLTS providing telephone service to the person's place of employment or to the person's permanent or temporary residence.

(b) For purposes of this section, "MLTS operator" means the person who has responsibility to the end-user to coordinate telephone line number and address location assignments.

(3) The public utilities commission may promulgate rules to implement this section in accordance with article 4 of title 24, C.R.S.

(4) Nothing in this section shall be construed to alter the method of regulation or deregulation of providers of telecommunications service by the public utilities commission as set forth in article 15 of title 40, C.R.S.

PART 2

HUMAN SERVICES REFERRAL SERVICE

29-11-201. Legislative declaration. The general assembly hereby finds and declares that obtaining access to appropriate community-based organizations and governmental agencies providing for human services is a critical first step for many individuals and families of Colorado to receiving the help and assistance they need. In 2000, in recognition of the need to promote effective access to human services, the federal communications commission reserved the three-digit telephone number of 2-1-1 for access to community health and human services information. The public utilities commission approved the use of a 2-1-1 number for Colorado in October of 2002, and while four pilot sites are operating in specified counties, there is a need for service in all counties of this state. The 2-1-1 human services referral service is dedicated to providing individuals and families with referral information to obtain nonemergency services such as food assistance, shelter, job assistance, and low-cost health care, for those in need. Due to the importance of the human services referral system and the need to assure that this system is enabled in all areas of the state of Colorado, the general assembly hereby finds and declares that the human services referral service providers should receive protection of immunity that is similar to the protection afforded to the 9-1-1 emergency service.

29-11-202. Definitions. For purposes of this part 2, unless the context otherwise requires:

- (1) "Colorado 2-1-1 collaborative" means the group authorized by the public utilities commission to establish the provision of human services referral services in the state of Colorado.
- (2) "Human services referral service provider" means a service that is authorized by the Colorado 2-1-1 collaborative to provide health and human services referral information.

29-11-203. Human services referral service - immunity. (1) No Colorado 2-1-1 collaborative, human services referral service provider, or employee, agent, or financial supporter thereof shall be liable to any person or entity for any damages in a civil action for injuries, death, or loss to person or property incurred as a result of any act or omission of the Colorado 2-1-1 collaborative, human services referral service provider, or any employee or agent thereof in connection with developing, adopting, authorizing, implementing, maintaining, enhancing, or operating a referral service unless such damage or injury was intentionally caused by or resulted from gross negligence of the Colorado 2-1-1 collaborative, human services referral service provider, employee, agent, or financial supporter in connection with the provision of human services referral service.

(2) No Colorado 2-1-1 collaborative, human services referral service provider or employee, agent, or financial supporter thereof shall be liable to any person or entity for infringement or invasion of the right of privacy of any person caused or claimed to have been caused, directly or indirectly, by any act or omission in connection with the provision of human service referral

information to any person or entity unless the infringement or invasion of the right of privacy arose out of the gross negligence or other wrongful and intentional act of the Colorado 2-1-1 collaborative, human services referral service provider, employee, agent, or financial supporter thereof.

PART 3

TASK FORCE ON 911 OVERSIGHT, OUTAGE REPORTING, AND RELIABILITY

29-11-301. Task force on 911 oversight, outage reporting, and reliability - creation - membership. (1) (a) For the purpose of studying the issues surrounding, and making findings and recommendations for the improvement of, the deployment of 911 service in the state of Colorado, there is hereby created the task force on 911 oversight, outage reporting, and reliability, referred to in this part 3 as the task force.

(b) The task force consists of the following six members of the Colorado general assembly:

(I) The senate president or his or her designee, who shall serve as co-chair of the task force;

(II) The senate majority leader or his or her designee;

(III) The senate minority leader or his or her designee;

(IV) The speaker of the house of representatives or his or her designee, who shall serve as co-chair of the task force;

(V) The majority leader of the house of representatives or his or her designee; and

(VI) The minority leader of the house of representatives or his or her designee.

(c) (I) The appointing authorities listed in paragraph (b) of this subsection (1) shall make their appointments to the task force no later than June 1, 2016.

(II) Each member of the task force serves at the pleasure of the authority who appointed the member.

(2) The task force shall meet at the call of the co-chairs as often as three times during the 2016 interim. The task force may utilize the legislative council staff and the office of legislative legal services to assist the task force.

29-11-302. Purpose of task force - study. (1) The task force shall:

(a) Study and investigate other states' laws, rules, and practices concerning 911 oversight, outage reporting, and reliability;

(b) Consider whether existing laws, rules, and practices in Colorado provide sufficient protection for the 911 needs of Colorado; and

(c) Study and determine whether the current funding sources and amount of funding are sufficient for providing existing 911 service and transitioning to next-generation 911 service.

29-11-303. Reporting. On or before January 31, 2017, the task force shall report its findings

to the transportation and energy committee in the house of representatives and the agriculture, natural resources, and energy committee in the senate, or their successor committees.

29-11-304. Repeal of part. This part 3 is repealed, effective July 1, 2017.

ARTICLE 11.5

Alternative Forms of Payment to Local Governments

29-11.5-101. Definitions. As used in this article, unless the context otherwise requires:

(1) "Alternative forms of payment" means forms of payment, including but not limited to credit, charge, or debit cards, other than cash or check.

(2) "Collector local governmental entity" means any state or local governmental entity that collects moneys payable to a local governmental entity that the state or local governmental entity must remit to one or more other state or local governmental entities.

(3) "Local governmental entity" means any county, municipality, city and county, school district, special district, or other political subdivision of the state; any department, agency, institution, or authority of such a county, municipality, city and county, school district, special district, or other political subdivision; or an authorized agent of any of the foregoing.

(4) "Moneys payable to a local governmental entity" means moneys owed or paid to any local governmental entity other than bail bonds, judicial bonds, or other moneys that the local governmental entity must return to the payer upon the satisfaction of one or more specified conditions by the payer.

(5) "Provider of alternative forms of payment" means a person or entity, including but not limited to an issuer of credit, charge, or debit cards, that provides its customers the ability to use one or more alternative forms of payment.

29-11.5-102. Acceptance of alternative forms of payment for the payment of moneys payable to local governments - allocation of costs. (1) Any local governmental entity responsible for the collection of moneys payable to a local governmental entity may accept one or more alternative forms of payment for the payment of such moneys in accordance with the provisions of this article.

(2) A collector local governmental entity that chooses to accept one or more alternative forms of payment for the payment of moneys payable to a local governmental entity that the collector local governmental entity must remit to one or more other governmental entities shall either:

(a) Remit to such other governmental entities the gross amount of any payments made by alternative forms of payment that the collector local governmental entity is required to remit to such other governmental entities notwithstanding the deduction of any moneys from such gross amount by any provider of alternative forms of payment pursuant to a master agreement or other agreement authorized by this article; or

(b) Enter into an intergovernmental agreement with each such other governmental entity regarding the allocation of the costs of accepting such alternative forms of payment.

29-11.5-103. Limitations on convenience fees for the use of alternative forms of payment.

(1) and (2) (Deleted by amendment, L. 2003, p. 1442, § 2, effective April 29, 2003.)

(3) A local governmental entity may impose a convenience fee on persons who use alternative forms of payment, but the amount of any convenience fee imposed on or after April 29, 2003, shall not exceed the actual additional cost incurred by the local governmental agency to process the transaction by alternative form of payment. Any convenience fee on a transaction involving an alternative form of payment shall be imposed in accordance with the rules of the alternative payment provider.

29-11.5-104. Legislative declaration - master agreements. (1) The general assembly hereby finds and declares that it is in the best interests of all Coloradans that local governmental entities that choose to accept alternative forms of payment do so in the most consumer-oriented, cost-effective, and uniform manner possible. Accordingly, it is the intent of the general assembly to encourage local governmental entities to join with other local governmental entities in contractual arrangements with providers of alternative forms of payment or to join one or more master agreements entered into by the state treasurer pursuant to section 24-19.5-104, C.R.S.

(2) Any local governmental entity that accepts one or more alternative forms of payment for payments payable to a local governmental entity may:

(a) Join with one or more other local governmental entities in negotiating and entering into one or more contracts with one or more providers of alternative forms of payment; or

(b) Join in any master agreement entered into by the state treasurer pursuant to section 24-19.5-104, C.R.S., with the approval of the state treasurer or pursuant to any rules promulgated by the state treasurer.

ARTICLE 11.7

Regulation of Firearms

29-11.7-101. Legislative declaration. (1) The general assembly hereby finds that:

(a) Section 3 of article II of the state constitution, the article referred to as the state bill of rights, declares that all persons have certain inalienable rights, which include the right to defend their lives and liberties;

(b) Section 13 of article II of the state constitution protects the fundamental right of a person to keep and bear arms and implements section 3 of article II of the state constitution;

(c) The general assembly recognizes a duty to protect and defend the fundamental civil rights set forth in paragraphs (a) and (b) of this subsection (1);

(d) There exists a widespread inconsistency among jurisdictions within the state with regard to firearms regulations;

(e) This inconsistency among local government laws regulating lawful firearm possession and ownership has extraterritorial impact on state citizens and the general public by subjecting them to criminal and civil penalties in some jurisdictions for conduct wholly lawful in other jurisdictions;

(f) Inconsistency among local governments of laws regulating the possession and ownership of firearms results in persons being treated differently under the law solely on the basis of where they reside, and a person's residence in a particular county or city or city and county is not a rational classification when it is the basis for denial of equal treatment under the law;

(g) This inconsistency places citizens in the position of not knowing when they may be violating the local laws and therefore being unable to avoid violating the law and becoming subject to criminal and other penalties.

(2) Based on the findings specified in subsection (1) of this section, the general assembly concludes that:

(a) The regulation of firearms is a matter of statewide concern;

(b) It is necessary to provide statewide laws concerning the possession and ownership of a firearm to ensure that law-abiding persons are not unfairly placed in the position of unknowingly committing crimes involving firearms.

29-11.7-102. Firearms database - prohibited. (1) A local government, including a law enforcement agency, shall not maintain a list or other form of record or database of:

(a) Persons who purchase or exchange firearms or who leave firearms for repair or sale on consignment;

(b) Persons who transfer firearms, unless the persons are federally licensed firearms dealers;

(c) The descriptions, including serial numbers, of firearms purchased, transferred, exchanged, or left for repair or sale on consignment.

29-11.7-103. Regulation - type of firearm - prohibited. A local government may not enact an ordinance, regulation, or other law that prohibits the sale, purchase, or possession of a firearm that a person may lawfully sell, purchase, or possess under state or federal law. Any such ordinance, regulation, or other law enacted by a local government prior to March 18, 2003, is void and unenforceable.

29-11.7-104. Regulation - carrying - posting. A local government may enact an ordinance, regulation, or other law that prohibits the open carrying of a firearm in a building or specific area within the local government's jurisdiction. If a local government enacts an ordinance, regulation, or other law that prohibits the open carrying of a firearm in a building or specific area, the local government shall post signs at the public entrances to the building or specific area informing persons that the open carrying of firearms is prohibited in the building or specific area.

ENERGY CONSERVATION

ARTICLE 12

Energy Conservation Standards for Nonresidential Buildings

29-12-101 to 29-12-107. (Repealed)

ARTICLE 12.5

Energy Conservation Measures

29-12.5-101. Definitions. As used in this article:

(1) "Board" means a governing body of any municipality or home rule county, a board of county commissioners of any county, a special district, or a board of education of any school district.

(2) (Deleted by amendment, L. 2002, p. 1027, § 55, effective June 1, 2002.)

(2.5) "Energy cost-savings contract" means a utility cost-savings contract or a vehicle fleet operational and fuel cost-savings contract.

(3) "Energy performance contract" means a contract for evaluations, recommendations, or implementation of one or more energy saving measures designed to produce utility costs savings, operation and maintenance cost savings, or vehicle fleet operational and fuel cost savings, which contract:

(a) Sets forth savings attributable to the calculated energy cost savings or operation and maintenance cost savings for each year during the contract period;

(b) Provides that the amount of actual savings for each year during the contract period shall

exceed annual contract payments, including maintenance costs, to be made during such year by the board contracting for energy cost-savings measures;

(c) Requires the party entering into such contract with the board to provide a written guarantee that the sum of energy cost savings and operation and maintenance cost savings for each year during the first three years of the contract period shall not be less than the calculated savings for that year set forth pursuant to paragraph (a) of this subsection (3);

(d) (Deleted by amendment, L. 2001, p. 1093, § 4, effective August 8, 2001.)

(e) Provides that, if all payments, except payments for maintenance and repairs and obligations on the termination of the contract prior to expiration, made by such board during any year subject to the guarantee in paragraph (c) of this subsection (3) exceed the sum of energy cost savings and operation and maintenance savings for that year, such party shall forfeit to such board that portion of such moneys equal to the amount by which such payments exceeded such savings;

(f) Requires such board, upon termination or expiration of the contract, to return to such party any moneys deposited with such board that are not forfeited to such board pursuant to paragraph (e) of this subsection (3);

(g) Requires that not less than one-tenth of all payments, except payments for maintenance and repairs and obligations on the termination of the contract prior to expiration, to be made by such board shall be made within two years from the date of execution of the contract; and

(h) Requires that the remaining such payments to be made by such board shall be made within twelve years from the date of execution of the contract; except that the maximum term of the payments shall be less than the cost-weighted average useful life of energy cost-savings equipment for which the contract is made, not to exceed twenty-five years.

(4) "Energy saving measure" means:

(a) The acquisition and installation, by purchase, lease, lease-purchase, lease with an option to buy, or installment purchase, of a utility cost-savings measure and any attendant architectural and engineering consulting services;

(b) Architectural and engineering consulting services related to utility cost savings; or

(c) The acquisition and installation, by purchase, lease, lease-purchase, lease with an option to buy, or installment purchase of a vehicle fleet operational and fuel cost-savings measure.

(4.5) "Operation and maintenance cost savings" means a measurable decrease in operation and maintenance costs that is a direct result of the implementation of one or more utility cost savings measures or one or more vehicle fleet operational and fuel cost-savings measures. The savings shall be calculated in comparison with an established baseline of operation and maintenance costs.

(5) "Political subdivision" means a municipality, county, special district, or school district.

(6) "Shared-savings contract" means a contract for one or more energy saving measures, which contract:

(a) Provides that all payments to be made by the board contracting for the energy saving measures shall be a stated percentage of calculated savings of energy costs attributable to such measures over a defined period of time and that such payments shall be made only to the extent that such savings occur; except that this paragraph (a) shall not apply to payments for maintenance and repairs and obligations on termination of the contract prior to its expiration;

(b) Provides for an initial contract period of no longer than ten years; and

(c) Requires no additional capital investment or contribution of funds from such board or

the political subdivision, other than funds available from state or federal energy grants.

(7) "Utility cost savings" means:

(a) A cost savings caused by a reduction in metered or measured physical quantities of a bulk fuel or utility resulting from the implementation of one or more utility cost savings measures when compared with an established baseline of usage; or

(b) A decrease in utility costs as a result of changes in applicable utility rates or utility service suppliers. The savings shall be calculated in comparison with an established baseline of utility costs, excepting other available capital contributions provided by the political subdivision.

(8) "Utility cost-savings contract" means an energy performance contract or a shared-savings contract or any other agreement in which utility cost savings are used to pay for services or equipment.

(9) "Utility cost-savings measure" means an installation, modification, or service that is designed to reduce energy consumption and related operating costs in buildings and other facilities and includes, but is not limited to, the following:

(a) Insulation in walls, roofs, floors, and foundations and in heating and cooling distribution systems;

(b) Storm windows and doors, multiglazed windows and doors, heat absorbing or heat reflective glazed and coated window and door systems, additional glazing, reductions in glass area, and other window and door system modifications that reduce energy consumption;

(c) Automatic energy control systems;

(d) Heating, ventilating, or air conditioning and distribution system modifications or replacements in buildings or central plants;

(e) Caulking and weatherstripping;

(f) Replacement or modification of lighting fixtures to increase the energy efficiency of the system without increasing the overall illumination of a facility unless such increase in illumination is necessary to conform to the applicable building code for the proposed lighting system;

(g) Energy recovery systems;

(h) Cogeneration systems that produce steam or forms of energy such as heat, as well as electricity, for use primarily within a building or complex of buildings;

(i) Renewable energy and alternate energy systems;

(j) Devices that reduce water consumption or sewer charges;

(k) Changes in operation and maintenance practices;

(l) Procurement of low-cost energy supplies of all types, including electricity, natural gas, and other fuel sources, and water;

(m) Indoor air quality improvements that conform to applicable building code requirements;

(n) Daylighting systems;

(o) Building operation programs that reduce utility and operating costs including, but not limited to, computerized energy management and consumption tracking programs, staff and occupant training, and other similar activities;

(p) Services to reduce utility costs by identifying utility errors and optimizing rate schedules; or

(q) Any other modification, installation, or remodeling approved as a utility cost-savings

measure by the board.

(10) "Vehicle fleet operational and fuel cost savings" means a measurable decrease in the operation and maintenance costs of state vehicles that is associated with fuel or maintenance based on higher efficiency ratings or alternative fueling methods, including but not limited to savings from the reduction in maintenance requirements and a reduction in or the elimination of projected fuel purchase expenses as a direct result of investment in higher efficiency or alternative fuel vehicles or vehicle or charging infrastructure.

(11) "Vehicle fleet operational and fuel cost-savings contract" means an energy performance contract or shared-savings contract or any other agreement in which vehicle fleet operational and fuel cost savings are used to pay for the cost of the vehicle or associated capital investments.

(12) "Vehicle fleet operational and fuel cost-savings measure" means any installation, modification, or service that is designed to reduce energy consumption and related operating costs in vehicles and includes, but is not limited to, the following:

- (a) Vehicle purchase or lease costs either in full or in part; and
- (b) Charging or fueling infrastructure to appropriately charge or fuel alternative fuel vehicles included in an energy cost-savings contract.

29-12.5-102. Contract for analysis and recommendations. (1) The board of any political subdivision may contract with an architect, professional engineer, or other person experienced in the design and implementation of utility cost-savings measures or energy saving measures for an analysis and recommendations pertaining to such measures that would significantly increase:

- (a) Utility cost savings and operation and maintenance cost savings in buildings or other facilities owned or rented by the political subdivision; or
 - (b) Vehicle fleet operational and fuel cost savings in the political subdivision's fleet vehicles.
- (2) Such analysis and recommendations shall include the following, as applicable:

(a) Estimates of the amounts by which utility cost savings and operation and maintenance cost savings would increase and estimates of all costs of such utility cost-savings measures or energy saving measures including, but not limited to, itemized costs of design, engineering, equipment, materials, installation, maintenance, repairs, and debt service; or

(b) Estimates of the amounts by which vehicle fleet operational and fuel cost savings would increase and estimates of all costs of such vehicle fleet operational and fuel cost-savings measures.

29-12.5-103. Financing energy cost-savings measures - exception to debt limitations. (1) If the board, after receiving the analysis and recommendations pursuant to section 29-12.5-102, finds that the amount of money the political subdivision would spend on such energy saving measures is not likely to exceed the amount of money it would save in energy costs over the term of the contract, the board may:

- (a) Enter into an energy cost-savings contract with any architect, professional engineer, or other person experienced in the design and implementation of energy saving measures for buildings or other facilities owned or rented by the political subdivision, with any person or entity experienced

in the calculation and analysis of vehicle fleet operational and fuel cost savings, or with the entity or person who performed the energy analysis and provided recommendations pursuant to section 29-12.5-102; or

(b) Otherwise incur indebtedness to finance energy saving measures.

(2) (a) Except as provided in paragraph (b) of this subsection (2):

(I) No contract entered into or indebtedness incurred pursuant to this section shall constitute or give rise to an indebtedness within the meaning of any constitutional, statutory, or home rule debt limitation; and

(II) Any contract may be entered into and indebtedness incurred without approval of the qualified electors of the political subdivision.

(b) Paragraph (a) of this subsection (2) shall not apply to any indebtedness incurred by contract or otherwise under this section which exceeds or which causes the total outstanding indebtedness so incurred to exceed the following percentage of the latest valuation for assessment of the taxable property in the political subdivision:

(I) One percent for a school district;

(II) One-tenth of one percent for a county, except a home rule county;

(III) One-fifth of one percent for a home rule county; or

(IV) One-fifth of one percent for a municipality.

(3) When an energy saving measure involves a cogeneration system, the sale of excess cogenerated energy shall be subject to the same state and federal regulatory requirements as the sale of all other cogenerated energy.

29-12.5-104. Monitoring and reporting of energy and cost savings. The board shall monitor the reductions in energy consumption and cost savings attributable to the energy saving measures financed pursuant to section 29-12.5-103 and shall annually prepare a report documenting such reductions and savings for the first two years of the contract. The report shall be certified by an architect or engineer independent of any person, firm, or corporation that provided goods or services to the board in connection with the energy saving measures that are the subject of the report.

PROPERTY INSURANCE

ARTICLE 13

Local Governments -
Authority to Insure Property

29-13-101. Insurance on property of local governments. (1) Any unit of local government, which for purposes of this article includes counties, municipalities, school and special

districts, and every other type of local government having the power to own property and impose taxes, may insure its property against all types of risk of loss for which such insurance may be procured from insurance companies authorized to do such business in this state.

(2) The insurance authorized by subsection (1) of this section may be provided by:

(a) Self-insurance, which may be funded by appropriations to establish or maintain reserves for self-insurance purposes;

(b) An insurance company authorized to do business in this state which meets all of the requirements of the division of insurance for that purpose;

(c) A combination of the methods of obtaining insurance authorized in paragraphs (a) and (b) of this subsection (2).

(3) A unit of local government other than a school district may establish and maintain an insurance reserve fund for self-insurance purposes and may include in the annual tax levy of the local government such amounts as are determined by its governing body to be necessary for the uses and purposes of the insurance reserve fund, subject to the limitations imposed by section 29-1-301. In the event that a local government has no annual tax levy, it may appropriate from any unexpended balance in the general fund such amounts as the governing body shall deem necessary for the purposes and uses of the insurance reserve fund. A school district shall establish and maintain an insurance reserve fund in accordance with the provisions of section 22-45-103 (1) (e), C.R.S., using moneys allocated thereto pursuant to the provisions of section 22-54-105 (2), C.R.S. The fund established pursuant to this subsection (3) shall be kept separate and apart from all other funds and shall be used only for the payment of loss of or damage to the property of the unit of local government or to secure and pay for premiums on insurance as provided in this article.

29-13-102. Authority for units of local government to pool insurance coverage. (1) Units of local government may cooperate with one another to form a self-insurance pool to provide all or part of the insurance coverage authorized by this article. The provisions of articles 10.5 and 47 of title 11, C.R.S., shall apply to moneys of such self-insurance pool.

(2) Any self-insurance pool authorized by subsection (1) of this section shall not be construed to be an insurance company nor otherwise subject to the provisions of the laws of this state regulating insurance or insurance companies; except that the pool shall comply with the applicable provisions of sections 10-1-203 and 10-1-204 (1) to (5) and (10), C.R.S.

(3) Prior to the formation of a self-insurance pool, there shall be submitted to the commissioner of insurance a complete written proposal of the pool's operation, including, but not limited to, the administration, claims adjusting, membership, and capitalization of the pool. The commissioner shall approve or disapprove such proposal within thirty days after receipt to assure that proper insurance techniques and procedures are included in the proposal. After such review, the commissioner shall submit written comments or recommendations regarding the proposal to the governing bodies of each participating unit of local government. If the commissioner approves the proposal, he shall issue a certificate of authority. If the commissioner disapproves the proposal, it may be resubmitted for approval after the necessary changes have been made in accordance with the written comments or recommendations of the commissioner. The costs of such review shall be paid

by those units desiring to form such a pool. Any such payment received by the commissioner is hereby appropriated to the division of insurance in addition to any other funds appropriated for its normal operation.

(4) Each self-insurance pool for units of local government created in this state shall file, with the commissioner of insurance on or before March 30 of the next succeeding year, a written report, in a form prescribed by the commissioner, signed and verified by its chief executive officer as to its condition. Such report shall include a detailed statement of assets and liabilities, the amount and character of the business transacted, and the moneys reserved and expended during the year. All such reports shall be transmitted to the governor and the local government committee of the house of representatives and the state, veterans, and military affairs committee of the senate, or any successor committees.

(5) The commissioner of insurance, or any person authorized by him, shall conduct an insurance examination at least once a year to determine that proper underwriting techniques and sound funding, loss reserves, and claims procedures are being followed. This examination shall be paid for by the self-insurance pool out of its funds at the same rate as provided for foreign insurance companies under section 10-1-204 (9), C.R.S.

(6) (a) Any self-insurance pool organized pursuant to this section may invest in securities meeting the investment requirements established in part 6 of article 75 of title 24, C.R.S., and may also invest in membership claim deductibles and in any other security or other investment authorized for such pools by the commissioner of insurance.

(b) Any unit of local government which is a member of a self-insurance pool organized pursuant to this section or any instrumentality formed by two or more of such members may invest in subordinated debentures issued by such self-insurance pool.

(7) In addition to property coverage pursuant to subsection (1) of this section and liability coverage pursuant to section 24-10-115.5, C.R.S., a self-insurance pool authorized by subsection (1) of this section may provide workers' compensation coverage pursuant to section 8-44-204, C.R.S., and firefighter heart and circulatory malfunction benefits pursuant to section 29-5-302.

29-13-103. Grounds and procedure for suspension or revocation of certificate. (1) The certificate of authority issued to a unit of local government under this article may be revoked or suspended by the commissioner of insurance for any of the following reasons:

- (a) Insolvency or impairment;
- (b) Refusal or failure to submit an annual report as required by section 29-13-102 (4);
- (c) Failure to comply with the provisions of its own ordinances, resolutions, contracts, or other conditions relating to the self-insurance pool;
- (d) Failure to submit to examination or any legal obligation relative thereto;
- (e) Refusal to pay the cost of examination as required by section 29-13-102 (3);
- (f) Use of methods which, although not otherwise specifically proscribed by law, nevertheless render the operation of the self-insurance pool hazardous, or its condition unsound, to the public;
- (g) Failure to otherwise comply with the law of this state, if such failure renders the operation of the self-insurance pool hazardous to the public.

(2) If the commissioner of insurance finds upon examination, hearing, or other evidence that any unit of local government has committed any of the acts specified in subsection (1) of this section or any act otherwise prohibited in this article, the commissioner may suspend or revoke such certificate of authority if he deems it in the best interest of the public. Notice of any revocation shall be published in one or more daily newspapers in Denver which have a general state circulation. Before suspending or revoking any certificate of authority of a unit of local government, the commissioner shall grant the unit of local government fifteen days in which to show cause why such action should not be taken.

BOND ANTICIPATION NOTES

ARTICLE 14

Bond Anticipation Note Act

29-14-101. Short title. This article shall be known and may be cited as the "Bond Anticipation Note Act".

29-14-102. Legislative declaration. The general assembly hereby declares that the issuance of bond anticipation notes by any public body as defined in section 29-14-103 (6), when advantageous to the public body or the citizens thereof, will serve a public use and will promote the health, safety, security, and general welfare of the citizens thereof and of the people of the state of Colorado.

29-14-103. Definitions. As used in this article, unless the context otherwise requires:

(1) "Bond" means any bond, debenture, or other obligation authorized to be issued by a public body pursuant to any provision of law of the state.

(2) "Bond anticipation note" means any note, interim debenture, or other security evidencing an obligation and issued pursuant to this article.

(3) "Governing body" means a city council, board of trustees, commission, board of county commissioners, board of directors, or other legislative body of a public body in which the legislative powers of such public body are vested.

(4) "Indebtedness" means any bond issued by a public body pursuant to any law of this state which constitutes a debt for the purposes of section 6 of article XI of the state constitution, and the issuance of which must be submitted to a vote of the qualified electors of such public body pursuant to said section.

(5) "Legislative act" means an ordinance adopted by a governing body of a municipality or

a resolution adopted by a governing body of any other public body.

(6) "Public body" means any county; any municipality as defined by section 31-1-101 (6), C.R.S.; any school district; any special district as defined in section 32-1-103 (20), C.R.S.; and any water conservancy district, city housing authority, county housing authority, urban renewal agency, downtown development authority, or community redevelopment agency, any corporate authority, any corporate commission, or any other political subdivision of this state constituting a body corporate.

29-14-104. Issuance of bond anticipation notes. (1) Any public body may issue from time to time its bond anticipation notes for any purposes lawfully authorized to be undertaken by such public body or to redeem outstanding bond anticipation notes. Such bond anticipation notes shall be issued in anticipation of the issuance of bonds by the public body.

(2) Except as provided in this article, the bond anticipation notes shall be issued pursuant to the provisions of law which govern the issuance of the bonds in anticipation of which the bond anticipation notes are being issued.

(3) Bond anticipation notes issued pursuant to this article shall be payable from the proceeds of the sale of additional bond anticipation notes or from the proceeds of the sale of the bonds of the public body or other moneys of the public body legally available for such purpose.

29-14-105. Bond anticipation note details. (1) Any bond anticipation notes may mature at such time not exceeding a period of time equal to the estimated time needed to effect the purpose for which they are issued, but not exceeding five years from the date or respective dates of the bond anticipation notes, as the governing body may determine. Bond anticipation notes may be issued in such denominations as determined by the governing body.

(2) The interest rate per annum on the bond anticipation notes shall be stated in the legislative act authorizing the issuance of the bond anticipation notes. Said interest rate may be evidenced by one or more set of coupons attached to said bond anticipation notes. Said interest rate need not be fixed at the time of the passage of such legislative act but may vary based on a fixed formula determined by the governing body and set forth in the legislative act authorizing the issuance of the bond anticipation notes. Said variable interest rate may not exceed the authorized maximum net effective interest rate.

(3) The bond anticipation notes may be sold, at, above, or below the principal amounts thereof, as may be in the public interest.

(4) The bond anticipation notes may be sold at either public or private sale, as determined by the governing body.

29-14-106. Limitations on issuance. (1) If the bond anticipation notes are being issued in anticipation of bonds which constitute an indebtedness, such bond anticipation notes shall not be issued:

(a) Unless the bonds have been authorized at an election as required by section 6 of article

XI of the state constitution;

(b) In a principal amount in excess of the amount of bonds authorized to be issued at such election;

(c) At a maximum net effective interest rate higher than the maximum net effective interest rate at which such bonds may be issued;

(d) Unless the proceeds of such bond anticipation notes are to be used for the same purpose for which the bonds may be issued; and

(e) Unless the principal amount of the bond anticipation note together with the outstanding principal amount of other indebtedness of the public body is within the applicable limitation on the issuance of such indebtedness by the public body, if any.

(2) When bond anticipation notes are issued in anticipation of the issuance of bonds which constitute an indebtedness and which have been authorized at an election, a principal amount of the bonds so authorized equal to the original principal amount of the bond anticipation notes issued shall be issued solely for the purpose of retiring such bond anticipation notes. If such bond anticipation notes are retired from other legally available revenues of the public bonds, said bonds in such principal amount shall not be issued unless reauthorized at an election held in accordance with the state constitution and other laws of this state.

29-14-107. No action maintainable. No action or proceeding, at law or in equity, to review any acts or proceedings, or to question the validity or enjoin the performance of any act, or the issuance of any bond anticipation notes authorized by this article, or for any other relief against any acts or proceedings done or had under this article, whether based upon irregularities or jurisdictional defects, shall be maintained, unless commenced within thirty days after the performance of the act or the effective date of the legislative act complained of, or else be thereafter perpetually barred.

29-14-108. Validation. All bond anticipation notes and any coupons appertaining thereto issued or purportedly issued prior to July 1, 1981, and all acts or proceedings had or taken or purportedly had or taken prior to said date by or on behalf of public bodies, under law or under color of law, preliminary to and in the authorization, execution, sale, and issuance of all bond anticipation notes, including any coupons appertaining thereto, and the exercise of other powers in this article are validated, ratified, approved, and confirmed by this section except as provided in section 29-14-109, notwithstanding any lack of power, authority, or otherwise, other than constitutional, and notwithstanding any defects and irregularities other than constitutional, in such bond anticipation notes, acts, and proceedings, in such authorization, execution, sale, and issuance, and in such exercise of power; and such bond anticipation notes are and shall be binding, legal, valid, and enforceable obligations of such public body to which they appertain in accordance with their terms and their authorization proceedings.

29-14-109. Effect of and limitations upon validation. This article shall operate to supply such legislative authority as may be necessary to validate any such bond anticipation notes issued

prior to July 1, 1981, of such public bodies and any acts and proceedings taken appertaining to the issuance of such bond anticipation notes by such public bodies or otherwise prior to said date which the general assembly could have supplied or provided for in the law under which such bond anticipation notes were issued or such other contracts were executed and such acts or proceedings where taken; but this article shall be limited to the validation of such bond anticipation notes, acts, and proceedings to the extent to which the same can be effectuated under the state and federal constitutions. This article shall not operate to validate, ratify, approve, confirm, or legalize any bond anticipation note or coupon, act, proceeding, or other matter, the legality of which is being contested or inquired into in any legal proceeding now pending and undetermined, and shall not operate to confirm, validate, or legalize any bond anticipation note or coupon, act, proceeding, or other matter which, prior to July 1, 1981, has been determined in any legal proceeding to be illegal, void, or ineffective.

29-14-110. Application to certain public bodies. It is the intent of the general assembly that the provisions of this article shall apply to home rule municipalities except insofar as superseded by charter or ordinance passed pursuant to such charter and shall apply to special territorial charter municipalities.

TAX ANTICIPATION NOTES

ARTICLE 15

Tax Anticipation Note Act

29-15-101. Short title. This article shall be known and may be cited as the "Tax Anticipation Note Act".

29-15-102. Legislative declaration. The general assembly hereby declares that the issuance of tax anticipation notes by any public body as defined in section 29-15-103 (3), when advantageous to the public body or the citizens thereof, will serve a public use and will promote the health, safety, security, and general welfare of the citizens thereof and of the people of the state of Colorado.

29-15-103. Definitions. As used in this article, unless the context otherwise requires:

(1) "Governing body" means a city council, a board of trustees, a commission, a board of county commissioners, a board of directors, or any other legislative body in which the legislative powers of a public body are vested.

(2) "Legislative act" means an ordinance adopted by the governing body of a municipality or a resolution adopted by the governing body of any other public body.

(3) "Public body" means any county, any municipality as defined in section 31-1-101 (6), C.R.S., any school district or other district, or any public board, commission, authority, agency, political subdivision, or other public body in the state created pursuant to any general or special law or pursuant to any legislative or home rule charter.

(4) "Tax anticipation note" means any note, interim debenture, warrant, or other security evidencing an obligation and issued pursuant to this article.

(5) "Taxes" means ad valorem taxes on real or personal property.

29-15-104. Issuance of tax anticipation notes. (1) Any public body may issue, from time to time, tax anticipation notes without an election if its governing body determines that the taxes to be received by the public body will not be received in time to pay the public body's projected budgeted expenses. Such tax anticipation notes shall be issued in anticipation of the collection of taxes estimated by the governing body to be received within its then current fiscal year.

(2) (a) Tax anticipation notes shall be both issued and made payable within the fiscal year for which such taxes are levied.

(b) The provisions of this subsection (2) limiting the term of tax anticipation notes shall not apply to tax anticipation notes issued by school districts on and after January 1, 1992.

(3) Tax anticipation notes may be paid from the proceeds of ad valorem taxes on real and personal property, investment proceeds on the ad valorem taxes, or the proceeds from the tax anticipation notes.

29-15-105. Tax anticipation note details. (1) Except as provided in subsection (2) of this section, any tax anticipation notes may be issued in one or more series, bear such dates, be in such denomination or denominations, mature on any date or dates occurring on or before the last day of the fiscal year of the public body in which the tax anticipation notes are issued, mature in such amount or amounts, bear interest at such rate or rates, be in such form, be payable at such place or places, and be subject to such terms of redemption with or without a premium as the legislative act of the governing body authorizing the issuance of the tax anticipation notes may provide. The tax anticipation notes may be sold at, above, or below the principal amounts thereof whenever such action is in the public interest, as determined by the governing body. The tax anticipation notes may be sold at either a public or a private sale, as determined by the governing body.

(2) Any tax anticipation notes issued by a school district may be issued in one or more series, bear such dates, be in such denomination or denominations, mature on or before August 31 of the fiscal year immediately following the fiscal year in which the tax anticipation notes were issued, mature in such amount or amounts, bear interest at such rate or rates, be in such form, be payable at such place or places, and be subject to such terms of redemption with or without a premium as the legislative act of the governing body authorizing the issuance of the tax anticipation notes may provide. The tax anticipation notes may be sold at, above, or below the principal amounts thereof whenever such action is in the public interest, as determined by the governing body. The tax

anticipation notes may be sold at either a public or a private sale, as determined by the governing body.

29-15-106. Limitation on issuance of tax anticipation notes. (1) For all public bodies except school districts, the amount of tax anticipation notes issued by a public body in any fiscal year shall not exceed fifty percent of all taxes estimated to be received by such governing body in its current fiscal year, as shown by its then current budget.

(2) For school districts, the amount of tax anticipation notes issued by the school district in any fiscal year shall not exceed seventy-five percent of all taxes estimated to be received by such school district in its current fiscal year, as shown by its then current budget.

29-15-107. Payment of tax anticipation notes. All ad valorem taxes on real and personal property, investment, proceeds on the ad valorem taxes, or the proceeds from tax anticipation notes received by the public body after the issuance of the tax anticipation notes, except taxes collected for retirement of existing debt, shall be paid into a special fund to be known as the tax anticipation note principal and interest redemption fund until such time as the moneys in such fund are sufficient to pay when due the principal of and the premiums, if any, and interest on the tax anticipation notes. All moneys in such fund not in excess of the amount required for such purpose shall be used to pay the principal of and the premiums, if any, and interest on the tax anticipation notes and shall be used for no other purpose.

29-15-108. No impairment of contract. As long as any tax anticipation notes are outstanding, this article and the provisions of law authorizing the levy of taxes shall not be repealed or amended in such a manner as would materially impair the contractual rights and remedies of the holders of the tax anticipation notes.

29-15-109. No action maintainable. No action or proceeding, at law or in equity, to review any act or proceeding, or to question the validity or enjoin the performance of any act or the issuance of any tax anticipation notes authorized by this article, or to obtain any other relief against any acts or proceedings done or had under this article, whether based upon irregularities or jurisdictional defects, shall be maintained unless such action or proceeding is commenced within thirty days after the performance of the act or the effective date of the legislative act complained of; otherwise, it shall be thereafter perpetually barred.

29-15-110. Independent authority. The authority granted by this article shall constitute separate and independent authority for the powers granted in this article and shall be effective without reference to the powers or limitations contained in any other law, and the provisions of this article shall not be deemed to constitute limitations on the powers granted to public bodies under any

other law.

29-15-111. Application to certain public bodies. It is the intent of the general assembly that the provisions of this article shall apply to home rule municipalities except insofar as such provisions may be superseded by their charters or any legislative acts passed pursuant to such charters and also shall apply to special territorial charter municipalities.

29-15-112. State treasurer may issue tax and revenue anticipation notes for school districts. (1) The state treasurer is hereby authorized to issue tax and revenue anticipation notes for school districts in accordance with the provisions of this section for the purpose of alleviating temporary cash flow deficits of such school districts by making interest-free loans pursuant to section 22-54-110, C.R.S.

(2) In addition to powers otherwise granted to the state treasurer by law, the state treasurer shall have the following powers in connection with the issuance of tax and revenue anticipation notes pursuant to the provisions of this section:

(a) To use the seal of the state treasurer;

(b) To adopt resolutions or enter into indentures of trust or other instruments to provide for the issuance of the tax and revenue anticipation notes;

(c) To engage the services of consultants, financial advisors, underwriters, attorneys, trustees, paying agents, registrars, remarketing agents, indexing agents, depositaries, and other agents whose services may be required in connection with the issuance of the tax and revenue anticipation notes;

(d) To enter into contracts, agreements, and other instruments in connection with the issuance of the tax and revenue anticipation notes, including but not limited to contracts with persons specified in paragraph (c) of this subsection (2), contracts providing for the purchase or repurchase of the tax and revenue anticipation notes, agreements with school districts regarding the payment of loans and other matters relating to the issuance of the tax and revenue anticipation notes, and indentures of trust or other instruments providing for the issuance of the tax and revenue anticipation notes;

(e) To provide credit enhancement for the tax and revenue anticipation notes by:

(I) Entering into such agreements as may be necessary to obtain a credit facility with respect to any issue of notes;

(II) Pledging toward the payment of the premium, if any, and interest on the tax and revenue anticipation notes moneys from the state general fund in an amount not exceeding the amount of the premium, if any, and interest on such notes. The provisions of section 24-75-907 (2) and (3), C.R.S., that relate to the creation of a restricted account and to liens shall apply to the pledge of such moneys; except that the restricted account shall not exceed the amount of the premium, if any, and interest on the tax and revenue anticipation notes; and

(III) Pledging toward the payment of the principal on the tax and revenue anticipation notes moneys in the school district tax and revenue anticipation notes repayment account created pursuant to paragraph (b) of subsection (4) of this section.

(f) To assist a school district in determining whether it will have a cash flow deficit that will require a loan pursuant to section 22-54-110, C.R.S., and to determine the total amount of tax and revenue anticipation notes that should be issued on behalf of the district; and

(g) To do all other things necessary and convenient in connection with the issuance of tax and revenue anticipation notes pursuant to the provisions of this section and with the establishment of school district responsibilities relating to the tax and revenue anticipation notes and compliance with federal tax laws and regulations.

(3) (a) The proceeds of the tax and revenue anticipation notes may be used for the following purposes:

(I) To make interest-free loans to school districts pursuant to section 22-54-110, C.R.S., to alleviate cash flow deficits;

(II) To pay the costs of issuing the tax and revenue anticipation notes, including the cost of obtaining a credit facility;

(III) To pay the principal, premium, if any, and interest related to the tax and revenue anticipation notes; and

(IV) To pay any other expense or charge incurred in connection with actions of the state treasurer authorized by the provisions of this section or section 22-54-110, C.R.S.

(b) Pending use of the proceeds of the tax and revenue anticipation notes in accordance with paragraph (a) of this subsection (3), such proceeds may be invested by the state treasurer in any investments that are legal investments for the state or may be deposited in any eligible public depository. The income from any such investment or deposit may be used for the following purposes:

(I) To pay the costs of issuing the tax and revenue anticipation notes, including the cost of obtaining a credit facility; and

(II) To pay the principal, premium, if any, and interest related to the tax and revenue anticipation notes.

(4) (a) (I) Tax and revenue anticipation notes issued pursuant to the provisions of this section shall be payable from:

(A) One or more payments by the school district receiving a loan from the proceeds from such notes, which payment or payments by the school district shall be, in the aggregate, sufficient to pay the principal on the tax and revenue anticipation notes issued to fund such loan;

(B) Any moneys from the state general fund that are pledged pursuant to subparagraph (II) of paragraph (e) of subsection (2) of this section;

(C) Income earned from any investment or deposit pursuant to paragraph (b) of subsection (3) of this section and paragraph (b) of this subsection (4); and

(D) If a district fails to fully repay a loan made pursuant to section 22-54-110, C.R.S., from the proceeds of the tax and revenue anticipation notes, any funds that are on hand or in the custody or possession of the state treasurer and that are eligible for investment.

(II) The financial obligation of the state treasurer to pay the principal, premium, if any, and interest related to the tax and revenue anticipation notes shall be deemed discharged on any date on which moneys or investments in an amount sufficient for the payment of the principal, premium, if any, and interest related to the notes on the date of their final maturity is on deposit in one or more segregated and restricted accounts that are pledged irrevocably for such purpose. Such segregated

and restricted accounts shall be the school district tax and revenue anticipation notes repayment account or a special account created by the controller pursuant to subparagraph (II) of paragraph (e) of subsection (2) of this section or otherwise created at the request of the state treasurer. Following such deposit, the principal, premium, if any, and interest related to the notes shall be payable solely from the segregated and restricted accounts without further financial obligation whatsoever of the state treasurer or the state. Any moneys in the segregated and restricted accounts, pending use for their intended purpose, may be invested or reinvested only in securities meeting the investment requirements established in part 6 of article 75 of title 24, C.R.S., as such investment requirements may otherwise be limited pursuant to the terms of the resolution, indenture of trust, or other instrument providing for the issuance of the notes.

(b) There is hereby created in the general fund an account that shall be known as the school district tax and revenue anticipation notes repayment account. All payments received from school districts pursuant to paragraph (a) of this subsection (4) shall be deposited by the state treasurer in the school district tax and revenue anticipation notes repayment account and may be invested by the state treasurer in any investments that are legal investments for the state or may be deposited in any eligible public depository. All moneys in the account that are not in excess of the amount required to pay the principal, premium, if any, and interest related to the tax and revenue anticipation notes are pledged irrevocably and shall be used for the purpose of paying the principal, premium, if any, and interest related to the tax and revenue anticipation notes for no other purpose.

(5) (a) Tax and revenue anticipation notes issued by the state treasurer pursuant to the provisions of this section shall be issued pursuant to a resolution or other authorizing instrument of the state treasurer. Notwithstanding any other provision of this article to the contrary, such notes may be issued in such aggregate principal amount, may be issued in one or more series, may bear such dates, may be in such denomination, may mature in such amount, may bear interest at such rate, may be in such form, may be payable at such place, and may be subject to such terms of redemption with or without a premium as the state treasurer by resolution or other authorizing instrument may provide. The rate of interest borne by the tax and revenue anticipation notes may be fixed, adjustable, or variable or any combination thereof. If any rate is adjustable or variable, the standard, index, method, or formula pursuant to which such rate is to be from time to time determined shall be set forth in the resolution or other authorizing instrument of the state treasurer. Such resolution or other authorizing instrument may also include a delegation of authority to an agent acting for and on behalf of the state treasurer to determine a rate within parameters, including a maximum interest rate, prescribed by the state treasurer. Tax and revenue anticipation notes issued pursuant to the provisions of this section may be sold at public or private sale and may be sold at, above, or below the principal amounts thereof.

(b) The tax and revenue anticipation notes shall mature on any date or dates occurring on or before August 31 of the fiscal year immediately following the fiscal year in which the notes are issued. In the event that the tax and revenue anticipation notes have a date of maturity that is after the end of the fiscal year in which the notes are issued, on or before the final day of the fiscal year in which the notes are issued there shall be deposited in one or more special segregated and restricted accounts and pledged irrevocably to the payment of the notes an amount sufficient to pay the principal, premium, if any, and interest related to the notes on their stated maturity date.

(6) (a) Tax and revenue anticipation notes issued pursuant to the provisions of this section

shall be signed by the state treasurer and countersigned by the deputy state treasurer, and the seal of the state treasurer shall be affixed thereto.

(b) Pursuant to article 55 of title 11, C.R.S., any signature required by paragraph (a) of this subsection (6) may be a facsimile signature imprinted, engraved, stamped, or otherwise placed on the tax and revenue anticipation notes. If all signatures of public officials on the tax and revenue anticipation notes are facsimile signatures, provisions shall be made for a manual authenticating signature on the tax and revenue anticipation notes by or on behalf of a designated authenticating agent. If an official ceases to hold office before delivery of the tax and revenue anticipation notes signed by such official, the signature or facsimile signature of the official is nevertheless valid and sufficient for all purposes. A facsimile of the seal of the state treasurer may be imprinted, engraved, stamped, or otherwise placed on the notes.

(7) Tax and revenue anticipation notes issued pursuant to the provisions of this section shall be payable solely from the revenues pledged thereto, and the owners or holders of the notes may not look to any other source for repayment of the principal of or interest on the notes. Such tax and revenue anticipation notes shall not constitute a debt or an indebtedness of the state or any school district within the meaning of any applicable provision of the state constitution or state statutes.

(8) Any tax and revenue anticipation notes issued pursuant to the provisions of this section shall constitute a contract between the state treasurer and the owner or holder thereof, and neither the state nor any of its political subdivisions shall take any action impairing such contract.

(9) The tax and revenue anticipation notes issued pursuant to the provisions of this section shall be exempt from all state, county, municipal, school, and other taxes imposed by any taxing authority of the state of Colorado.

LAND USE CONTROL AND CONSERVATION

ARTICLE 20

Local Government Regulation of Land Use

PART 1

LOCAL GOVERNMENT LAND USE CONTROL ENABLING ACT

29-20-101. Short title. This article shall be known and may be cited as the "Local Government Land Use Control Enabling Act of 1974".

29-20-102. Legislative declaration. (1) The general assembly hereby finds and declares that in order to provide for planned and orderly development within Colorado and a balancing of

basic human needs of a changing population with legitimate environmental concerns, the policy of this state is to clarify and provide broad authority to local governments to plan for and regulate the use of land within their respective jurisdictions. Nothing in this article shall serve to diminish the planning functions of the state or the duties of the division of planning.

(2) The general assembly further finds and declares that local governments will be better able to properly plan for growth and serve new residents if they are authorized to impose impact fees as a condition of approval of development permits. However, impact fees and other development charges can affect growth and development patterns outside a local government's jurisdiction, and uniform impact fee authority among local governments will encourage proper growth management.

29-20-103. Definitions. As used in this article, unless the context otherwise requires:

(1) "Development permit" means any preliminary or final approval of an application for rezoning, planned unit development, conditional or special use permit, subdivision, development or site plan, or similar application for new construction; except that, solely for purposes of part 3 of this article:

(a) Each application included in the definition of development permit constitutes a stage in the development permit approval process; and

(b) "Development permit" is limited to an application regarding a specific project that includes new water use in an amount more than that used by fifty single-family equivalents, or fewer as determined by the local government.

(1.3) "Fire and emergency services provider" means a fire protection district organized under article 1 of title 32, C.R.S., or a fire authority established pursuant to section 29-1-203.5.

(1.5) "Local government" means a county, home rule or statutory city, town, territorial charter city, or city and county.

(2) "Power authority" means an authority created pursuant to section 29-1-204.

29-20-104. Powers of local governments. (1) Except as expressly provided in section 29-20-104.5, the power and authority granted by this section shall not limit any power or authority presently exercised or previously granted. Each local government within its respective jurisdiction has the authority to plan for and regulate the use of land by:

(a) Regulating development and activities in hazardous areas;

(b) Protecting lands from activities which would cause immediate or foreseeable material danger to significant wildlife habitat and would endanger a wildlife species;

(c) Preserving areas of historical and archaeological importance;

(d) Regulating, with respect to the establishment of, roads on public lands administered by the federal government; this authority includes authority to prohibit, set conditions for, or require a permit for the establishment of any road authorized under the general right-of-way granted to the public by 43 U.S.C. 932 (R.S. 2477) but does not include authority to prohibit, set conditions for, or require a permit for the establishment of any road authorized for mining claim purposes by 30 U.S.C. 21 et seq., or under any specific permit or lease granted by the federal government;

(e) Regulating the location of activities and developments which may result in significant

changes in population density;

(f) Providing for phased development of services and facilities;

(g) Regulating the use of land on the basis of the impact thereof on the community or surrounding areas; and

(h) Otherwise planning for and regulating the use of land so as to provide planned and orderly use of land and protection of the environment in a manner consistent with constitutional rights.

29-20-104.5. Impact fees - definition. (1) Pursuant to the authority granted in section 29-20-104 (1) (g) and as a condition of issuance of a development permit, a local government may impose an impact fee or other similar development charge to fund expenditures by such local government or a fire and emergency services provider that provides fire protection, rescue, and emergency services in the new development on capital facilities needed to serve new development. No impact fee or other similar development charge shall be imposed except pursuant to a schedule that is:

(a) Legislatively adopted;

(b) Generally applicable to a broad class of property; and

(c) Intended to defray the projected impacts on capital facilities caused by proposed development.

(2) (a) A local government shall quantify the reasonable impacts of proposed development on existing capital facilities and establish the impact fee or development charge at a level no greater than necessary to defray such impacts directly related to proposed development. No impact fee or other similar development charge shall be imposed to remedy any deficiency in capital facilities that exists without regard to the proposed development.

(b) A local government shall confer with any fire and emergency services provider that provides fire protection, rescue, and emergency medical services in a new development, together with the owner or developer of the development, to assess and determine whether there should be an impact fee or other similar development charge imposed to defray the impacts to the fire and emergency services provider.

(c) If a local government, in its sole discretion, elects to impose an impact fee or other similar development charge to fund the expenditures by a fire and emergency services provider for a capital facility, then the local government and fire and emergency services provider shall enter into an intergovernmental agreement defining the impact fee or other similar development charge and the details of collection and remittance.

(d) A local government that imposes an impact fee or other similar development charge to fund the expenditures by a fire and emergency services provider for a capital facility shall pay the impact fees or other similar development charges collected to the fire protection and emergency service provider.

(3) Any schedule of impact fees or other similar development charges adopted by a local government pursuant to this section shall include provisions to ensure that no individual landowner is required to provide any site specific dedication or improvement to meet the same need for capital facilities for which the impact fee or other similar development charge is imposed. A local

government shall not impose an impact fee or other similar development charge on an individual landowner to fund expenditures for a capital facility used to provide fire, rescue, and emergency services if the landowner is already required to pay an impact fee or other similar development charge for another capital facility used to provide a similar fire, rescue, and emergency service or if the landowner has voluntarily contributed money for such a capital facility.

(4) As used in this section, the term "capital facility" means any improvement or facility that:

(a) Is directly related to any service that a local government or a fire and emergency services provider is authorized to provide;

(b) Has an estimated useful life of five years or longer; and

(c) Is required by the charter or general policy of a local government or fire and emergency services provider pursuant to a resolution or ordinance.

(5) Any impact fee or other similar development charge shall be collected and accounted for in accordance with part 8 of article 1 of this title. Notwithstanding the provisions of this section, a local government may waive an impact fee or other similar development charge on the development of low- or moderate- income housing or affordable employee housing as defined by the local government.

(6) No impact fee or other similar development charge shall be imposed on any development permit for which the applicant submitted a complete application before the adoption of a schedule of impact fees or other similar development charges by the local government pursuant to this section. No impact fee or other similar development charge imposed on any development activity shall be collected before the issuance of the development permit for such development activity. Nothing in this section shall be construed to prohibit a local government from deferring collection of an impact fee or other similar development charge until the issuance of a building permit or certificate of occupancy.

(7) Any person or entity that owns or has an interest in land that is or becomes subject to a schedule of fees or charges enacted pursuant to this section shall, by filing an application for a development permit, have standing to file an action for declaratory judgment to determine whether such schedule complies with the provisions of this section. An applicant for a development permit who believes that a local government has improperly applied a schedule of fees or charges adopted pursuant to this section to the development application may pay the fee or charge imposed and proceed with development without prejudice to the applicant's right to challenge the fee or charge imposed under rule 106 of the Colorado rules of civil procedure. If the court determines that a local government has either imposed a fee or charge on a development that is not subject to the legislatively enacted schedule or improperly calculated the fee or charge due, it may enter judgment in favor of the applicant for the amount of any fee or charge wrongly collected with interest thereon from the date collected.

(8) (a) The general assembly hereby finds and declares that the matters addressed in this section are matters of statewide concern.

(b) This section shall not prohibit any local government from imposing impact fees or other similar development charges pursuant to a schedule that was legislatively adopted before October 1, 2001, so long as the local government complies with subsections (3), (5), (6), and (7) of this section. Any amendment of such schedule adopted after October 1, 2001, shall comply with all of the requirements of this section.

(9) If any provision of this section is held invalid, such invalidity shall invalidate this section in its entirety, and to this end the provisions of this section are declared to be nonseverable.

29-20-105. Intergovernmental cooperation. (1) Local governments are authorized and encouraged to cooperate or contract with other units of government pursuant to part 2 of article 1 of this title for the purposes of planning or regulating the development of land including, but not limited to, the joint exercise of planning, zoning, subdivision, building, and related regulations.

(2) (a) Without limiting the ability of local governments to cooperate or contract with each other pursuant to the provisions of this part 1 or any other provision of law, local governments may provide through intergovernmental agreements for the joint adoption by the governing bodies, after notice and hearing, of mutually binding and enforceable comprehensive development plans for areas within their jurisdictions. This section shall not affect the validity of any intergovernmental agreement entered into prior to April 23, 1989.

(b) A comprehensive development plan may contain master plans, zoning plans, subdivision regulations, and building code, permit, and other land use standards, which, if set out in specific detail, may be in lieu of such regulations or ordinances of the local governments.

(c) Notwithstanding any other statutory provisions of article 28 of title 30, C.R.S., review of comprehensive development plans by the planning commissions of the local governments shall be discretionary, unless otherwise required by local ordinance. This subsection (2) shall not apply to the requirements of sections 30-28-110 and 30-28-127, C.R.S.

(d) An intergovernmental agreement providing for a comprehensive development plan may contain a provision that the plan may be amended only by the mutual agreement of the governing bodies of the local governments who are parties to the plan.

(e) In the event that a plan is silent as to a specific land use matter, existing local land use regulations shall control.

(f) (I) An intergovernmental agreement may contain provisions concerning annexation, including, but not limited to provisions:

(A) That a comprehensive development plan shall continue to control particular land areas even though the land areas are annexed or jurisdiction over the land areas is otherwise transferred pursuant to law between the local governmental entities who are parties to the agreement;

(B) For revenue sharing between local governments; and

(C) Concerning land areas that may be annexed by municipalities and the conditions related to such annexations as established in the comprehensive development plan.

(II) Nothing in this paragraph (f) shall be construed to render invalid any intergovernmental agreement or comprehensive development plan entered into prior to November 6, 2001.

(g) Each governing body that is a party to an intergovernmental agreement adopting a comprehensive development plan shall have standing in district court to enforce the terms of the agreement and the plan, including specific performance and injunctive relief. The district court shall schedule all actions to enforce an intergovernmental agreement and comprehensive development plan for expedited hearing.

(h) Local governments may, pursuant to an intergovernmental agreement, provide for revenue-sharing.

(i) Local governments shall not be required to enter into intergovernmental agreements or comprehensive development plans pursuant to this section.

29-20-105.5. Intergovernmental cooperation - intergovernmental agreements to address wildland fire mitigation - land owned by municipality for utility purposes - legislative declaration. (1) The general assembly hereby finds, determines, and declares that:

(a) As wildland fires are impervious to the territorial boundaries of political subdivisions, adequate protection against the harm and hazards caused by such fires necessitates the full cooperation of all governmental entities within whose contiguous territorial boundaries forest lands or wildland areas are located;

(b) Because of the likely threat that wildland fires may cross territorial boundaries, particularly if cooperative fire mitigation policies are not established and maintained, protecting the public from the dangers of such fires, especially fires occurring in wildland-urban interface areas, is a matter of statewide concern;

(c) The provisions of this section are necessary to protect the public from the dangers of forest land and wildland fires; and

(d) The provisions of this section are enacted for the purpose of authorizing and requiring intergovernmental cooperation between a county and any local governments that own land areas located within the county to mitigate the harm caused by forest land or wildland fires affecting such contiguous land areas in the interest of protecting the public health and safety.

(2) As used in this section, unless the context otherwise requires:

(a) "Fire department" shall have the same meaning as set forth in section 24-33.5-1202 (3.7), C.R.S., and includes a fire department that uses paid firefighters, volunteer firefighters, or both. The term includes, without limitation, a not-for-profit nongovernmental entity that is organized to provide firefighting services.

(b) "Forest land" shall have the same meaning as set forth in section 39-1-102 (4.3), C.R.S.

(b.5) "Local government" means a home rule or statutory city, town, territorial charter city, or a city and county. "Local government" does not include a county or a home rule county.

(c) "Wildland area" means an area in which development is essentially nonexistent, except for roads, railroads, power lines, and similar infrastructure, and in which structures, if present, are widely scattered.

(d) "Wildland fire" means an unplanned or unwanted fire in a wildland area, including an unauthorized human-caused fire, an out-of-control prescribed fire, and any other fire in a wildland area where the objective is to extinguish the fire.

(e) "Utility purposes" means the use or management of property by a local government that is reasonably related to the provision of electric, natural gas, water, wastewater, and telecommunication services.

(3) (a) (I) On or before July 1, 2012, each local government that owns any land area for any reason other than for utility purposes that is located either entirely or partially outside its own territorial boundaries and inside the territorial boundaries of a county and that contains at least fifty percent forest land or land that constitutes a wildland area shall enter into an intergovernmental

agreement with the county for the purpose of mitigating forest land or wildland fires affecting the contiguous land areas of the local government and county.

(II) On or before July 1, 2012, each local government that owns any land area for utility purposes that is located either entirely or partially outside its own territorial boundaries and inside the territorial boundaries of a county and that contains at least fifty percent forest land or land that constitutes a wildland area shall either:

(A) Enter into an intergovernmental agreement with the county for the purpose of mitigating forest land or wildland fires affecting the contiguous land areas of the local government and county; or

(B) Enter into an agreement with the Colorado state forest service created in section 36-7-201 (1), C.R.S., for the purpose of mitigating forest land or wildland fires affecting the contiguous land areas of the local government and county, and provide notification of the agreement to any county in which the local government owns any land area.

(III) In association with the governmental parties entering into any intergovernmental agreement or agreement with the Colorado state forest service, the parties to the agreement shall consult with any utility providers that have facilities in the areas subject to the agreement to the extent the provisions of the agreement will affect the providers.

(b) Any agreement required by subparagraph (I) or (II) of paragraph (a) of this subsection (3) shall address, without limitation, the following matters:

(I) The identification of all parties to the agreement and their respective roles and responsibilities with respect to the mitigation of forest land and wildland fires;

(II) The procedures for cooperation and coordination among the parties to the agreement;

(III) Management objectives for forest land and wildland fire prevention, preparedness, mitigation, suppression, reclamation, or rehabilitation and the designation of the local government with fiscal and operational authority for each objective;

(IV) A description of available emergency or mutual aid resources in the event of forest land or wildland fires;

(V) The specification of reimbursement and billing procedures; and

(VI) Action that may be undertaken by one party to the agreement if another party to the agreement fails to satisfy its duties or responsibilities under the agreement.

(c) The agreement required pursuant to paragraph (a) of this subsection (3) shall be executed by all parties to the agreement.

(4) Nothing in this section shall require any local government to enter into a new agreement if the local government is a party to an agreement in existence as of August 5, 2009, including, without limitation, a mutual aid agreement, that satisfies the requirements of this section unless the terms of any such agreement, including a mutual aid agreement, fail to address the responsibility among local governments for mitigating wildland fires in wildland-urban interface areas.

(5) (a) In accordance with the requirements of section 33-10-108 (3) (a), C.R.S., and pursuant to a contract, intergovernmental agreement, or memorandum of understanding, the division of parks and wildlife created in section 33-9-104, C.R.S., may allow fire mitigation personnel and accompanying equipment and material under the control or supervision of a fire department to enter state parks, state recreation areas, and natural areas for the purpose of mitigating forest land or wildland fires in or around such parks, recreation areas, and natural areas. Permissible activities to

be undertaken by a fire department under this paragraph (a) include, without limitation, prescribed burning as a component of wildfire mitigation or forest or wildland management and exercises to promote the training of firefighting personnel.

(b) Nothing in paragraph (a) of this subsection (5) shall be construed as affecting the authority of any state agency other than the division of parks and wildlife to enter into a contract, intergovernmental agreement, or memorandum of understanding for the purpose of allowing fire mitigation personnel and accompanying equipment and material under the control or supervision of a fire department to enter land areas under the jurisdiction of the state agency to undertake the permissible activities specified in paragraph (a) of this subsection (5).

(c) For purposes of this subsection (5), "state agency" shall have the same meaning as set forth in section 24-18-102 (9), C.R.S.

29-20-105.6. Notification to military installations by local governments of land use changes - legislative declaration - definitions. (1) The general assembly hereby finds, determines, and declares that it is desirable for local governments in the state to cooperate with military installations located within the state in order to encourage compatible land use, help prevent incompatible urban encroachment upon military installations, and facilitate the continued presence of major military installations within the state.

(2) As used in this section, unless the context otherwise requires:

(a) "Local government" means a county, home rule or statutory city, town, territorial charter city, or a city and county.

(b) "Military installation" means:

(I) A base, camp, post, station, airfield, yard, center, or any other land area under the jurisdiction of the United States department of defense, including any leased facility, the total acreage of which installation is in excess of five hundred acres; or

(II) The Greeley Air National Guard station.

(3) Each local government whose territorial boundaries are within two miles of all or any portion of a military installation shall timely provide to the installation commanding officer and the flying mission commanding officer, or their designees, information relating to proposed zoning changes, and amendments to the local government's comprehensive plan, or land development regulations that, if approved, would affect the use of any area within two miles of the military installation. Nothing in this subsection (3) is intended to require submission of any information in connection with a site-specific development application under consideration by the local government.

(4) Upon submission of the information required to be provided pursuant to subsection (3) of this section, the military installation shall have fourteen business days within which to review the information and submit comments to the local government on the impact the proposed changes may have on the mission of the military installation. Such comments may include:

(a) If the military installation has an airfield, whether the proposed changes will be compatible with the safety and noise standards contained in the air installation compatible use zone recommended by United States department of defense instruction 4165.57 for that airfield;

(b) Whether the proposed changes are compatible with the installation environmental noise

management program of the military installation;

(c) Whether the proposed changes are compatible with any joint land use study for the area within which the changes are to take place, if such study has been completed; or

(d) Whether the military installation's mission will be adversely affected by the proposed changes.

(5) The local government shall review any comments received from the commanding officer or the flying mission commanding officer, or their designees, pursuant to subsection (4) of this section when considering approval of a comprehensive plan, amendments to the plan, or its land development regulations. The local government shall forward a copy of any such comments received to the office of smart growth created in section 24-32-3203 (1) (a), C.R.S.

(6) Notwithstanding any other provision of this section, nothing in this section is intended or shall be construed to require a local government to prepare a new master plan in effect as of August 11, 2010, in order to satisfy any of the requirements of this section.

29-20-106. Receipt of funds. Without limiting or superseding any authority presently exercised or previously granted, local governments are hereby authorized to receive and expend funds from other governmental and private sources for the purposes of planning for or regulating the use of land within their respective jurisdictions.

29-20-107. Compliance with other requirements. Except as provided in section 29-20-105 (2), where other procedural or substantive requirements for the planning for or regulation of the use of land are provided by law, such requirements shall control.

29-20-108. Local government regulation - location, construction, or improvement of major electrical or natural gas facilities - legislative declaration. (1) The general assembly finds, determines, and declares that the location, construction, and improvement of major electrical and natural gas facilities are matters of statewide concern. The general assembly further finds, determines, and declares that:

(a) A reliable supply of electric power and natural gas statewide is of vital importance to the health, safety, and welfare of the people of Colorado;

(b) Electric power is transmitted by means of an interconnected grid system serving every area of the state, and natural gas is carried through a series of interconnected pipelines statewide;

(c) Impacts on the electric grid system or natural gas pipelines in one area of the state may have impacts on other areas of the state; and

(d) It is critical that public utilities and power authorities that supply electric or natural gas service maintain the ability to meet the demands for such service as growth continues to occur statewide.

(2) Local government land use regulations must require final local government action on any application of a public utility or a power authority providing electric or natural gas service that relates to the location, construction, or improvement of major electrical or natural gas facilities

within one hundred twenty days after the utility's or authority's submission of a preliminary application, if a preliminary application is required by the local government's land use regulations, or within ninety days after submission of a final application. If the local government does not take final action within such time, the application is deemed approved. Within twenty-eight days of the submission by a utility or authority of an application pursuant to this subsection (2), the local government shall notify the utility or authority of any additional information that must be supplied by the utility or authority to complete the application. The notice must specify the particular provisions of the local government's land use regulations that necessitate submission of the required information. The one hundred twenty- or ninety-day period, as applicable, during which the local government is to take action on an application commences on the date that the utility or authority provides the requested information to the local government in response to the notice required by this subsection (2). If the local government does not notify the utility or authority within twenty-eight days that additional information is required to complete the application, the one hundred twenty- or ninety-day period, as applicable, commences on the date of the submission by the utility or authority of its application, and any request by a local government for additional information after the incompleteness of the twenty-eight-day period does not extend the applicable deadline for final local government action in accordance with the requirements of this subsection (2). A local government may request additional information from a state agency, and the state agency shall submit the additional information within the initial twenty-eight-day period if the request is made within a reasonable amount of time. In no event shall a request for additional information, or a failure by a state agency to provide the additional information requested, extend any deadline for local government action or notification as set forth in this section. Nothing in this subsection (2) shall be construed to supersede any timeline set by agreement between a local government and a utility or authority applying for local government approval of location, construction, or improvement of major electrical or natural gas facilities as defined in subsection (3) of this section.

(3) As used in this section, "major electrical or natural gas facilities" includes one or more of the following:

- (a) Electrical generating facilities;
- (b) Substations used for switching, regulating, transforming, or otherwise modifying the characteristics of electricity;
- (c) Transmission lines operated at a nominal voltage of sixty-nine thousand volts or above;
- (d) Structures and equipment associated with such electrical generating facilities, substations, or transmission lines; or
- (e) Structures and equipment utilized for the local distribution of natural gas service including, but not limited to, compressors, gas mains, and gas laterals.

(4) (a) A public utility or power authority shall notify the affected local government of its plans to site a major electrical or natural gas facility within the jurisdiction of the local government prior to submitting the preliminary or final permit application, but in no event later than filing a request for a certificate of public convenience and necessity pursuant to article 5 of title 40, C.R.S., or the filing of any annual filing with the public utilities commission that proposes or recognizes the need for construction of a new facility or the extension of an existing facility. If a public utility or power authority is not required to obtain a certificate of public convenience and necessity pursuant to article 5 of title 40, C.R.S., or file annually with the public utilities commission to notify the

public utilities commission of proposed construction of a new facility or the extension of an existing facility, then the public utility or power authority shall notify any affected local governments of its intention to site a major electrical or natural gas facility within the jurisdiction of the local government when such utility or authority determines that it intends to proceed to permit and construct the facility. Following such notification, the public utility or power authority shall consult with the affected local governments in order to identify the specific routes or geographic locations under consideration for the site of the major electrical or natural gas facility and attempt to resolve land use issues that may arise from the contemplated permit application.

(b) In addition to its preferred alternative within its permit application, the public utility or power authority shall consider and present reasonable siting and design alternatives to the local government or explain why no reasonable alternatives are available.

(5) (a) If a local government denies a permit or application of a public utility or power authority that relates to the location, construction, or improvement of major electrical or natural gas facilities, or if the local government imposes requirements or conditions upon such permit or application that will unreasonably impair the ability of the public utility or power authority to provide safe, reliable, and economical service to the public, the public utility or power authority may appeal the local government action to the public utilities commission for a determination under section 40-4-102, C.R.S., so long as one or more of the following conditions exist:

(I) The public utility or power authority has applied for or has obtained a certificate of public convenience and necessity from the public utilities commission pursuant to section 40-5-101, C.R.S., to construct the major electrical or natural gas facility that is the subject of the local government action;

(II) A certificate of public convenience and necessity is not required for the public utility or power authority to construct the major electrical or natural gas facility that is the subject of the local government action; or

(III) The public utilities commission has previously entered an order pursuant to section 40-4-102, C.R.S., that conflicts with the local government action.

(b) Any appeal brought by a public utility or power authority to the public utilities commission under this section shall be conducted in accordance with the procedural requirements of section 40-6-109.5, C.R.S. In addition to the formal evidentiary hearing on the appeal, conducted in accordance with the procedural requirements of section 40-6-109, C.R.S., the public utilities commission shall take statements from the public concerning the appealed local government action at an open hearing held at a location specified by the local government.

(c) An appeal brought pursuant to this subsection (5) shall include a statement of the reasons why the local government action would unreasonably impair the ability of a public utility or power authority to provide safe, reliable, and economical service to the public.

(d) The public utilities commission shall balance the local government interest with the statewide interest in the location, construction, or improvement of major electrical or natural gas facilities. In striking such balance, the public utilities commission shall render a decision that is consistent with article 65.1 of title 24, C.R.S., including section 24-65.1-105, C.R.S., and the commission shall consider the following factors:

(I) The demonstrated need for the major electrical or natural gas facility;

(II) The extent to which the proposed facility is inconsistent with existing applicable local

or regional land use ordinances, resolutions, or master or comprehensive plans;

(III) Whether the proposed facility would exacerbate a natural hazard;

(IV) Applicable utility engineering standards, including supply adequacy, system reliability, and public safety standards;

(V) The relative merit of any reasonably available and economically feasible alternatives proposed by the public utility, the power authority, or the local government;

(VI) The impact that the local government action would have on the customers of the public utility or power authority who reside within and without the boundaries of the jurisdiction of the local government;

(VII) The basis for the local government's decision to deny the application or impose additional conditions to the application;

(VIII) The impact the proposed facility would have on residents within the local government's jurisdiction including, in the case of a right of way in which facilities have been placed underground, whether those residents have already paid to place such facilities underground, and if so, shall give strong consideration to that fact; and

(IX) The safety of residents within and without the boundaries of the jurisdiction of the local government.

(e) The public utilities commission shall deny any appeal brought under this section unless the public utility or power authority has complied with the notification and consultation requirements of subsection (4) of this section.

(f) The public utilities commission may consult with the department of local affairs on land use issues in connection with any appeal. All information provided by the department of local affairs to the public utilities commission shall be part of the official record of the appeal and shall be subject to cross-examination or comments by the parties to the appeal.

(g) Unless otherwise specified in this subsection (5), the appeal shall be conducted in accordance with article 6 of title 40, C.R.S., including the provisions of section 40-6-116, C.R.S., concerning any stay or suspension of the final determination made by the public utilities commission.

(h) Nothing in this section shall be construed to limit or diminish the right of a public utility, power authority, or local government to appeal a local government, public utility, or power authority action, decision, or determination to a court of law pursuant to any other provision of law, or any appeal brought in connection with any decision by the public utilities commission under this subsection (5). Appeals brought under this paragraph (h) shall be given priority over other pending matters.

(i) Nothing in this section shall be construed to limit the authority of a municipal government to require or grant a public utility franchise.

29-20-109. Local government regulation of amateur radio antennas. (1) No local government shall enact or enforce an ordinance or resolution regulating amateur radio antennas that fails to conform to the limited preemption set forth in the memorandum opinion and order PRB-1 entitled "Federal Preemption of State and Local Regulations Pertaining to Amateur Radio Facilities", 101 FCC 2d 952 (1985), issued by the federal communications commission and further codified in 47 CFR 97.15 (b). An ordinance or resolution adopted by a local government that regulates amateur

radio antennas shall conform to the limited federal preemption which provides that local government regulations involving the placement, screening, or height of antennas must:

- (a) Be based on health, safety, or aesthetic considerations;
- (b) Be crafted to reasonably accommodate amateur communications; and
- (c) Represent the minimum practicable regulation required to accomplish the local government's legitimate purpose.

PART 2

REGULATORY IMPAIRMENT OF PROPERTY RIGHTS

29-20-201. Legislative declaration. (1) The general assembly hereby finds, determines, and declares that:

(a) The right to own and use private property is a fundamental right, essential to the continued vitality of a democratic society;

(b) Governmental regulation of conduct, while equally essential to public order and the preservation of universally held values, must be carried out in a manner that appropriately balances the needs of the public with the rights and legitimate expectations of the individual; and

(c) This part 2 appropriately and necessarily underscores and reinvigorates the federal constitutional prohibition against taking private property for public use without just compensation and the state constitutional prohibitions against taking or damaging private property for public or private use.

(2) The general assembly further finds and declares that an individual private property owner should not be required, under the guise of police power regulation of the use and development of property, to bear burdens for the public good that should more properly be borne by the public at large.

(3) The general assembly intends, through the adoption of section 29-20-203, to codify certain constitutionally-based standards that have been established and applied by the courts. The fair, consistent, and expeditious adjudication of disputes over land use in state courts in accordance with constitutional standards is a matter of statewide concern.

29-20-202. Definitions. As used in this part 2, unless the context otherwise requires:

(1) "Land-use approval" means any final action of a local government that has the effect of authorizing the use or development of a particular parcel of real property.

(2) "Local government" has the same meaning as set forth in section 29-20-103 (1.5).

29-20-203. Conditions on land-use approvals. (1) In imposing conditions upon the granting of land-use approvals, no local government shall require an owner of private property to

dedicate real property to the public, or pay money or provide services to a public entity in an amount that is determined on an individual and discretionary basis, unless there is an essential nexus between the dedication or payment and a legitimate local government interest, and the dedication or payment is roughly proportional both in nature and extent to the impact of the proposed use or development of such property. This section shall not apply to any legislatively formulated assessment, fee, or charge that is imposed on a broad class of property owners by a local government.

(2) No local government shall impose any discretionary condition upon a land-use approval unless the condition is based upon duly adopted standards that are sufficiently specific to ensure that the condition is imposed in a rational and consistent manner.

29-20-204. Remedy for enforcement against a private property owner. (1) (a) Within thirty days after the date of a decision or action of a local government imposing a condition in granting a land-use approval, the owner of such property may notify the local government in writing of an alleged violation of section 29-20-203.

(b) Upon the filing of such written notice, the local government shall inform each member of the governing body in writing that the notice has been filed. The local government shall respond to such notice within thirty days after the date of such notice by informing the property owner whether such application or enforcement will proceed as proposed, will be modified, or will be discontinued. The filing of such notice shall be a condition precedent to the owner's right to proceed under subsection (2) of this section.

(2) (a) Within sixty days after the date the local government is required to respond under paragraph (b) of subsection (1) of this section, the property owner may file a petition in the district court for the judicial district in which the subject property is located seeking relief from the enforcement or application of the local law, regulation, policy, or requirement on the basis of an alleged violation of section 29-20-203. Failure to file such a petition within said sixty-day period shall bar relief under this section.

(b) (I) Within thirty days after service on the local government of a petition pursuant to paragraph (a) of this subsection (2), the local government shall assemble and file with the clerk of the district court all documents in its possession concerning the enforcement or application of the local law, regulation, policy, or requirement, including the record of any hearing or proceeding concerning such enforcement or application. If there are no contested factual issues and if the court determines that the facts as reflected by the documents and record filed are sufficient to determine the case, the court shall proceed to determine the case in the most expeditious manner and shall issue appropriate procedural orders to facilitate such determination.

(II) If there are contested issues of fact, or if the court determines that additional evidence is necessary to determine the case, the court may order the parties to provide such additional facts and information as the court may deem appropriate. The court shall order a hearing as soon as its docket permits to resolve such issues of fact or hear such additional evidence.

(c) When it has been established that a required dedication of real property or payment of money as described in section 29-20-203 (1) has been or will be imposed, the burden shall be upon the local government to establish, based upon substantial evidence appearing in the record, that such dedication or payment is roughly proportional to the impact of the proposed use of the subject

property.

(d) In determining whether the property owner should be granted relief from the local government's enforcement or application of the local law, regulation, policy, or requirement, the court shall include the following considerations:

(I) Whether such enforcement or application has been accomplished pursuant to a duly adopted law, regulation, policy, or requirement;

(II) Whether such enforcement or application advances a legitimate local government interest;

(III) Whether any required dedication of real property or payment of money as described in section 29-20-203 (1) required by such enforcement or application is roughly proportional to the impact of the proposed use of the subject property;

(IV) Whether there are adequate legislative standards and criteria to ensure that the local law, regulation, policy, or requirement is rationally and consistently applied.

(e) (I) If the court determines that local government enforcement or application of the local law, regulation, policy, or requirement to a specific parcel does not comply with section 29-20-203, the court shall grant appropriate relief to the property owner under the facts presented. Such relief may include, but shall not be limited to, ordering the local government to modify any required dedication of real property or payment of money as described in section 29-20-203 (1) to make it roughly proportional to the impact of the proposed use of the subject property in a manner consistent with the court's order.

(II) If the court determines that such enforcement or application is not based on a duly adopted law, regulation, policy, or requirement or that there are not adequate standards and criteria to ensure that such enforcement or application is rational and consistent, the court shall invalidate the enforcement or application of the law, regulation, policy, or requirement as applied to the subject property.

(f) In any proceeding under this subsection (2), the court may in its discretion award the prevailing party its costs and reasonable attorney fees.

(3) Nothing in this section shall affect:

(a) The ability to bring an action under any state statute relating to eminent domain or the exercise of eminent domain powers by the state or any local governmental entity in furtherance of section 15 of article II of the state constitution, nor shall these provisions limit any claim for compensation or other relief under any other provision of law prohibiting the taking or damaging of private property for public or private use.

(b) The right of an owner of private property to file an action for judicial review under rule 106 (a) (4) of the Colorado rules of civil procedure; except that, if a claim under this section is not included in such rule 106 (a) (4) action, it may be brought, if at all, only by amendment to the complaint in the rule 106 (a) (4) action. If the local government has answered the rule 106 (a) (4) complaint, the court may not deny amendment of the complaint to add a claim under this section unless the time requirements of paragraph (a) of subsection (2) of this section have not been met.

(4) An owner may proceed with development without prejudice to that owner's right to pursue the remedy provided by this section.

29-20-205. Limitation - scope of part. Nothing in this part 2 shall be construed to affect the expressly granted land-use authority of any local government.

PART 3

ADEQUATE WATER SUPPLY

29-20-301. Legislative declaration. (1) The general assembly:

(a) Finds that, due to the broad regional impact that securing an adequate supply of water to serve proposed land development can have both within and between river basins, it is imperative that local governments be provided with reliable information concerning the adequacy of proposed developments' water supply to inform local governments in the exercise of their discretion in the issuance of development permits;

(b) To that end, declares that while land use and development approval decisions are matters of local concern, the enactment of this part 3, to help ensure the adequacy of water for new developments, is a matter of statewide concern and necessary for the preservation of public health, safety, and welfare and the environment of Colorado;

(c) Finds that it is necessary to clarify that, where a local government makes a determination whether an applicant for a development permit has demonstrated the proposed water supply is adequate to meet the needs of the development in accordance with the requirements of this part 3, the local government, in its sole discretion, not only makes the determination but also possesses the flexibility to determine at which stage in the development permit approval process the determination will be made; and

(d) Further finds that it is also necessary to clarify that the stages of the development permit approval process are any of the applications, or any combination of the applications, specified in section 29-20-103 (1) as determined by the local government, and that none of the stages are intended to constitute separate development permit approval processes for purposes of section 29-20-303.

29-20-302. Definitions. As used in this part 3, unless the context otherwise requires:

(1) "Adequate" means a water supply that will be sufficient for build-out of the proposed development in terms of quality, quantity, dependability, and availability to provide a supply of water for the type of development proposed, and may include reasonable conservation measures and water demand management measures to account for hydrologic variability.

(2) "Water supply entity" means a municipality, county, special district, water conservancy district, water conservation district, water authority, or other public or private water supply company that supplies, distributes, or otherwise provides water at retail.

29-20-303. Adequate water supply for development. (1) A local government shall not

approve an application for a development permit unless it determines in its sole discretion, after considering the application and all of the information provided, that the applicant has satisfactorily demonstrated that the proposed water supply will be adequate. A local government shall make such determination only once during the development permit approval process unless the water demands or supply of the specific project for which the development permit is sought are materially changed. A local government shall have the discretion to determine the stage in the development permit approval process at which such determination is made.

(2) Nothing in this part 3 shall be construed to require that the applicant own or have acquired the proposed water supply or constructed the related infrastructure at the time of the application.

29-20-304. Water supply requirements. (1) Except as specified in subsections (2) and (3) of this section, an applicant for a development permit shall submit estimated water supply requirements for the proposed development in a report prepared by a registered professional engineer or water supply expert acceptable to the local government. The report shall include:

(a) An estimate of the water supply requirements for the proposed development through build-out conditions;

(b) A description of the physical source of water supply that will be used to serve the proposed development;

(c) An estimate of the amount of water yield projected from the proposed water supply under various hydrologic conditions;

(d) Water conservation measures, if any, that may be implemented within the development;

(e) Water demand management measures, if any, that may be implemented within the development to account for hydrologic variability; and

(f) Such other information as may be required by the local government.

(2) If the development is to be served by a water supply entity, the local government may allow the applicant to submit, in lieu of the report required by subsection (1) of this section, a letter prepared by a registered professional engineer or by a water supply expert from the water supply entity stating whether the water supply entity is willing to commit and its ability to provide an adequate water supply for the proposed development. The water supply entity's engineer or expert shall prepare the letter if so requested by the applicant. At a minimum, the letter shall include:

(a) An estimate of the water supply requirements for the proposed development through build-out conditions;

(b) A description of the physical source of water supply that will be used to serve the proposed development;

(c) An estimate of the amount of water yield projected from the proposed water supply under various hydrologic conditions;

(d) Water conservation measures, if any, that may be implemented within the proposed development;

(e) Water demand management measures, if any, that may be implemented to address hydrologic variations; and

(f) Such other information as may be required by the local government.

(3) In the alternative, an applicant shall not be required to provide a letter or report identified pursuant to subsections (1) and (2) of this section if the water for the proposed development is to be provided by a water supply entity that has a water supply plan that:

- (a) Has been reviewed and updated, if appropriate, within the previous ten years by the governing board of the water supply entity;
- (b) Has a minimum twenty-year planning horizon;
- (c) Lists the water conservation measures, if any, that may be implemented within the service area;
- (d) Lists the water demand management measures, if any, that may be implemented within the development;
- (e) Includes a general description of the water supply entity's water obligations;
- (f) Includes a general description of the water supply entity's water supplies; and
- (g) Is on file with the local government.

29-20-305. Determination of adequate water supply. (1) The local government's sole determination as to whether an applicant has a water supply that is adequate to meet the water supply requirements of a proposed development shall be based on consideration of the following information:

- (a) The documentation required by section 29-20-304;
- (b) If requested by the local government, a letter from the state engineer commenting on the documentation required pursuant to section 29-20-304;
- (c) Whether the applicant has paid to a water supply entity a fee or charge for the purpose of acquiring water for or expanding or constructing the infrastructure to serve the proposed development; and
- (d) Any other information deemed relevant by the local government to determine, in its sole discretion, whether the water supply for the proposed development is adequate, including, without limitation, any information required to be submitted by the applicant pursuant to applicable local government land use regulations or state statutes.

29-20-306. Cluster developments - inapplicability. Nothing in this part 3 shall be deemed to apply to a rural land use process regarding the approval of a cluster development pursuant to part 4 of article 28 of title 30, C.R.S.

ARTICLE 21

Conservation Trust Funds

29-21-101. Conservation trust funds - definitions. (1) As used in this article, unless the context otherwise requires:

(a) "County" includes a city and county.

(a.5) "Division" means the division of local government in the department of local affairs.

(b) "Eligible entity" means a county, municipality, or special district which has created a conservation trust fund pursuant to this section and which has certified to the department of local affairs that it has created such fund.

(c) "Interests in land and water" means any and all rights and interests in land or water, or both, including fee interests and less than full fee interests such as future interests, developmental rights, easements, covenants, and contractual rights. Every interest in land or water may be in perpetuity or for a fixed term and shall be deemed to run with the land or water to which it pertains for the benefit of the citizens of this state.

(d) "Municipality" means a statutory or home rule city or town or a territorial charter city.

(e) "New conservation sites" means interests in land and water, acquired after establishment of a conservation trust fund pursuant to this section, for park or recreation purposes, for all types of open space, including but not limited to floodplains, greenbelts, agricultural lands, or scenic areas, or for any scientific, historic, scenic, recreational, aesthetic, or similar purpose.

(f) "Population" means the current population estimate prepared by the division of planning pursuant to section 24-32-204, C.R.S.

(g) "Special district" means:

(I) A special district organized under article 1 of title 32, C.R.S., which provides park or recreation facilities or programs pursuant to the district's service plan, which facilities or programs are open to public use; or

(II) A school district which owned or operated as a successor in interest to a previously established park and recreation district a system of public recreation and playgrounds prior to January 1, 1987, and who, prior to said date, collected moneys and separately accounted for and devoted such moneys exclusively to the operation of a system of public recreation and playgrounds.

(1.5) School districts which are special districts, as defined in paragraph (g) of subsection (1) of this section, are deemed to have been authorized to create conservation trust funds pursuant to this section, and any moneys, collected and separately accounted for and devoted exclusively to the operation of a system of public recreation and playgrounds prior to January 1, 1987, are deemed to be conservation trust funds. Nothing in this section shall be construed to entitle school districts which are special districts to the receipt of state conservation trust funds prior to April 22, 1987.

(2) (a) (I) There is hereby created in the division the conservation trust fund.

(II) Each county share shall be apportioned according to that percentage which the population of each county is to the total population of all counties, and, within each county, each municipality's share shall be apportioned according to the percentage which the population within each municipality is to the total population of the county in which such municipality is located. Each special district's share shall be determined as follows:

(A) The special district's share relating to the unincorporated area of the county in which all or part of such special district is located shall be apportioned according to one-half of the percentage which the population of the special district's unincorporated area is to the total population of the unincorporated area of the county.

(B) The special district's share relating to the incorporated area of the county in which all or part of such special district is located shall be one-half of the percentage which the population of the special district's incorporated area is to the total population of the municipality in which the special district's incorporated area is located. The population of any area which is located within a municipality or a city and county and has been excluded from a special district shall not be counted as part of the special district's population, even if the excluded area remains within the district for the purpose of paying outstanding debt.

(C) No special district which has been ordered dissolved shall receive any conservation trust fund money.

(b) (I) The division shall annually determine the eligible entities and shall distribute eligible entity shares as soon as possible after receiving distributions from the lottery fund pursuant to section 24-35-210 (10), C.R.S., in the following manner:

(A) To each eligible county, its share, less the share of all eligible municipalities and special districts located within the county;

(B) To each eligible municipality, its share of the county share, less the shares of any eligible special districts located within the municipality;

(C) To each eligible special district, its proportionate share of the county and municipal share; and

(D) To each eligible county, municipality, and special district, its proportionate share of any ineligible county share, less the shares of any eligible municipalities and special districts within the ineligible county.

(II) All moneys received from the state by any eligible entity pursuant to this section shall be accounted for separately from any other source of moneys available to the entity for the acquisition of new conservation sites or recreational facilities as defined in this article. No moneys received from the state by any eligible entity pursuant to this section shall be used to acquire real property through condemnation by eminent domain.

(c) In the event that an eligible municipality's share is less than twenty dollars, such amount shall be distributed to the eligible county for the benefit of such municipalities as determined by the board of county commissioners.

(3) The division may utilize the fund to recover its direct and indirect costs in the administration of moneys pursuant to this section.

(4) All moneys received from the state by each eligible entity pursuant to this section shall be deposited in its conservation trust fund and shall be expended only for the acquisition, development, and maintenance of new conservation sites or for capital improvements or maintenance for recreational purposes on any public site. An eligible entity shall not deposit any other moneys in its conservation trust fund. All interest earned on the investment of moneys in a local conservation trust fund shall be credited to the fund and shall be expended only for purposes authorized by this article.

(5) In the utilization of moneys received pursuant to this section, each eligible entity may cooperate or contract with any other government or political subdivision, including a conservation district established in accordance with the provisions of article 70 of title 35, C.R.S., or a local noxious weed control program, pursuant to part 2 of article 1 of this title. Subject to the separate accounting requirement of subparagraph (II) of paragraph (b) of subsection (2) of this section, such

cooperation may include the sharing of moneys held by any such entities in their respective conservation trust funds for joint expenditures for the acquisition, development, and maintenance of new conservation sites, as defined in paragraph (e) of subsection (1) of this section, in accordance with the provisions of article XXVII of the state constitution.

(6) On forms supplied by the division, each eligible entity shall annually submit to the division a statement showing the total amount of state moneys in its local conservation trust fund, the amount of any state moneys encumbered or expended from such fund since the previous year's report, and the purpose of the encumbrance or expenditure.

29-21-102. Certification - monitoring - enforcement - rules. (1) The treasurer of a municipality or special district, the chief financial officer, or the official custodian of the conservation trust fund of an eligible entity shall annually review and certify to the division that the eligible entity's self-reported conservation trust fund expenditures comply with the requirements of this article and of rules promulgated pursuant to this article.

(2) The division may require eligible entities to file such annual reports as it deems necessary, and shall review the annual reports submitted pursuant to this article. The review may be conducted by the division's own permanent staff, through a personal services contract, or by delegating responsibility to an independent third party. If the division determines that an eligible entity has violated this article, the division shall take such enforcement measures as it deems necessary to ensure compliance with this article.

(3) By September 1, 2004, the director of the division shall promulgate rules as necessary to carry out this article, including:

(a) Procedures necessary to allow the division or its agents to monitor eligible entities' compliance with the requirements of this article and of rules promulgated pursuant to this article, including annual reporting and entry and inspection of records regarding accounting and expenditures of revenues from the conservation trust fund;

(b) Procedures necessary to allow the division to enforce eligible entities' compliance with this article, including penalties, forfeiture of shares previously distributed, issuance of an order after a hearing held pursuant to section 24-4-105, C.R.S., to repay to a state or local conservation trust fund specific revenues from a conservation trust fund that were expended for purposes that are not authorized by this article, and, if the eligible entity fails to timely comply with the order, issuance of an order to the treasurer holding moneys of the eligible entity that were generated pursuant to the taxing authority of the eligible entity to prohibit the release of any such moneys until the eligible entity complies with the order, and the ability to treat a noncompliant eligible entity as though it were an ineligible entity; and

(c) Guidance regarding allowable expenditures of conservation trust fund revenues to facilitate eligible entities' compliance with this article.

(4) The division shall afford to any eligible entity written notice and an opportunity for a hearing before taking any enforcement action pursuant to this article.

HAZARDOUS SUBSTANCE INCIDENTS

ARTICLE 22

Hazardous Substance Incidents

29-22-101. Definitions. As used in this article, unless the context otherwise requires:

(1) "Hazardous substance" means any substance, material, waste, or mixture designated as a hazardous material, waste, or substance according to 49 Code of Federal Regulations Part 172, as amended, or by section 18-13-112 (2) (b), C.R.S., or as designated pursuant to the federal "Comprehensive Environmental Response, Compensation, and Liability Act of 1980" (Pub.L. 96-510) as in effect July 1, 1983.

(2) (a) "Hazardous substance incident" means any emergency circumstance involving the sudden discharge of a hazardous substance which threatens immediate and irreparable harm to the environment or the health and safety of any individual other than individuals exposed to the risks associated with hazardous substances in the normal course of their employment. "Hazardous substance incident" includes those incidents of spilling, dumping, or abandonment of a hazardous substance, whether or not such spilling, dumping, or abandonment is found to threaten immediate and irreparable harm, but such term does not include any discharge of a hazardous substance authorized pursuant to any federal, state, or local law or regulation. "Hazardous substance incident" includes those incidents which occur during transportation of a hazardous substance, in which a spill does not occur during the incident but is threatened prior to or during the cleanup period.

(b) As used in this section, "abandonment" means the act of leaving a thing with the intent not to retain possession of or assert ownership or control over it. The intent need not coincide with the act of leaving.

(3) "Person" means any individual, public or private corporation, partnership, association, firm, trust, or estate, the state or any department, institution, or agency thereof, any municipal corporation, county, city and county, or other political subdivision of the state, or any other legal entity whatsoever which is recognized by law as the subject of rights and duties.

(4) "Private property" means any property under the control, management, or operation of any person other than a governmental agency.

29-22-102. Hazardous substance incidents - response authorities - designation - definition. (1) It is the purpose of this section to provide for the designation of emergency response authorities for hazardous substance incidents. Every emergency response authority designated in or pursuant to this section is responsible for providing and maintaining the capability for emergency response to a hazardous substance incident occurring within its jurisdiction. An emergency response authority may provide and maintain the capability for such response directly or through mutual aid or other agreements, including an agreement with a private entity to support the emergency response authority, responding fire departments, or other government agencies. Subject to the provisions of

local or regional response agreements for hazardous substance incidents, the first emergency response authority, or its public agency designee through mutual aid or otherwise, to arrive at the scene of the incident, regardless of whether the incident occurs within its jurisdiction, is responsible for the emergency response as incident commander until such time as the emergency response authority that has jurisdiction over the incident site has arrived, after which unified command shall be followed until the emergency response has concluded. As used in this section, "emergency response to a hazardous substance incident" means taking the initial emergency action necessary to minimize the effects or threat of adverse effects of a hazardous substance incident on human health or the environment.

(2) If a hazardous substance incident occurs on private property and is otherwise reportable to any federal, state, or local agency, the owner of the property or person or entity operating on the property shall promptly report the incident to and coordinate a response with the appropriate emergency response authority designated in or pursuant to this section. If the owner or operator does not undertake or coordinate an emergency response or if, in the judgment of the designated emergency response authority, there exists an imminent danger to human health or the environment beyond such property, the designated emergency response authority may undertake the emergency response to such hazardous substance incident, as provided in this section. Nothing in this subsection (2) shall be construed to prohibit the owner of private property or a person or entity operating on such property from undertaking the emergency response to a hazardous substance incident occurring on the property.

(3) (a) The governing body of every town, city, and city and county shall designate by ordinance or resolution an emergency response authority or authorities for hazardous substance incidents occurring within the corporate limits of such town, city, and city and county. The governing body shall annually report the designation to the hazardous materials section of the Colorado state patrol. Unless otherwise designated by ordinance or resolution, the fire authority responsible for the area within the corporate limits of such town, city, or city and county is the designated emergency response authority.

(b) The board of county commissioners of every county in the state shall designate by ordinance or resolution the emergency response authority or authorities for hazardous substance incidents occurring within the unincorporated area of the county. The board shall annually report the designation to the hazardous materials section of the Colorado state patrol. Unless otherwise designated by ordinance or resolution, the county sheriff responsible for the unincorporated area of the county is the designated emergency response authority.

(c) (Deleted by amendment, L. 99, p. 432, 1, effective April 30, 1999.)

(4) (Deleted by amendment, L. 99, p. 432, § 1, effective April 30, 1999.)

(5) (a) For the purposes of this section, if a hazardous substance incident occurs on any federal, state, or county highway located outside of municipal city limits, the Colorado state patrol shall be the emergency response authority for such hazardous substance incident.

(b) The Colorado state patrol may delegate such authority to the emergency response authority designated pursuant to subsection (3) of this section or to any public entity capable of performing the emergency response to a hazardous substance incident upon approval of the governing body of the entity receiving authority under such delegation.

(c) In performing its duties under this subsection (5), the Colorado state patrol shall, when practicable, locate its emergency response resources based upon its assessment of the hazardous substances emergency response needs of the different geographic areas of the state.

(d) The Colorado state patrol shall actively coordinate its emergency response capabilities and plans with local emergency response agencies.

(6) Each governing body identified in subsection (3) of this section and the Colorado state patrol shall, as necessary, exercise continuing supervisory authority in consultation with other federal, state, and local agencies having regulatory jurisdiction for the cleanup and removal of the hazardous substance involved in an incident.

29-22-103. Emergency response authority may request assistance. (1) Any emergency response authority that, in its judgment, does not have the equipment, personnel, or expertise necessary to handle a particular hazardous substance incident may make a request to any public agency or private entity possessing such necessary equipment, personnel, or expertise to provide assistance to such emergency response authority.

(2) (a) Any emergency response authority designated in or pursuant to section 29-22-102 may request the department of public health and environment and the county or district public health agency to provide assistance. If there is no county or district public health agency for the area in which a hazardous substance incident occurs, such request may be made to the board of county commissioners in its capacity as the county board of health or to the mayor and council or trustees in their capacity as the municipal board of health. In addition, any other state or local agency with useful expertise shall have the authority, upon request, to provide assistance to and cooperate with the emergency response authority designated in or pursuant to section 29-22-102.

(b) The department of public safety is hereby authorized to organize, through mutual aid or other agreements, a state emergency response team and regional emergency response teams. The state team may consist of any federal, state, local, or private entities that have the appropriately trained personnel and the necessary equipment to respond on a statewide basis to a hazardous substance incident. The regional teams may consist of any federal, state, local, or private entities that have the appropriately trained personnel and the necessary equipment to respond on a regional basis to a hazardous substance incident and to assist the state team in responding on a statewide basis to a hazardous substance incident. The state and regional teams shall be available to respond to hazardous substance incidents upon request made to the department of public safety by an emergency response authority. The emergency response authority that requests a response by the state emergency response team, a regional emergency response team, or both shall assure that the reasonable and documented costs of the team's or teams' response are included in any reimbursement for costs sought in accordance with this article. The emergency response authority shall distribute any such reimbursement that is made to it on a pro rata basis to each entity that made up the emergency response team or teams that responded to a hazardous substance incident.

(3) Any municipal or county governing body, emergency response authority, private entity, the Colorado state patrol, or the department of public safety may enter into mutual aid or other agreements for the purpose of providing or conducting the emergency response to hazardous substance incidents. Such agreements may include procedures for utilizing equipment, personnel,

and technical assistance.

29-22-104. Right to claim reimbursement - rules. (1) (a) A public entity, political subdivision of the state, unit of local government, or private entity is hereby given the right to claim reimbursement from the person or persons who have care, custody, and control of the hazardous substance involved at the time of the incident for the reasonable, necessary, and documented costs resulting from action taken to remove, contain, or otherwise mitigate the effects of the incident. A private entity that is neither a responsible party nor otherwise compensated may claim its costs only when it provided services under an agreement with the designated emergency response authority or fire department pursuant to section 29-22-102 or 29-22-103 that provides that the private entity will not be paid by the designated emergency response authority or fire department. A private entity may assist a fire department or designated emergency response authority in pursuing such a claim under subsection (3) of this section; however, the fire department or designated emergency response authority must approve the claim. When the action to remove, contain, or otherwise mitigate the effects of such an incident also involves extinguishing a fire, the costs may only include the extraordinary expenses related to the hazardous substance and not any expense related to extinguishing the fire. If the property on which the hazardous substance incident occurred lies within an unincorporated area of a county and not otherwise within a fire protection district, then the costs may include any expense related to the hazardous substance incident or to extinguishing the fire. If any such person is the owner of property upon which the hazardous substance incident occurs, collection of such costs may be made pursuant to section 30-10-513.5 (1), C.R.S.

(b) Response costs recoverable under this section include the value of reasonable emergency response services provided by a private entity under an agreement for assistance with a fire department or the designated emergency response authority regardless of whether the private entity has been paid by the fire department or designated emergency response authority.

(2) Nothing contained in this section shall be construed to change or impair any right of recovery or subrogation arising under any other provision of law.

(3) (a) The governing body of the emergency response authority designated in section 29-22-102 (3), or when the emergency response authority is the Colorado state patrol, the attorney general, shall be responsible for collecting any claims for reimbursement made pursuant to this section when more than one public entity, political subdivision of the state, or unit of local government has assisted in said removal, containment, or mitigation. Such responsibility shall include, when necessary, the filing of a civil action against the person responsible for the abandonment or spill. Any such agency which rendered assistance may also join any civil action as a party plaintiff or may assign any rights to the appropriate emergency response authority.

(b) Any collections or recovery made by the emergency response authority shall be distributed on a pro rata basis among the agencies and private entities that rendered assistance.

(c) The emergency response authority is entitled to recover its reasonable costs in collecting any reimbursement, including any attorney fees. If such costs are not included in a judgment rendered in a civil action, they shall be deducted from any recovery prior to the distribution provided for in paragraph (b) of this subsection (3).

(d) All moneys collected or recovered pursuant to the provisions of this section on behalf

of the Colorado state patrol, except for moneys distributed to assisting agencies pursuant to paragraph (b) of this subsection (3) or to pay legal fees or costs pursuant to paragraph (c) of this subsection (3), shall be transmitted to the state treasurer who shall credit the same to the highway users tax fund established in section 43-4-201, C.R.S.

(4) The provisions of this section shall apply to any claim for reimbursement for costs related to a hazardous substance which is authorized by other provisions of law.

(5) Repealed.

(6) (a) The executive director of the department of public safety shall adopt rules in accordance with article 4 of title 24, C.R.S., to create a process by which a public entity, political subdivision of the state, or unit of local government claiming reimbursement pursuant to this section shall establish that the costs attributed to a hazardous substance incident are reasonable, necessary, and documented. Such rules shall provide for consideration of all appropriate cost factors including but not limited to acquisition and operation expenses for equipment, salaries and benefits, the cost of expendable supplies, the cost differences between rural and urban areas, and the cost differences between responding entities that utilize paid staff and entities that use volunteers.

(b) The executive director of the department of public safety shall create a list of qualified and knowledgeable persons who are willing to perform the role of voluntary ombudsman, mediator, or arbitrator to resolve disputes regarding claims for reimbursement made pursuant to this section and shall adopt rules in accordance with article 4 of title 24, C.R.S., to establish the process by which the parties involved in such a dispute may access and arrange for the assistance of persons on the list. Persons on the list shall not receive compensation for their services from the state and shall not be state employees. Persons on the list shall not be subject to civil liability for any actions taken in good faith pursuant to this paragraph (b) or any rule adopted by the executive director of the department of public safety in accordance with this section.

29-22-105. Additional reimbursement for costs of assistance - subrogation of rights - recovery of reimbursements by attorney general. Whenever any fire department or other public agency provides assistance to a designated emergency response authority, as provided in section 29-22-103 or 29-22-104, outside of the area of its jurisdiction, whenever assistance to a designated emergency response authority is provided pursuant to a mutual aid agreement, or whenever the department of public health and environment or the county, district, or municipal public health agency provides services such as laboratory analyses, waste removal, transportation, storage, or disposal, the reasonable documented costs of the equipment, supplies, analyses, and personnel provided by such fire department or public agency may be reimbursed, subject to guidelines by the executive director of the department of public safety. Reimbursement shall be for costs not recovered pursuant to section 29-22-104 and shall be out of any moneys made available by legislative appropriation therefor. In the event of such reimbursement, the state of Colorado shall be subrogated to any rights of such fire department or public agency with respect to the amounts so reimbursed. The attorney general shall pursue all available remedies to recover any moneys paid out pursuant to this section from the person responsible for said incident. Any moneys recovered by the attorney general shall be transmitted to the state treasurer. Nothing in this article shall be construed to enlarge or impair any right of recovery or subrogation arising under any other provision of law. The attorney

general shall not attempt to recover any moneys from any person responding to a hazardous substance incident pursuant to a mutual aid agreement or to any provision of this article.

29-22-106. Emergency response cash fund. (Repealed)

29-22-106.5. Hazardous substances planning and response assistance fund - creation - acceptance of gifts, grants, and donations - grants to local government. (Repealed)

29-22-107. Legislative finding - hazardous substance listing required. (1) The general assembly finds, determines, and declares:

(a) That the protection of the public from the dangers of hazardous substance incidents occurring on private property, other than residential or agricultural property, is a matter of statewide concern;

(b) That, without the provisions of this section, such protection is inadequate; and

(c) That the provisions of this section are enacted in the exercise of the police powers of this state for the purpose of protecting the peace, health, safety, and welfare of the people of this state.

(2) (a) Upon the request of the designated emergency response authority, the department of public health and environment, or the local fire department, any person who, in accordance with the following table, possesses the specified quantity, or a quantity in excess of that specified, of any hazard type of hazardous substance on private property shall provide the designated emergency response authority and the waste management division of the department of public health and environment and, when requested, the local fire department with a listing of the maximum quantity of each such hazard type reasonably anticipated to be present on the property at any time:

Hazard type	Quantity
Class A or B explosive	Any quantity
Class C explosive	50 pounds
Etiological agent	Any quantity
Water reactive flammable solid	5 pounds
Pyrophoric material	5 pounds
Organic/inorganic peroxide	50 pounds
Poison A or poison B	100 pounds or 15 gallons

Flammable liquid other than a pyrophoric liquid	700 pounds or 120 gallons
Compressed flammable gas other than liquefied petroleum gases	3,000 cubic feet or more at one atmosphere at seventy degrees Fahrenheit
Liquefied petroleum gases	Any installation exceeding 18,000 gallon water capacity
Oxidizer	200 pounds or 120 gallons
Combustible liquid	
Class I	120 gallons
Class II	240 gallons
Class III	500 gallons
Corrosive material	200 pounds or 120 gallons (unless a lesser amount is specified in 49 Code of Federal Regulations Part 172.101)
Irritating material	200 pounds or 120 gallons

(b) With respect to the terms listed as hazard types in the table in paragraph (a) of this subsection (2):

(I) "Pyrophoric material" means any material which ignites spontaneously in dry or moist air at or below one hundred thirty degrees Fahrenheit.

(II) The remaining terms shall have the meanings ascribed to them in 49 Code of Federal Regulations Subchapter C as in effect on July 1, 1983.

(c) (I) Any person requested to list pursuant to this subsection (2) shall update such list annually unless the designated response authority, the department of public health and environment, or the local fire department requests an updated list prior to the annual update.

(II) Except as to those authorities designated in paragraph (a) of this subsection (2), all information required to be provided under this subsection (2) shall be deemed privileged and shall not be released to any person or organization without the express written consent of the person providing the information.

(III) The person who, without the express written consent required in subparagraph (II) of this paragraph (c), releases information required to be provided by this subsection (2) commits a class 3 misdemeanor and shall be punished as provided in section 18-1.3-501, C.R.S.

(d) The requirements of this subsection (2) do not apply to:

(I) Motor fuel products in quantities less than forty-two thousand gallons in underground

storage or less than six hundred twenty gallons in one tank or less than one thousand three hundred forty gallons in combination in above ground storage;

(II) Hazardous substances in typical consumer-sized packaging or when being stored or used by a farmer or rancher at a facility used in active agricultural production;

(III) Any person who has specific arrangements with a designated emergency response authority for responding to hazardous substance incidents;

(IV) Hazardous materials in transportation which are subject to the provisions of parts 1, 2, and 3 of article 20 of title 42, C.R.S.;

(V) The armed forces of the United States or the state militia;

(VI) Explosives in forms prescribed by the official United States pharmacopoeia;

(VII) The sale, possession, or use of fireworks;

(VIII) The possession, transportation, and use of small arms ammunition;

(IX) The possession, storage, and transportation of not more than fifty pounds of black powder and two thousand small arms primers for hand-loading of small arms ammunition for personal use unless otherwise regulated by the local jurisdiction;

(X) The transportation and use of explosives or blasting agents by the United States bureau of mines, the federal bureau of investigation, the United States secret service, the United States department of the treasury, or a police or fire department acting in its official capacity;

(XI) Special industrial explosive devices which in the aggregate contain less than fifty pounds of explosives.

(3) On or after October 1, 1983, any person failing to comply with the provisions of subsection (2) of this section shall be subject to a civil penalty of not more than one hundred dollars per day for each day during which said violation occurs. Such penalty shall be determined and collected by a court of competent jurisdiction upon an action instituted by the district attorney. Civil penalties collected shall be transmitted to the state treasurer, who shall credit the same to the general fund.

29-22-108. Criminal penalties. (1) Any person who intentionally causes or substantially contributes to the occurrence of a hazardous substance incident in violation of the provision of this article commits a class 4 felony and shall be punished as provided in section 18-1.3-401, C.R.S.

(2) Any person who willfully, recklessly, or with criminal negligence as defined in section 18-1-501, C.R.S., causes or substantially contributes to the occurrence of a hazardous substance incident in violation of the provisions of this article commits a class 5 felony and shall be punished as provided in section 18-1.3-401, C.R.S.

29-22-109. Persons rendering assistance relating to hazardous substance incidents - legislative declaration - exemption from civil liability. (1) The general assembly hereby finds and declares that knowledgeable individuals and organizations should be encouraged to lend expert assistance in the event of a hazardous substance incident. The purpose of this section is to so encourage such individuals and organizations to lend assistance by providing them with limited

immunity from civil liability.

(2) As used in this section, "person" means individual, government or governmental subdivision or agency, corporation, partnership, or association or any other legal entity.

(3) (a) Notwithstanding any provision of law to the contrary, any person who provides assistance or advice in mitigating or attempting to mitigate the effects of an actual or threatened hazardous substance incident, or in preventing, cleaning up, or disposing of or in attempting to prevent, clean up, or dispose of any such incident, shall not be subject to civil liability for such assistance or advice, except as provided in subsection (4) of this section.

(b) Notwithstanding any provision of law to the contrary, any person who provides assistance upon request of any emergency response authority, police agency, fire department, rescue or emergency squad, or any governmental agency in the event of an accident or other emergency involving the use, handling, transportation, transmission, or storage of hazardous substance, when the reasonably apparent circumstances require prompt decisions and actions, shall not be liable for any civil damages resulting from any act of commission or omission on his part in the course of his rendering such assistance, except as provided in subsection (4) of this section.

(4) The exemption from civil liability provided for in this section shall not apply to:

(a) Any person whose act or omission caused in whole or in part such discharge and who would otherwise be liable therefor;

(b) Any person, other than the employee of a governmental subdivision or agency, who receives compensation other than reimbursement for out-of-pocket expenses for his assistance or advice;

(c) Any person's gross negligence or reckless, wanton, or intentional misconduct.

(5) Nothing in this section shall be construed to abrogate or limit the sovereign immunity granted to public entities pursuant to article 10 of title 24, C.R.S., the "Colorado Governmental Immunity Act".

29-22-110. Colorado state patrol to provide information. The Colorado state patrol shall compile and maintain information on the emergency response capabilities of public and private agencies throughout the state to enable the state patrol to answer any inquiry concerning the nearest agencies or entities available to contribute equipment and personnel to aid in the emergency response to any hazardous substance incident. The state patrol shall also compile and maintain information regarding which local, state, or federal agencies or entities should be notified of any hazardous substance incident. The state patrol shall establish, maintain, and publicize a telephone service to make such information available to the public twenty-four hours each day and shall notify each emergency response authority designated in or pursuant to section 29-22-102 as responsible for the emergency response to a hazardous substance incident of such service. With respect to the powers and duties specified in this section, the state patrol shall have no rule-making authority and shall avail itself of all available private resources. The state patrol shall coordinate its activities pursuant to this section with the department of public health and environment and the department of local affairs.

WILDLAND FIRE PLANNING

ARTICLE 22.5

Wildland Fire Planning

29-22.5-101. Legislative declaration. (1) The general assembly hereby finds, determines, and declares that:

(a) Wildland fires, especially fires occurring in wildland-urban interface areas, pose a serious threat to life, property, critical infrastructure, and the environment;

(b) A systematic, proactive approach to the management of wildland fire incidents, regardless of cause, size, location, or complexity, is needed in order to protect life, property, critical infrastructure, and the environment;

(c) The national incident management system provides a consistent, nationwide template enabling federal, state, tribal, and local governments, the private sector, and nongovernmental organizations to work together to prepare for, prevent, respond to, recover from, and mitigate the effects of all incidents regardless of type, cause, size, location, or complexity, and should be the foundation for the management of wildland fire incidents;

(d) The development of a county wildland fire plan, in cooperation among the sheriff, the fire chiefs, and the board of county commissioners of the county and based on the resource capabilities specific to the county, will assist in clarifying the roles and responsibilities of local emergency response agencies, in the management of wildland fire incidents and, for these reasons, the development of such a plan is encouraged;

(e) Many of the elements of a county wildland fire plan may already exist in community wildfire protection plans, other county fire plans, county all-hazards preparedness plans, or annual operating plans, and these elements should be brought together, in cooperation between the sheriff and the fire chiefs of the county, into a county wildland fire plan; and

(f) The provisions of this article are intended to clarify and identify specific state and local roles, responsibilities, and authorities for managing prairie, forest, or wildland fire incidents that range from the small scale local to large scale multi-jurisdictional or catastrophic fires in order to protect life, property, critical infrastructure, and the environment.

29-22.5-102. Definitions. As used in this article, unless the context otherwise requires:

(1) "Director" means the director of the division of fire safety and control.

(1.3) "Division" means the division of fire prevention and control in the department of public safety created in section 24-33.5-1201, C.R.S.

(1.7) "Forest service" means the Colorado state forest service identified in section 23-31-302, C.R.S.

(2) "Incident commander" means the individual responsible for the overall management of the incident including developing incident objectives and managing all incident operations, by virtue of explicit legal, agency, or delegated authority.

(3) "Incident command system" means a standardized, on-scene, all-hazard incident management concept that is an integral part of the national incident management system.

(4) "Local incident management team" means a single or multi-agency team of capable individuals formed and managed at the local or county level and created or activated when necessary to provide the command and control infrastructure required to manage a major or complex incident requiring a significant number of local and mutual aid resources.

(5) "Mutual aid agreement" means a written agreement between or among federal, state, and local agencies in which the agencies agree to assist one another upon request by furnishing such resources as personnel and equipment.

(6) "National incident management system" or "NIMS" means the national command and management system developed by the U.S. department of homeland security. NIMS provides a unified approach to incident management; standard command and management structures; and emphasis on preparedness, mutual aid, and resource management.

(7) "Prescribed fire" means any fire ignited by federal, state, or local forest or land managers or private property owners to meet specific fire protection or mitigation objectives.

(8) "Unified command" means the incident commanders representing agencies or jurisdictions that share responsibility for the incident manage the response from a single incident command post, allowing agencies with different legal, geographic, and functional authorities and responsibilities to work together effectively without affecting individual agency authority, responsibility, or accountability.

(9) "Wildland area" means an area in which development is essentially nonexistent, except for roads, railroads, power lines, and similar infrastructure, and in which structures, if present, are widely scattered.

(10) "Wildland fire" means an unplanned or unwanted fire in a wildland area, including unauthorized human-caused fires, out-of-control prescribed fires, and all other fires in wildland areas where the objective is to extinguish the fire.

29-22.5-103. Wildland fires - general authority and responsibilities. (1) (a) The chief of the fire department in each fire protection district in the state is responsible for the management of wildland fires that occur within the boundaries of his or her district and that are within the capability of the fire district to control or extinguish in accordance with the provisions of section 32-1-1002 (3) (a), C.R.S.

(b) The fire chief may utilize mutual aid agreements and unified command with neighboring fire protection districts to suppress and control fires that cross or threaten to cross the boundaries of the district.

(c) The fire chief may transfer any duty or responsibility the fire chief may assume under this section to the county sheriff with the concurrence of the sheriff.

(d) The fire chief shall not seek reimbursement from the county for expenses incurred by the district for their own apparatus, equipment, and personnel used in containing or suppressing a wildfire occurring on private property within the boundaries of the district.

(2) (a) The sheriff is the fire warden of the county and is responsible for the planning for, and the coordination of, efforts to suppress wildfires occurring in the unincorporated area of the county outside the boundaries of a fire protection district or that exceed the capabilities of the fire protection district to control or extinguish in accordance with the provisions of section 30-10-513, C.R.S.

(b) In the case of a wildfire that exceeds the capabilities of the fire protection district to control or extinguish and that requires mutual aid and outside resources, the sheriff shall appoint a local incident management team to provide the command and control infrastructure required to manage the fire. The sheriff shall assume financial responsibility for fire fighting efforts on behalf of the county and the authority for the ordering and monitoring of resources.

(c) In the case of a wildfire that exceeds the capability of the county to control or extinguish, the sheriff shall be responsible for seeking the assistance of the state, by requesting assistance from the division. The sheriff and the director shall enter into an agreement concerning the transfer of authority and responsibility for fire suppression and the retention of responsibilities under a unified command structure.

(3) (a) The division shall be the lead state agency for wildland fire suppression as identified in the Colorado state emergency operations plan and in accordance with the provisions of section 23-31-301, C.R.S.

(b) The forest service may provide land management and the division may provide wildland fire management services to other state agencies by means of memoranda of understanding or related forms of cooperative agreements.

(c) In case of a wildland fire that exceeds the capability of the county to control or extinguish, the division may assist the sheriff in controlling or extinguishing such fires, and may assume command of such incidents with the concurrence of the sheriff under a unified command structure.

(d) At the request of the sheriff, the division may assist in the development or modification of the county wildfire preparedness plan.

(4) Notwithstanding any other provision of law, and subject to the provisions of any local or regional mutual aid agreements or plans for wildland fire response, the first emergency response agency to arrive at the scene of a wildland fire, regardless of whether the incident occurs within its jurisdiction, shall act as incident commander and be responsible for the initial emergency action necessary to control the wildland fire or to protect life or property until the emergency response agency that has jurisdiction over the incident site arrives.

29-22.5-104. County wildfire preparedness plan. (1) The sheriff of each county may develop and update as necessary a wildfire preparedness plan for the unincorporated area of the county in cooperation with any fire district with jurisdiction over such unincorporated area. Any such plan shall:

(a) Identify all participants in the plan and their wildland fire roles and responsibilities,

including their jurisdictional boundaries, their fiscal and operational authority and responsibilities, a general description of their wildland fire response capabilities, and incident command structure;

(b) Describe available emergency response resources and mutual aid and other agreements related to the plan;

(c) Describe the procedures for cooperation and coordination between or among federal, state, county, and local emergency response authorities; and

(d) Specify reimbursement and billing procedures.

(2) It is recognized that many of the elements described in subsection (1) of this section may already exist in community wildfire protection plans, other county fire plans, county all-hazards preparedness plans, or annual operating plans, and these elements could be integrated, in cooperation among the sheriff, the fire chiefs, and the board of county commissioners of the county, into a county wildland fire plan.

(3) The plan developed pursuant to subsection (1) of this section shall be agreed to by all participants in the plan to the extent practicable.

(4) The authorization to develop a wildfire preparedness plan pursuant to subsection (1) of this section shall not be construed to require the sheriff to provide and maintain the capability for the response. The sheriff may provide and maintain response capability as described in the plan directly or through mutual aid or other agreements.

(5) At the request of the sheriff, the division may assist in the development or updating of the county wildfire preparedness plan pursuant to subsection (1) of this section.

(6) Nothing in this section shall be construed to affect the provisions of section 30-15-401.7, C.R.S., or the community wildfire protection plan developed pursuant to such section.

SPECIAL STATUTORY AUTHORITIES

ARTICLE 23

Pueblo Depot Activity Development Authority

29-23-101. Short title. This article shall be known and may be cited as the "Pueblo Depot Activity Development Authority Act".

29-23-102. Legislative declaration. (1) The general assembly hereby finds and declares that:

(a) Changes in the world's political, social, and economic policies have resulted in changes in the military needs of the United States;

(b) Congress has ordered that certain military installations be closed or realigned pursuant to the "Defense Authorization and Base Realignment and Closure Act", 26 U.S.C. sec. 2687, as

amended;

(c) Base closure or realignment has a severe and adverse impact on the economy of the community, region, and state where the installation is located;

(d) The installations ordered closed or realigned represent an investment of millions of dollars in the land, improvements, and equipment located on the installation by the taxpayers of the community, region, state, and nation; and

(e) The land, improvements, and equipment represent a potential economic resource to promote new employment opportunities and, thereby, enhance the state and local tax base.

(2) The general assembly further finds and declares that:

(a) Congress has ordered the Pueblo depot activity to be realigned, then closed, pursuant to the "Defense Authorization and Base Realignment and Closure Act", 26 U.S.C. sec. 2687, as amended;

(b) The Pueblo depot activity encompasses some thirty-four and three-tenths square miles of land in Pueblo county and contains more than one thousand two hundred buildings; and

(c) The creation of a Pueblo depot activity development authority is necessary to provide a public entity which can secure from the Army of the United States the excess and surplus land, buildings, and equipment; enter into cooperative agreements; and acquire, construct, reconstruct, repair, alter, improve, extend, own, lease, operate, and dispose of properties, in an attempt to promote the development of the Pueblo depot activity for the people of this state.

(3) The general assembly further finds and declares that the Pueblo depot activity development authority is created for the benefit and advantage of and to promote the health, safety, and welfare of the people of the state of Colorado and that, as such, it is the intent of the general assembly that this article shall be liberally constructed to effect its purpose.

29-23-103. Definitions. As used in this article, unless the context otherwise requires:

(1) "Authority" means the Pueblo depot activity development authority created by this article.

(2) "Board" means the board of directors of the Pueblo depot activity development authority.

(3) "Bond" means any bond, note, interim certificate, contract, or other evidence of indebtedness of the authority authorized by this article.

(4) "Revenues" means any fees, rates, charges, assessments, grants, contributions, or other income and revenues received by the authority.

29-23-104. Authority - creation. There is hereby created the Pueblo depot activity development authority which shall be a body corporate and politic and a political subdivision of the state. The authority shall not be an agency of state government. The authority shall have perpetual existence and succession.

29-23-105. Boundaries of the authority - inclusion - exclusion. (1) The area comprising

the authority shall consist of:

Township 19 South, Range 62 West of the 6th P.M., Pueblo County

Section 32 through 36: All

Section 31: Lots 1, 2, 3, and 4, E1/2 NW1/4 and S1/2

Township 20 South, Range 62 West of the 6th P.M., Pueblo County

Section 1 through 17
and 19 through 29: All

Section 18: All except the following described land:

Beginning at a point which is 244.2 feet North of the Southwest corner of said Section 18; thence East 1,320 feet, thence North 660 feet; thence West 1,320 feet; thence South 660 feet to point of beginning; and except SE1/4 SE1/4

Section 30: E1/2

Section 31: Portion NE1/4 lying North of the North right-of-way line of A.T.& S.F. Railroad; and all of the E1/2 E1/2 except the NE1/4 NE1/4 lying North of the North right-of-way of the A.T.& S.F. Railroad

Section 32: Portion beginning at the Northeast corner of Section 32; thence South to the Southeast corner of the NE1/4 of said Section; thence west along the East-West center line of said Section to a point which is 1,377.6 feet East of the center of said Section; thence North 990 feet; thence West 1,817.5 feet; thence South 990 feet to a point, which point is 425 feet West of the center of said Section; thence Southeasterly 711 feet to a point on the North-South center line of said Section, which point is South a distance of 570 feet from the center of said Section; thence Southeasterly 1,046.5 feet to a point on the Northerly right-of-way line of the A.T. & S.F. Railroad, which point is East a distance of 853.2 feet from the point of intersection of said right-of-way with the North-South center line of said section; thence Westerly along said right-of-way line to its point of intersection with the West line of said section; thence North to the Northwest corner of said Section; thence East to the point of beginning

Section 33: N1/2

Section 34: N1/2

Section 35: N1/2

(2) (a) Property may be included in the area comprising the authority upon satisfying the following requirements:

(I) The owner of the property considered for inclusion must file a written petition to include property with the board; and

(II) The Pueblo county board of county commissioners and the city council of the city of Pueblo must recommend to the board that the property be included; and

(III) There must be a public hearing on the petition, preceded by at least ten days' notice of the hearing published in a newspaper of general circulation in Pueblo county.

(b) Subject to the provisions of this section, the board may approve, modify, or deny the petition and may impose such terms and conditions as it deems appropriate to further its duties and responsibilities.

(c) To approve or modify the petition, the board must take all of the following actions:

(I) Five members of the board must vote in favor of the petition or modification.

(II) The board must find that the requirements of subparagraphs (I) to (III) of paragraph (a) of this subsection (2) have been met.

(III) The board must find that there exists or will exist in the foreseeable future an interrelationship between the authority and the property contained in the petition and that the inclusion of the property in the authority will contribute to the fulfillment of the authority's duties.

(3) Property may be excluded from the boundaries of the authority in the same manner as provided in subsection (2) of this section for the inclusion of property in the boundaries; except that, to approve a petition for exclusion, the board must find there does not exist or will not exist in the foreseeable future an interrelationship between the authority and the property contained in the petition for exclusion and that the exclusion of the property will not significantly adversely impact the authority's operating and bond retirement revenue.

29-23-106. Board of directors - membership. (1) The authority shall be governed by a board of directors which shall consist of seven members. Three members shall be appointed by the Pueblo county board of county commissioners, three members shall be appointed by the city council of the city of Pueblo, and one shall be jointly appointed by the Pueblo county board of county commissioners and the Pueblo city council. The members shall serve for terms of four years; except that the members first appointed shall serve terms as follows:

(a) Of the members appointed by the Pueblo county board of county commissioners, one shall serve a term of one year, one shall serve a term of two years, and one shall serve a term of three years.

(b) Of the members first appointed by the city council of the city of Pueblo, one shall serve a term of one year, one shall serve a term of two years, and one shall serve a term of three years.

(c) The member first appointed jointly shall serve a term of four years.

(2) A member may be reappointed upon expiration of a term. The governing body making the original appointment shall fill any vacancy by appointment for the remainder of the unexpired term.

(3) The board may establish a citizens' commission whose members reflect the economic,

racial, social, ethnic, and governmental diversity of Pueblo county and one or more technical committees. Any commission or committee established by the board shall serve solely in an advisory capacity to the board.

(4) The board may appoint such additional nonvoting members to the board as it deems necessary. Additional members shall not be included in determining whether a quorum is present.

29-23-107. Board of directors - organization. (1) The member appointed jointly by the Pueblo county board of county commissioners and the city council of the city of Pueblo shall call and convene the initial organizational meeting of the board and shall serve as the initial chair. At such meeting, the board shall adopt, and at any time may amend, bylaws in relation to its meetings and the transaction of its business.

(2) Four members of the board shall constitute a quorum for the purpose of conducting business and exercising its powers. Action may be taken by the board upon the affirmative vote of a majority of its members present. No vacancy in the membership of the board shall impair the right of a quorum to exercise all the rights and perform all the duties of the board.

(3) Members of the board shall receive no compensation but shall be reimbursed for reasonable and necessary actual expenses incurred in the performance of their official duties as members of the board.

29-23-108. Board of directors - powers and duties. (1) The board shall have the power to promote the reuse and development of the Pueblo depot activity for the benefit of the community and the state.

(2) In addition to any other powers specifically granted to the board in this article, the board has the following powers and duties:

- (a) To have and to use a seal and to alter the same at pleasure;
- (b) To maintain an office at such place as it may designate;
- (c) To borrow money and contract to borrow money for the purpose of issuing bonds, notes, bond anticipation notes, or other obligations for any of the authority's corporate purposes and to fund or refund such obligations as provided in this article;
- (d) To sue and be a party to suits, actions, and proceedings;
- (e) To enter into contracts and agreements affecting the affairs of the authority including, but not limited to, contracts with the United States and the state of Colorado and any of their agencies or instrumentalities, political subdivisions of the state of Colorado, corporations, limited liability companies, partnerships, limited partnerships, associations, organizations, or other legal entities and individuals;
- (f) To acquire, hold, lease, and otherwise dispose of and encumber real and personal property and equipment;
- (g) To acquire, lease, rent, manage, operate, construct, and maintain facilities and improvements of the Pueblo depot activity;
- (h) To operate transportation systems, including but not limited to rail switching, van pools, and commuter shuttles for the direct benefit of the businesses, employees, and visitors of the Pueblo

depot activity;

(i) To provide for utilities and related services for the Pueblo depot activity, including but not limited to potable water, wastewater, gas, electricity, fire protection, and security;

(j) To make and pass resolutions and orders which are necessary for the governance and management of the affairs of the authority, for the execution of the powers vested in the authority, and for carrying out the provisions of this article;

(k) To prescribe by resolution a system of business administration, to create any and all necessary offices, to establish the powers, duties, and compensation of all employees, and to require and set the amount of all official bonds necessary for the protection of the funds and property of the authority;

(l) To appoint and retain employees, agents, and consultants to make recommendations, coordinate authority activities, conduct routine business of the authority, and act on behalf of the authority under such conditions and restrictions as shall be fixed by the board;

(m) To adopt plans as guidance for the development and redevelopment of the Pueblo depot activity;

(n) To cooperate with and exchange services, personnel, and information with any federal, state, or local governmental agency;

(o) To procure insurance against any loss in connection with its property and other assets including loans and loan notes in such amounts and from such insurers as it may determine;

(p) To procure insurance or guarantees from any public or private entity, including any department, agency, or instrumentality of the United States, for payment of any bonds issued by the authority, including the power to pay premiums on any such insurance;

(q) To receive and accept from any source gifts or contributions of money, property, labor, or other things of value to be held, used, and applied to carry out the purposes of this article, including but not limited to gifts or grants from any department, agency, or instrumentality of the United States for any purpose consistent with the provisions of this article;

(r) To operate transportation systems, utilities, and other services directly related to the purposes of the authority and property outside the boundaries of the authority as are necessary to serve directly the Pueblo depot activity and promote its reuse and development; except that the authority shall not operate transportation systems, utilities, services, and properties in any territory located outside the boundaries of the authority and within the boundaries of a municipality without the consent of the governing body of such municipality or within the unincorporated boundaries of a county without the consent of the governing body of such county; and

(s) To have and exercise all rights and powers necessary to carry out the purposes and intent of this article, including any rights and powers incidental to or implied from the specific powers granted to the authority by this article.

29-23-109. Annual report. The authority shall, in addition to any other required audit or reporting requirements, present an annual written program and financial report to the Pueblo county board of county commissioners and the city council of the city of Pueblo no later than ninety days after the close of the authority's fiscal year.

29-23-110. Bonds. (1) The authority may, from time to time, issue bonds for any of its corporate purposes. The bonds shall be issued pursuant to resolution of the board and shall be payable solely out of all or a specified portion of the revenues of the authority as designated by the board.

(2) Bonds of the authority, as provided in the resolution of the authority under which the bonds are authorized or as provided in a trust indenture between the authority and any commercial or trust company having full trust powers, may:

(a) Be executed and delivered by the authority in the form, in denominations, upon the terms and maturities, and at the times established by the board;

(b) Be subject to optional or mandatory redemption prior to maturity with or without a premium;

(c) Be in fully registered form or bearer form registrable as to principal or interest or both;

(d) Bear such conversion privileges and be payable in such installments and at such times not exceeding forty years from the date of issuance as established by the board;

(e) Be payable at such place or places whether within or without the state as established by the board;

(f) Bear interest at such rate or rates per annum, which may be fixed or vary according to index, procedure, or formula or as determined by the authority or its agents without regard to any interest rate limitation appearing in any other law of the state;

(g) Be subject to purchase at the option of the holder or the board;

(h) Be evidenced in the manner established by the board, and executed by the officers of the authority, including the use of one or more facsimile signatures so long as at least one manual signature appears on the bonds, which may be either of an officer of the authority or of an agent authenticating the same;

(i) Be in the form of coupon bonds which have attached interest coupons bearing a manual or a facsimile signature of an officer of the authority; and

(j) Contain any other provisions not inconsistent with this article.

(3) The bonds may be sold at public or private sale at the price or prices, in the manner, and at the times as determined by the board, and the board may pay all fees, expenses, and commissions which it deems necessary or advantageous in connection with the sale of the bonds. The power to fix the date of sale of the bonds, to receive bids or proposals, to award and sell bonds, to fix interest rates, and to take all other action necessary to sell and deliver the bonds may be delegated to an officer or agent of the authority. Any outstanding bonds may be refunded by the authority pursuant to article 56 of title 11, C.R.S. All bonds and any interest coupons applicable thereto are declared to be negotiable instruments.

(4) The resolution or trust indenture authorizing the issuance of the bonds may pledge all or a portion of the property or revenues of the authority, may contain such provisions for protecting and enforcing the rights and remedies of holders of any of the bonds as the authority deems appropriate, may set forth the rights and remedies of the holders of any of the bonds, and may contain provisions which the authority deems appropriate for the security of the holders of the bonds, including but not limited to provisions for letters of credit, insurance, standby credit agreements, or other forms of credit ensuring timely payment of the bonds, including the redemption price or the

purchase price.

(5) Any pledge of revenues or property made by the authority or by any person or governmental unit with which the authority contracts shall be valid and binding from the time the pledge is made. The revenues or property so pledged shall immediately be subject to the lien of such pledge without any physical delivery or further act, and the lien of such pledge shall be valid and binding against all parties having claims of any kind in tort, contract, or otherwise against the pledging party, regardless of whether the party has notice of such lien. The instrument by which the pledge is created need not be recorded or filed.

(6) Neither the members of the board, employees of the authority, nor any person executing the bonds shall be liable personally on the bonds or subject to any personal liability or accountability by reason of the issuance thereof.

(7) The authority may purchase its bonds out of any available funds and may hold, pledge, cancel, or resell such bonds subject to and in accordance with agreements with the holders thereof.

29-23-111. Agreement of the state not to limit or alter rights of obligees. The state hereby pledges and agrees with the holders of any bonds issued under this article and with those parties who enter into contract with the authority that the state will not limit, alter, restrict, or impair the rights vested in the authority or the rights or obligations of any person with which it contracts to fulfill the terms of any agreements made pursuant to this article. The state further agrees that it will not in any way impair the rights or remedies of the holders of any bonds of the authority until such bonds have been paid or until adequate provision for payment has been made. The authority may include this provision and undertaking for the state in such bonds.

29-23-112. Investments. The authority may invest or deposit any funds in the manner provided by part 6 of article 75 of title 24, C.R.S. In addition, the authority may direct a corporate trustee which holds funds of the authority to invest or deposit such funds in investments or deposits other than those specified by such part 6 if the board determines, by resolution, that such investment or deposit meets the standard established in section 15-1-304, C.R.S., the income is at least comparable to income available on investments or deposits specified by such part 6, and such investment will assist the authority in the financing, construction, maintenance, or operation of the Pueblo depot activity.

29-23-113. Bonds eligible for investment. All banks, trust companies, savings and loan associations, insurance companies, executors, administrators, guardian trustees, and other fiduciaries may legally invest any moneys within their control in any bonds issued under this article. Public entities, as defined in section 24-75-601 (1), C.R.S., may invest public funds in such bonds only if such bonds satisfy the investment requirements established in part 6 of article 75 of title 24, C.R.S.

29-23-114. Exemption from taxation - securities laws. The income or other revenues of

the authority, all property interests of the authority, any bonds issued by the authority, and the transfer of and the income from any bonds issued by the authority shall be exempt from all taxation and assessments of the state. Bonds issued by the authority shall be exempt from the provisions of article 51 of title 11, C.R.S.

29-23-115. Limitation of actions. An action or proceeding, at law or in equity, to question the validity or enjoin the performance of any act or proceeding relating to the issuance of any bond of the authority shall be barred unless commenced within thirty days after the performance of the act or the effective date thereof, whichever is later.

ARTICLE 24

Colorado Travel and Tourism Authority

29-24-101 to 29-24-121. (Repealed)

ARTICLE 24.5

Consolidated Communications System Authority

29-24.5-101 to 29-24.5-105. (Repealed)

MARKETING DISTRICTS

ARTICLE 25

Local Marketing Districts

29-25-101. Short title. This article shall be known and may be cited as the "Local Marketing

District Act".

29-25-102. Legislative declaration. (1) The general assembly declares that the organization of local marketing districts having the purposes and powers provided in this article will serve a public purpose; will promote the health, safety, prosperity, security, and general welfare of the inhabitants thereof, the property owners therein, and all the people of the state; will promote the continued vitality of commercial business areas within local governments; and will be of special benefit to the property within the boundaries of any district created pursuant to this article.

(2) The general assembly further declares that the creation of local marketing districts pursuant to this article implements section 18 (1) (d) of article XIV of the state constitution and is essential to the continued economic growth of the state.

29-25-103. Definitions. As used in this article, unless the context otherwise requires:

- (1) "Board" means the board of directors of a local marketing district.
- (2) "Combination" means any two or more local governments.
- (3) "District" means a local marketing district formed under the provisions of this article.
- (4) "Local government" means any county, city and county, or municipality.
- (5) "Operating plan" means the operating plan approved under section 29-25-110.

(6) "Publication" has the same meaning as that set forth in section 32-1-103 (15), C.R.S.

(7) "Service area" means the area described in the ordinance, resolution, or contract creating a district pursuant to this article. Such area may not include territory outside of the boundaries of the members of the combination, may not include territory within the boundaries of a municipality that is not a member of the combination, as the boundaries of the municipality exist on the date the district is created, without the consent of the governing body of such municipality, and may not include territory within the unincorporated boundaries of a county that is not a member of the combination as the unincorporated boundaries of the county exist on the date the district is created without the consent of the governing body of such county.

(8) "Services" means the services described in section 29-25-111 (1) (e).

29-25-104. Authority of governing body. The governing body of each local government is hereby vested with jurisdiction to create and establish one or more districts pursuant to the provisions of this article, and such districts shall have all the powers provided in this article that are authorized by the ordinance, resolution, or contract creating the district, or any amendment thereto.

29-25-105. Organization and creation - notice of hearing. (1) The organization of a district shall be initiated by a petition filed in the office of the clerk of the governing body. If such petition is to initiate the organization of a district by a combination, such petition shall be filed in the office of the clerk of each governing body to be included in the combination.

(2) The petition shall be signed by persons who own commercial real property in the service area of the proposed district having a valuation for assessment of not less than fifty percent of the valuation for assessment of all commercial real property in the service area of the proposed district. The petition shall set forth:

(a) The name of the proposed district, which shall include a descriptive name and the words "local marketing district";

(b) A general description of the boundaries and service area of the proposed district;

(c) A general description of the types of services to be provided by the proposed district;

(d) The names of three persons to represent the petitioners, who have the power to enter into agreements relating to the organization of the district; and

(e) A request for the organization of the district.

(3) After receipt of a petition under this section, any local government by ordinance or resolution, or any combination by contract, may create a district that is authorized to exercise the functions conferred by the provisions of this article. Upon creation, the district shall constitute a separate political subdivision and body corporate of the state and shall have all the duties, privileges, immunities, rights, liabilities, and disabilities of a public body politic and corporate.

(4) Any contract, ordinance, or resolution establishing a district shall specify:

(a) The name and purpose of the district;

(b) Voting requirements for district elections;

(c) Subject to the provisions of section 29-25-108, if a governing body of a single local government is not creating the district, the establishment and organization of the board of directors in which all legislative power of the district is vested, including:

(I) The number of directors, which shall be at least five;

(II) The manner of the election or appointment, the qualifications, and the compensation, if any, of the directors and the procedure for filling vacancies;

(III) The officers of the district, the manner of their appointment, and their duties; and

(IV) The voting requirements for action by the board; except that, unless specifically provided otherwise in the contract, a majority of the directors of the board constitutes a quorum and a majority of the board is necessary for action by the board;

(d) The provisions for the distribution, disposition, or division of the assets of the district;

(e) The boundaries of the district, which may not include territory outside of the boundaries of the local government that creates the district. If created by a combination, such a district may not include territory within the boundaries of a municipality that is not a member of the combination, as the boundaries of the municipality exist on the date the district is created, without the consent of the governing body of such municipality and may not include territory within the unincorporated boundaries of a county that is not a member of the combination as the unincorporated boundaries of the county exist on the date the district is created without the consent of the governing body of such county.

(f) The term of the district, which may be for a definite term or until repealed, rescinded, or terminated, and the method, if any, by which it may be repealed, rescinded, or terminated; except that the district or any ordinance, resolution, or contract under which it was organized may not be repealed, terminated, or rescinded so long as the district has bonds outstanding;

(g) If created pursuant to contract, the provisions for amendment of the contract;

(h) The limitations, if any, on the powers granted by this article that may be exercised by the district pursuant to this article; and

(i) If created pursuant to contract, the conditions required when adding or deleting parties to the contract.

(5) No local government shall adopt an ordinance or resolution or enter into a contract establishing a district without holding at least two public hearings thereon in addition to other requirements imposed by law for public notice. The local government shall give notice of the time, place, and purpose of the public hearing by publication in a newspaper of general circulation in the local government at least ten days prior to the date of the public hearing.

(6) No ordinance, resolution, or contract establishing a district pursuant to this section shall take effect unless first submitted to a vote of the registered electors residing within the boundaries of the proposed district. The question of establishing the district shall be submitted to such registered electors at a general election or a special election called for such purpose. Such question may also be proposed to such registered electors at the same time and in the same or a separate question as an election required under section 29-25-112. The district shall not be established unless a majority of the registered electors voting on the establishment of a district at the election vote in favor of the establishment. The election shall be conducted in substantially the same manner as municipal and county elections, and the municipal or county clerk and recorder of each local government in which the election is conducted shall assist the members of the combination of the proposed district in conducting the election.

(7) The petition for organization and creation of the district shall be accompanied by a bond with security approved by the governing body or governing bodies of the members of the combination or a cash deposit sufficient to cover all expenses connected with the proceedings, including any elections, for the organization and creation of the district. If, at any time during the organization proceedings, the governing body or governing bodies determine that the bond first executed or the amount of the cash deposited is insufficient in amount, it may require the execution of an additional bond or the deposit of additional cash within a time to be fixed, not less than ten days thereafter, and, upon failure of the petitioners to file or deposit the bond or cash, the petition shall be dismissed.

29-25-106. Hearing - findings - when action barred. (1) On the date fixed for any hearing or at any adjournment thereof, the governing body or governing bodies of each member of the combination shall ascertain, from the tax rolls of where the district is located, the total valuation for assessment of the taxable real and personal property in the service area. If it appears that said petition is not signed in conformity with this article, the petition shall be dismissed and the cost adjudged against those executing the bond or depositing the cash filed to pay such costs. Nothing in this section shall prevent the filing of a subsequent petition for a similar district.

(2) The findings of the governing body or governing bodies upon the question of the genuineness of the signatures and all matters of fact incident to such determination shall be final and conclusive.

(3) Prior to the organization of the district, the governing body or governing bodies may exclude property from the service area or boundaries of the district if deemed to be in the best

interests of the district.

(4) If it appears that an organization petition has been duly signed and presented in conformity with this article, that the allegations of the organization petition are true, and that the types of services to be provided by the proposed district are those services that best satisfy the purposes set forth in this article, the governing body or bodies, upon the completion of the hearings, shall by ordinance, resolution, or contract adjudicate all questions of jurisdiction and may, exercising discretion, declare the district organized, describe the boundaries and service area of the district, and give it the corporate name specified in the petition by which, in all subsequent proceedings, it shall thereafter be known.

(5) Such resolution, ordinance, or contract shall finally and conclusively establish the regular organization of the district against all persons unless an action, including an action for certiorari review, attacking the validity of the district is commenced in a court of competent jurisdiction within sixty days after the effective date of such resolution, ordinance, or contract. Thereafter, any such action shall be perpetually barred. The organization of said district shall not be directly or collaterally questioned in any suit, action, or proceeding, except as provided in this subsection (5).

29-25-107. Boundaries - exclusion proviso. The boundaries of a district may consist of contiguous or noncontiguous tracts or parcels of property.

29-25-108. Board of directors - duties. (1) (a) Except as otherwise provided in this subsection (1), if the governing body of a single local government creates the district, such governing body shall constitute ex officio the board of directors of the district. In such event, the presiding officer of the governing body shall be ex officio the presiding officer of the board, the clerk of the governing body shall be ex officio the secretary of the board, and the treasurer of the local government shall be ex officio the treasurer of the board. A quorum of the governing body shall constitute a quorum of the board.

(b) The governing body of the local government may, at any time, provide by resolution or ordinance for the creation of a board of directors of the district consisting of not fewer than five members. Each member shall be an elector of the district appointed by the governing body or, if designated by the governing body, by the mayor of a city and county; except that, if possible, no more than one-half of the members of the board may be affiliated with one owner or lessee of taxable real or personal property in the district. Each member shall serve at the pleasure of the local government. Within thirty days after a vacancy occurs, a successor shall be appointed in the same manner as the original appointment. Within thirty days after a member's appointment, except for good cause shown, each member shall appear before an officer authorized to administer oaths and take an oath that such member will faithfully perform the duties of office as required by law and will support the constitution of the United States, the state constitution, and laws made pursuant thereto. A majority of the members shall constitute a quorum of the board. The board shall elect one of its members as presiding officer, one of its members as secretary, and one of its members as treasurer. The office of both secretary and treasurer may be filled by one person.

(c) If more than one-half of the property located within the district is also located within an

urban renewal area, a downtown development authority, or a general improvement district, the governing body may, at any time, provide by ordinance that the governing body of the urban renewal authority, downtown development authority, or general improvement district shall constitute ex officio the board of directors of the district. In such event, the officers of such entity shall be ex officio the officers of the board. A quorum of the board of directors of such entity shall constitute a quorum of the board.

(d) If the petition initiating the organization of the district or any subsequent petition signed by persons who own real or personal property in the service area of the proposed district having a valuation for assessment of not less than fifty percent, and who own at least fifty percent of the acreage in the proposed district so specifies, the members of the board of the district shall be elected by the electors of the district. If such a petition is approved, the terms of members of the board shall be specified by resolution or ordinance of the governing body. The initial election for members of the board shall be held within sixty days after approval of the resolution or ordinance organizing the district or the filing of any subsequent petition. All subsequent elections for members of the board shall be on the date specified in the resolution or ordinance. The number of directors, the quorum requirements, and the oaths of office shall be the same as those provided for directors of special districts pursuant to article 1 of title 32, C.R.S. Any vacancy on the board shall be filled in the same manner as provided in paragraph (b) of this subsection (1). Until the members of the board are elected and qualified, the governing body shall serve as the board of the district. Elections pursuant to this paragraph (d) shall be held in accordance with the provisions specified in the resolution or ordinance providing for the election of directors. The cost of any election held pursuant to this paragraph (d) shall be borne by the district.

(e) The governing body of the local government may remove a member of the board of a district or the entire board thereof for inefficiency or neglect of duty or misconduct in office, but only after the member or the board has been given a copy of the charges made by the governing body against such member or such board and has had an opportunity to be heard in person or by counsel before the governing body. In the event of the removal of any member of the board or of the board pursuant to this paragraph (e), the governing body shall file in the office of the clerk of the local government a record of the proceedings, together with the charges made against the member or the board and the findings thereon.

(f) Ten percent of the electors of a district may petition the governing body for the removal of a member of the board of the district or of the entire board thereof for inefficiency or neglect of duty or misconduct in office, and the governing body may remove the member or the board, but only after the member or the board has been given a copy of the charges made against such member or such board and has had an opportunity to be heard in person or by counsel before the governing body. In the event of the removal of the member or of the board pursuant to this paragraph (f), the governing body shall file in the office of the clerk of local government a record of the proceedings, together with the charges made against the member or the board and the findings thereon.

(2) The board shall adopt a seal. The secretary shall keep in a visual text format that may be transmitted electronically a record of all proceedings, minutes of meetings, certificates, contracts, and corporate acts of the board, which shall be open to inspection by the electors of the district and other interested parties. The treasurer shall keep permanent records containing accurate accounts of all money received by and disbursed for and on behalf of the district and shall make such annual or

other reports to the local government as it may require. All budgets and financial records of the district, whether governed by a separate board or by the governing body of the local government, shall be kept in compliance with parts 1 and 5 of article 1 of this title.

(3) Each member of the board of a district or the governing body or other entity acting ex officio as the board of a district is required to disclose any potential conflicting interest in any transaction of the district pursuant to section 18-8-308, C.R.S. A board member with a potential conflicting interest in a district transaction may not participate in the considerations of and vote on the transaction, may not attempt to influence any of the contracting parties, and may not act directly or indirectly for the board in the inspection, operation, administration, or performance of any contract related to the transaction. Ownership, in and of itself, by a board member of property within the district shall not be considered a potential conflicting interest.

(4) When the governing body of a local government establishes a board of directors pursuant to paragraph (b), (c), or (d) of subsection (1) of this section, it may set such conditions, limitations, procedures, duties, and powers under which the board shall conduct its business. Such conditions and limitations may be in the form of a binding contract on both the governing body and the board and may include provisions requiring the dissolution of the board after a specified length of time, at which time the governing body of the municipality shall assume all powers and duties of the district, including the payment of any outstanding indebtedness.

29-25-109. Meetings. Upon notice to each member of the board, the board shall hold meetings which shall be held in a place to be designated by the board as often as the needs of the district require. The meetings of the board shall be subject to the provisions of part 4 of article 6 of title 24, C.R.S. The board shall act by resolution or motion.

29-25-110. Approval of actions by local government or members of combination. No district created under the provisions of this article shall levy a marketing and promotion tax or provide services unless the local government or each member of the combination has approved an operating plan for the district. The operating plan shall specifically identify the services to be provided by the district, any marketing and promotion tax to be imposed by the district, and such additional information as required. The district shall file an operating plan and its proposed budget for the next fiscal year with the clerk of the local government or each member of the combination no later than September 30 of each year. All of the business records of the district shall be considered public records, as defined in section 24-72-202 (6), C.R.S., and shall promptly be made available upon request. For the purposes of this section, the business records of the district shall not include the business records of the owners of property in the district. The local government or the members of the combination may require the district to supplement the district's operating plan or budget where necessary. The local government or each member of the combination shall approve or disapprove the operating plan within thirty days after receipt of such operating plan and all requested documentation relating thereto, but not later than December 5 of the year in which such documents are filed. Thereafter, the services and financial arrangements of the district shall conform so far as practicable to the operating plan. The operating plan may, from time to time, be amended by the

district with the approval of the local government or each member of the combination in substantially the same manner as the process for formulating the operating plan for each year. Any material departure from the operating plan, as originally approved or amended from time to time, may be enjoined by an order of the local government filed with the board.

29-25-111. General powers of district. (1) The district has the following powers, except as limited by the operating plan:

- (a) To have perpetual existence;
- (b) To have and use a corporate seal;
- (c) To sue and be sued and be a party to suits, actions, and proceedings;
- (d) To enter into contracts and agreements, except as otherwise provided in this article, affecting the affairs of the district, including contracts with the United States and any of its agencies or instrumentalities;
- (e) (I) To provide any of the following services within the district:
 - (A) Organization, promotion, marketing, and management of public events;
 - (B) Activities in support of business recruitment, management, and development;
- (C) Coordinating tourism promotion activities.
- (II) No revenue collected from the marketing and promotion tax levied under section 29-25-112 may be used for any capital expenditures, with the exception of tourist information centers.
- (f) To have the management, control, and supervision of all the business and affairs of the district and of the operation of district services therein;
- (g) To appoint an advisory board of owners of property within the boundaries of the district and provide for the duties and functions thereof;
- (h) To hire employees or retain agents, engineers, consultants, attorneys, and accountants;
- (i) To adopt and amend bylaws not in conflict with the constitution and laws of the state or with the ordinances of the local government affected for carrying on the business, objectives, and affairs of the board and of the district; and
- (j) To exercise all rights and powers necessary or incidental to or implied from the specific powers granted in this article. Such specific powers shall not be considered as a limitation upon any power necessary or appropriate to carry out the purposes and intent of this article.

29-25-112. Power to levy marketing and promotion tax. (1) (a) In addition to any other means of providing revenue for a district, the board has the power within the district to levy a marketing and promotion tax on the purchase price paid or charged to persons for rooms or accommodations as included in the definition of "sale" in section 39-26-102 (11), C.R.S. Such tax shall be specified in the petition organizing the district under section 29-25-105. No such tax shall take effect unless approved by a majority of the eligible electors voting thereon at a general election or a special election called for such purpose. Elections held pursuant to this section shall be conducted in substantially the same manner as municipal or county elections and in accordance with the provisions of section 20 of article X of the state constitution. The municipal or county clerk and

recorder of each local government in which the election is conducted shall assist the district in conducting the election. The district shall pay the costs incurred by each local government in conducting such an election. No moneys of the district may be used to urge or oppose passage of an election required under this section.

(b) (I) The marketing and promotion tax shall be collected, administered, and enforced, to the extent feasible, pursuant to section 29-2-106.

(II) The department of revenue shall perform, on an annual basis, an analysis to determine the net incremental cost of such collection, administration, and enforcement. The department of revenue shall retain only the amount determined to be necessary by the cost analysis, and in no event shall that amount exceed three and one-third percent of the amount collected. Such amount retained shall be transmitted to the state treasurer who shall credit the same to the general fund and such amount shall be subject to appropriation by the general assembly for the net incremental cost of such collection, administration, and enforcement.

(c) A marketing and promotion tax levied in accordance with this section is in addition to any other sales or use tax imposed pursuant to law.

(2) Prior to July 1, 2014, any person or entity providing rooms or accommodations as included in the definition of "sale" referred to in paragraph (a) of subsection (1) of this section shall be liable and responsible for the payment of an amount equivalent to a percentage rate set by the board of all such sales made and shall quarterly, unless otherwise provided by law, make a return to the executive director of the department of revenue for the preceding tax-reporting period and remit an amount equivalent to such percentage rate on such sales to said executive director.

(3) Beginning July 1, 2014, any person or entity providing rooms or accommodations as included in the definition of "sale" referred to in paragraph (a) of subsection (1) of this section shall be liable and responsible for the payment of an amount equivalent to a percentage rate set by the board of all such sales made and shall make a return to the executive director of the department of revenue for the preceding tax-reporting period and remit an amount equivalent to such percentage rate on such sales to said executive director with the same filing frequency as the person or entity remits and files sales tax pursuant to section 39-26-105, C.R.S.

29-25-113. Inclusion or exclusion - petition - notice - hearing. (1) The boundaries of any district organized under the provisions of this article may be changed in the manner prescribed in this section, but the change of boundaries of the district shall not impair or affect its organization or its rights in or to property or any of its rights or privileges whatsoever, nor shall it affect or impair or discharge any contract, obligation, lien, or charge for or upon which the district might be liable or chargeable had any such change of boundaries not been made. The owners of property proposed to be included or excluded may file with the board a petition, in writing, requesting that such property be included in or excluded from the district. The petition shall describe the property owned by the petitioners and shall be verified. The petition shall be accompanied by a deposit of moneys sufficient to pay all costs of the inclusion or exclusion proceedings. The clerk of the board shall cause notice of the filing of such petition to be given and published, which notice shall state the filing of such petition, the names of the petitioners, descriptions of the property sought to be included or excluded, and the request of said petitioners.

(2) The notice of the filing of a petition shall inform all persons having objections to appear at the time and place stated in said notice and show cause why the petition should not be granted. The board, at the time and place mentioned or at any time to which the hearing may be adjourned, shall proceed to hear the petition and all objections thereto that may be presented by any person showing cause why said petition should not be granted. The failure of any interested person to show cause shall be deemed as an assent on that person's part to the inclusion or exclusion of such property as requested in the petition. If the change of boundaries of the district does not adversely affect the district and if the petition is granted, the granting of which shall not be unreasonably withheld, the governing body shall adopt a resolution to that effect and file a certified copy of the same with the county clerk and recorder of each county in which the property is located. After a certified copy of the ordinance is filed, the property shall be included or excluded from the district.

29-25-114. Confirmation of contract proceedings. (1) In its discretion, the board may file a petition at any time in the district court in and for any county in which the district is located praying for a judicial examination and determination of any power conferred, or of any taxes or service charges levied or otherwise made or contracted to be levied or otherwise made, or of any other act, proceeding, or contract of the district, whether or not such act, proceeding, or contract has been taken or executed, including proposed contracts for any services and the proposed acquisition of any property pertaining to such services, or any combination thereof.

(2) Such petition shall:

(a) Set forth the facts whereon the validity of such power, taxes, charges, act, proceeding, or contract is founded; and

(b) Be verified by the presiding officer of the district.

(3) Such action shall be in the nature of a proceeding in rem, and jurisdiction of all parties interested may be had by publication and posting, as provided in this article.

(4) Notice of the filing of the petition shall be given by the clerk of the court, under the seal thereof, stating in brief outline the contents of the petition and showing where a full copy of any proceeding or contract mentioned in such outline may be examined.

(5) The notice shall be served:

(a) By publication at least once a week for five consecutive weeks by five weekly insertions in a newspaper of general circulation in the geographic area where the district is located;

(b) By posting in the office of the district at least thirty days prior to the date fixed in the notice for the hearing on the petition.

(6) Jurisdiction shall be complete after such publication and posting.

(7) Any owner of property within the boundaries of the district or any other person interested in the proceeding or contract or proposed proceeding or proposed contract or in the premises may appear and move to dismiss or answer the petition no less than five days prior to the date fixed for the hearing or within such further time as may be allowed by the court. The petition shall be taken as confessed by all persons who fail so to appear.

(8) The petition and notice shall be sufficient to give the court jurisdiction, and, upon hearing, the court shall examine into and determine all matters and things affecting the question submitted, shall make such findings with reference to the question submitted, and shall render such

judgment and decree on the question submitted as the case warrants.

(9) Costs may be divided or apportioned among any contesting parties in the discretion of the trial court.

(10) Review of the judgment of the court may be had as in other similar cases; except that such review shall be applied for within thirty days after the time of the rendition of such judgment or within such additional time as may be allowed by the court within thirty days.

(11) The Colorado rules of civil procedure shall govern in matters of pleading and practice where not otherwise specified in this article.

(12) The court shall disregard any error, irregularity, or omission that does not affect the substantial rights of the parties.

(13) All cases in which there may arise a question of the validity of any matter provided for under this section shall be advanced as a matter of immediate public interest and concern and shall be heard at the earliest practicable moment.

29-25-115. Dissolution procedure. Any district organized pursuant to this article may be dissolved pursuant to the resolution, ordinance, or contract creating the district or pursuant to the provisions of this section. Under this section, any such district may be dissolved after notice is given, publication is made, and a hearing is held in the manner prescribed by sections 29-25-105 and 29-25-106. The dissolution of the district may be initiated by filing in the office of the clerk of the governing body or bodies either a petition signed by the persons described in section 29-25-105 (2) or, in the case of a district that has not filed an operating plan as required by section 29-25-110 for two years, a resolution of the governing body or bodies. After hearing any protests against or objections to dissolution and if the governing body or bodies determines that it is for the best interests of all concerned to dissolve the district, the body or bodies shall so provide by an effective resolution or ordinance, a certified copy of which shall be filed in the office of the county clerk and recorder in each of the counties in which the district or any part of the district is located. Upon such filing, the dissolution shall be complete. Notwithstanding any other provision of this section, upon petition of persons who own real or personal property in the service area of the proposed district having a valuation for assessment of not less than fifty percent of the valuation for assessment of all real and personal property in the service area of the proposed district and who own at least fifty percent of the acreage in the proposed district, the district shall impose its existing taxes solely to meet any existing financial obligations, and shall be dissolved as soon as the district has no outstanding financial obligations.

29-25-116. Correction of faulty notices. In any case that a notice is provided for in this article in which the governing body or bodies find for any reason that due notice was not given, the governing body or bodies shall not thereby lose jurisdiction, and the proceeding in question shall not thereby be void or be abated; however, the governing body or bodies, in that case, shall order due notice given and shall continue the proceeding until such time as notice is properly given and thereupon shall proceed as though notice had been properly given in the first instance.

29-25-117. Department of transportation and local jurisdiction unimpaired. Nothing in this article shall affect or impair the control and jurisdiction that the department of transportation has over streets and highways that are part of the state highway system or that a county, city and county, or municipality has over all property within its boundaries. All powers granted by this article shall be subject to such control and jurisdiction.

29-25-118. Method not exclusive. Nothing in this article shall repeal or affect any other law or any part thereof, it being intended that this article shall provide a separate method of accomplishing its objectives and not an exclusive one.

AFFORDABLE HOUSING DWELLING UNIT ADVISORY BOARDS

ARTICLE 26

Affordable Housing Dwelling Unit Advisory Boards

29-26-101. Legislative declaration. (1) The general assembly hereby finds and declares that:

(a) It is in the public interest to maintain a diverse housing stock in order to preserve some diversity of housing opportunities for the state's residents and people of low- and moderate-income.

(b) A housing shortage for persons of low- and moderate-income is detrimental to the public health, safety, and welfare. In particular, the inability of such persons to reside near where they work negatively affects the balance between jobs and housing in many regions of the state and has serious detrimental transportation and environmental consequences.

(c) As an initial step in fostering the establishment of affordable housing dwelling unit programs that will satisfy the housing needs of all the residents of a particular jurisdiction, it is appropriate for the general assembly to authorize local governments to establish affordable housing dwelling unit advisory boards.

(d) In selecting members of the advisory boards, the governing bodies of local government shall give preference to residents of the jurisdiction who have demonstrated experience in housing matters, preferably within the territorial boundaries of the jurisdiction, as a result of their current or former experience, without limitation, as a:

(I) Registered or certified civil engineer or architect;

(II) Planner;

(III) Real estate broker licensed in accordance with part 1 of article 61 of title 12, C.R.S.;

(IV) Representative of a lending institution that finances residential development within the territorial boundaries of the local government;

(V) Representative of the local housing authority;

(VI) Residential builder with extensive experience in producing single-family or multiple-family dwelling units;

(VII) Representative of either the public works or planning department of the local government; or

(VIII) Representative of a nonprofit housing organization that provides services within the territorial boundaries of the local government.

(e) In addition, one or more members of the board, in the discretion of the local government, shall be a resident of the jurisdiction without demonstrated experience in housing matters.

(2) In creating this article, the general assembly intends that affordable housing dwelling unit advisory boards shall address the housing needs of low- and moderate-income persons, promote a full range of housing choices, and develop effective policies to encourage the construction and continued existence of affordable housing.

29-26-102. Definitions. As used in this article, unless the context otherwise requires:

(1) "Affordable housing dwelling unit" means a residential structure that is purchased or rented by and is occupied as a primary residence by one or more income eligible households, or a comparable definition as established by a local government that is consistent with the purposes of this article.

(2) "Board" means an affordable housing dwelling unit advisory board established pursuant to this article.

(3) "Local government" means a county, home rule or statutory city, territorial charter city, town, or city and county.

(4) "Local housing authority" means the housing authority of a local government.

(5) "Ordinance" means any ordinance, resolution, statute, regulation, or rule promulgated by a local government pursuant to this article.

29-26-103. Affordable housing dwelling unit advisory boards. (1) To further the purposes of this article, as specified in section 29-26-101, the governing body of any local government may, by ordinance, establish an affordable housing dwelling unit advisory board. Any such board or similar entity in effect prior to July 1, 2001, shall continue to be in full force and effect after that date.

(2) An ordinance promulgated under this article may authorize the board to make recommendations to the local government or the local housing authority as to one or more of the following:

(a) A jurisdiction-wide definition of affordable housing and affordable housing dwelling unit;

(b) Quantifying jurisdiction-wide affordable housing dwelling unit sales prices and rental

rates. In developing its recommendations as to the sales prices and rental rates, the board shall consider all ordinary, necessary, and reasonable costs required to construct and market the required number of affordable housing dwelling units by private industry in the jurisdiction and other relevant information, such as the jurisdiction's general market and economic conditions.

- (c) Jurisdiction-wide affordable housing dwelling unit qualifying income guidelines;
- (d) Changes in density requirements contained in the jurisdiction's zoning or planning ordinances to encourage the provision of affordable housing;
- (e) Policies for the modification of requirements adopted in connection with an affordable housing dwelling unit program established by the local government; and
- (f) Any other matters that, in the discretion of the board, shall affect the construction and continued existence of affordable housing dwelling units or shall otherwise further the purposes of this article.

(3) (a) Members of a board for any given jurisdiction shall be appointed by the governing body of the local government. Selection of the chair and other organizational matters shall be addressed either by the board itself or by the local government through ordinance in the discretion of the governing body of the local government establishing the board pursuant to this paragraph (a).

(b) The number of members of a board and their terms shall be established by the governing body of the local government through ordinance. To the greatest extent practicable, membership on such boards shall reflect the intent of this article as expressed in section 29-26-101 (1).

29-26-104. No effect upon local housing agency. Nothing in this article shall be construed to affect the operation of a local housing authority and any board created by this article is encouraged to cooperate with a local housing authority in the establishment and implementation of policies that shall further the intent of this article.

COMPETITION IN UTILITY AND ENTERTAINMENT SERVICES

ARTICLE 27

Competition in Utility and Entertainment Services

PART 1

COMPETITION IN UTILITY AND ENTERTAINMENT SERVICES

29-27-101. Legislative declaration. (1) The general assembly hereby finds and declares that it is the policy of this state to ensure that cable television service, telecommunications service, and high speed internet access, otherwise known as advanced service, are each provided within a consistent, comprehensive, and nondiscriminatory federal, state, and local government framework.

(2) The general assembly further finds and declares that:

(a) There is a need for statewide uniformity in the regulation of all public and private entities that provide cable television service, telecommunications service, and advanced service.

(b) Municipal ordinances, rules, and other regulations governing the provision of cable television service, telecommunications service, and advanced service by a local government impact persons living outside the municipality.

(c) Regulating the provision of cable television service, telecommunications service, and advanced service by a local government is a matter of statewide concern.

29-27-102. Definitions. As used in this article, unless the context otherwise requires:

(1) "Advanced service" means high-speed internet access capability in excess of two hundred fifty-six kilobits per second both upstream and downstream.

(2) "Cable television service" means the one-way transmission to subscribers of video programming or other programming service, as well as subscriber interaction, if any, that is required for the selection or use of the video programming or other programming service.

(3) "Local government" means any city, county, city and county, special district, or other political subdivision of this state.

(4) "Private provider" means a private entity that provides cable television service, telecommunications service, or advanced service.

(5) "Subscriber" means a person that lawfully receives cable television service, telecommunications service, or advanced service. A person that utilizes cable television service, telecommunications service, or advanced service provided by a local government for local governmental or intergovernmental purposes and is used by persons accessing government services is not a subscriber for purposes of this article.

(6) "Telecommunications service" has the same meaning as set forth in section 40-15-102 (29), C.R.S.

29-27-103. Limitations on providing cable television, telecommunications, and advanced services. (1) Except as provided in this article, a local government shall not:

(a) Provide to one or more subscribers cable television service, telecommunications service, or advanced service; or

(b) Purchase, lease, construct, maintain, or operate any facility for the purpose of providing cable television service, telecommunications service, or advanced service to one or more subscribers.

(2) For purposes of this article, a local government provides cable television service, telecommunications service, or advanced service if the local government provides the cable television service, telecommunications service, or advanced service to one or more subscribers:

- (a) Directly;
 - (b) Indirectly by means that include but are not limited to the following:
 - (I) Through an authority or instrumentality acting on behalf of the local government or for the benefit of the local government by itself;
 - (II) Through a partnership or joint venture;
 - (III) Through a sale and leaseback arrangement;
 - (c) By contract, including a contract whereby the local government leases, sells capacity in, or grants other similar rights to a private provider to use local governmental facilities designed or constructed to provide cable television service, telecommunications service, or advanced service for internal local government purposes in connection with a private provider's offering of cable television service, telecommunications service, or advanced service; or
 - (d) Through sale or purchase of resale or wholesale cable television service, telecommunications service, or advanced service for the purpose of providing cable television service, telecommunications service, or advanced service to one or more subscribers.
- (3) Nothing in this article shall be construed to limit the authority of a local government to lease to a private provider physical space in or on its property for the placement of equipment or facilities the private provider uses to provide cable television, telecommunications, or advanced services.

PART 2

CONDITIONS FOR PROVIDING SERVICES

29-27-201. Vote - referendum. (1) Before a local government may engage or offer to engage in providing cable television service, telecommunications service, or advanced service, an election shall be called on whether or not the local government shall provide the proposed cable television service, telecommunications service, or advanced service.

(2) The ballot at an election conducted pursuant to this section shall pose the question as a single subject and shall include a description of the nature of the proposed service, the role that the local government will have in provision of the service, and the intended subscribers of such service. The ballot proposition shall not take effect until submitted to the electors and approved by the majority of those voting on the ballot.

29-27-202. Exemption for unserved areas. (1) A local government shall be exempt from the requirements of this part 2 and may engage or offer to engage in providing cable television service, telecommunications service, or advanced service if:

(a) No private provider of cable television service, telecommunications service, or advanced service provides the service anywhere within the boundaries of the local government;

(b) The governing body of the local government has submitted a written request to provide

the service to any incumbent provider of cable television service, telecommunications service, or advanced service within the boundaries of the local government; and

(c) The incumbent provider has not agreed within sixty days of the receipt of a request submitted pursuant to paragraph (b) of this subsection (1) to provide the service or, if the provider has agreed, it has not commenced providing the service within fourteen months of the receipt of the request.

PART 3

COMPLIANCE WITH LOCAL, STATE, AND FEDERAL REGULATIONS

29-27-301. General operating limitations. (1) A local government that provides cable television service, telecommunications service, or advanced service under this article shall comply with all state and federal laws, rules, and regulations governing provision of such service by a private provider; except that nothing herein shall be construed to affect the jurisdiction of the public utilities commission with respect to municipal utilities.

(2) (a) A local government shall not make or grant any undue or unreasonable preference or advantage to itself or to any private provider of cable television services, telecommunications services, or advanced services.

(b) A local government shall apply without discrimination as to itself and to any private provider the local government's ordinances, rules, and policies, including those relating to:

- (I) Obligation to serve;
- (II) Access to public rights-of-way;
- (III) Permitting;
- (IV) Performance bonding where an entity other than the local government is performing the work;
- (V) Reporting; and
- (VI) Quality of service.

29-27-302. Scope of article. (1) Nothing in this article shall be construed to authorize any local government to:

(a) Provide, directly or indirectly, cable television service, telecommunications service, or advanced service; or

(b) Purchase, lease, construct, maintain, or operate a facility for the purpose of providing, directly or indirectly, cable television service, telecommunications service, or advanced service.

(2) Nothing in this article shall be construed to apply to a local government purchasing, leasing, constructing, maintaining, or operating facilities that are designed to provide cable television service, telecommunications service, or advanced service that the local government uses for internal or intergovernmental purposes.

(3) Nothing in this article shall be construed to apply to the sale or lease by a local

government to private providers of excess capacity, if:

(a) Such excess capacity is insubstantial in relation to the capacity utilized by the local government for its own purposes; and

(b) The opportunity to purchase and the opportunity to use such excess capacity is made available to any private provider in a nondiscriminatory, nonexclusive, and competitively neutral manner.

(4) Nothing in this article shall be construed to limit either the authority of the statewide internet portal authority created in section 24-37.7-102, C.R.S., to carry out its mission or to integrate the electronic information delivery systems of local governments into the statewide internet portal as defined in article 37.7 of title 24, C.R.S.

29-27-303. Enforcement and appeal. (1) Before an individual subscriber or a private provider that competes with a local government in the geographic boundaries of the local government may file an action in district court for violation of this article, that person shall file a written complaint with the local government. The failure by the local government to issue a final decision regarding the complaint within forty-five days shall be treated as an adverse decision for purposes of appeal.

(2) An appeal of an adverse decision from the local government may be taken to the district court for a de novo proceeding.

29-27-304. Applicability. This article shall apply to cable television service, telecommunications service, and advanced service and to the purchase, lease, construction, maintenance, or operation of any facility for the purpose of providing such service, for which a local government has not entered into an agreement or otherwise taken any substantial action prior to March 1, 2005, to provide such service or purchase, lease, construct, maintain, or operate such facilities.

PART 4

PERMIT APPROVAL - PROCESS AND DEADLINE

29-27-401. Legislative declaration. (1) The general assembly finds and declares that:

(a) The permitting, construction, modification, maintenance, and operation of broadband facilities are critical to ensuring that all citizens in the state have true access to advanced technology and information;

(b) These facilities are critical to ensuring that businesses and schools throughout the state remain competitive in the global economy; and

(c) The permitting, construction, modification, maintenance, and operation of these facilities, to the extent specifically addressed in this part 4, are declared to be matters of statewide concern and interest.

29-27-402. Definitions. As used in this part 4, unless the context otherwise requires:

(1) "Broadband facility" means any infrastructure used to deliver broadband service or for the provision of broadband service.

(2) "Broadband service" has the same meaning as set forth in 7 U.S.C. sec. 950bb (b) (1) as of August 6, 2014, and for the purposes of this section includes:

(a) "Cable service", as defined in 47 U.S.C. sec. 522 (6) as of August 6, 2014;

(b) "Telecommunications service", as defined in 47 U.S.C. sec. 153 as of August 6, 2014; and

(c) "Wireless service", which means data and telecommunications services, including commercial mobile services, commercial mobile data services, unlicensed wireless services, and common carrier wireless exchange access services, as all of these terms are defined by federal law and regulations.

(3) "Collocation" means the mounting or installation of broadband service equipment on a tower, building, or structure with existing broadband service equipment for the purpose of transmitting or receiving radio frequency signals for communications purposes.

(4) "Small cell facility" means either:

(a) A personal wireless service facility as defined by the federal "Telecommunications Act of 1996", as amended as of August 6, 2014; or

(b) A wireless service facility that meets both of the following qualifications:

(I) Each antenna is located inside an enclosure of no more than three cubic feet in volume or, in the case of an antenna that has exposed elements, the antenna and all of its exposed elements could fit within an imaginary enclosure of no more than three cubic feet; and

(II) Primary equipment enclosures are no larger than seventeen cubic feet in volume. The following associated equipment may be located outside of the primary equipment enclosure and, if so located, is not included in the calculation of equipment volume: Electric meter, concealment, telecommunications demarcation box, ground-based enclosures, back-up power systems, grounding equipment, power transfer switch, and cut-off switch.

(5) "Small cell network" means a collection of interrelated small cell facilities designed to deliver wireless service.

(6) "Structure" means any facility, tower, pole, building, or other structure constructed for the sole or primary purpose of supporting broadband facilities or wireless service facilities.

(7) "Wireless service facility" means a facility for the provision of wireless services.

29-27-403. Permit - approval - deadline - exception. (1) A local government may take up to:

(a) Ninety days to process a complete application that involves a collocation of a tower, building, structure, or replacement structure; or

(b) One hundred fifty days to process a complete application that involves a new structure or a new wireless service facility other than a collocation.

(2) The time it takes for an applicant to respond to the first request for additional information

will not count toward the applicable deadline set forth in subsection (1) of this section only if the local government notifies the applicant within thirty days after the initial filing that the application is incomplete. All other requests for additional information count toward such deadlines.

(3) An applicant and a local government may mutually agree that an application may be processed in a longer period than set forth in subsection (1) of this section.

29-27-404. Permit process. (1) For small cell networks involving multiple individual small cell facilities within the jurisdiction of a single local government, the local government shall allow the applicant, at the applicant's discretion, to file a consolidated application and receive a single permit for the small cell network instead of filing separate applications for each individual small cell facility.

(2) If a wireless service provider applies to collocate several wireless service facilities within the jurisdiction of a single local government, the local government shall:

(a) Allow the applicant, at the applicant's discretion, to file a single set of documents that will apply to all the wireless service facilities to be sited; and

(b) Render a decision regarding all the wireless service facilities in a single administrative proceeding, unless local requirements call for an elected or appointed body to render such decision.

MEDICAL PROVIDER FEES

ARTICLE 28

Medical Provider Fees

29-28-101. Legislative declaration. (1) The general assembly finds and declares that:

(a) Medicaid reimbursement rates cover only approximately sixty-five percent of the actual costs incurred by service providers rendering services to medicaid recipients;

(b) Low medicaid reimbursement rates and increased caseloads have caused the costs to shift within the health care delivery system, resulting in higher medical costs for the general population;

(c) The medicaid caseload continues to expand and, therefore, the need for providers to serve these medicaid recipients continues to increase;

(d) Rising health care costs are a primary concern for Colorado citizens and businesses;

(e) It is therefore in the best interest of the state of Colorado to authorize local governments to impose a fee on certain medical providers to assist in financing medicaid costs and the disproportionate share hospital payments for providing medical services to low-income populations.

29-28-102. Definitions. As used in this article, unless the context otherwise requires:

- (1) "Department" means the department of health care policy and financing.
- (2) "Local government" means a county, home rule county, home rule or statutory city, town, territorial charter city, or city and county.
- (2.5) "Provider fee" means a licensing fee, assessment, or other mandatory payment that is related to health care items or services as specified under 42 CFR 433.55.
- (3) "Qualified provider" means a hospital licensed pursuant to section 25-3-101, C.R.S., or a certified home health care agency within the territorial boundaries of a local government.
- (4) (Deleted by amendment, L. 2008, p. 929, § 3, effective May 20, 2008.)

29-28-103. Powers of governing body - medicaid provider fee authorization. (1)(a) The governing body of a local government may impose a provider fee on health services provided by qualified providers for the purpose of obtaining federal financial participation under the state's medical assistance program, articles 4 to 6 of title 25.5, C.R.S., and the Colorado indigent care program, article 3 of title 25.5, C.R.S. The provider fee shall be used only to sustain or increase reimbursements for providing medical care under the state's medical assistance program and to low-income populations.

(b) (I) The amount of the provider fee may be based upon the aggregate gross or net revenue, as prescribed by the state department, or any other method allowable under federal law, of all qualified providers subject to the provider fee, and the amount of the provider fee shall not exceed the maximum amount allowed under federal law. The local government may exempt revenue categories from the gross or net revenue calculation and the collection of the provider fee from qualified providers, as authorized by state and federal medicaid rules and regulations.

(II) Subject to state and federal medicaid rules and regulations, in any given year, a local government may elect to not assess the provider fee imposed on qualified providers pursuant to this subsection (1) and not make the reimbursements to qualified providers within its territorial boundaries for that year.

(c) Prior to the imposition and collection of the provider fee, the governing body of the local government shall:

- (I) Approve the provider fee by ordinance or resolution; and
- (II) Notify the department that the local government has authorized the imposition of a provider fee pursuant to this subsection (1).

(2) (a) The local government shall either:

(I) Collect the provider fee imposed on qualified providers pursuant to subsection (1) of this section; or

(II) Direct the qualified providers within its jurisdiction to pay the provider fee imposed pursuant to subsection (1) of this section directly to the department.

(b) If the local government elects to collect the provider fee imposed pursuant to subsection (1) of this section, the local government shall either:

(I) Transfer the amount that the local government collects from the provider fee to the department, in which case the department shall distribute the provider fee and all federal financial participation received to the qualified providers within the territorial boundaries of the local government pursuant to section 25.5-4-417, C.R.S.; or

(II) Distribute all moneys from the provider fee collected pursuant to this section and certify to the department the amount that the local government reimburses the qualified providers for providing medical care under the state's medical assistance program and to low-income populations, which shall include the distribution of moneys collected from the provider fee collected pursuant to this section. The local government may distribute any additional moneys eligible for federal financial participation to qualified providers within the territorial boundaries of the local government pursuant to section 25.5-4-417, C.R.S.

(c) If the local government elects to direct the qualified providers to pay the provider fee imposed pursuant to subsection (1) of this section directly to the department, the department shall distribute the provider fee and all federal financial participation received to the qualified providers within the territorial boundaries of the local government pursuant to section 25.5-4-417, C.R.S.

(d) All moneys received by the department pursuant to this subsection (2) shall be transmitted to the state treasurer, who shall credit the same to the local government provider fee cash fund, which fund is hereby created and referred to in this paragraph (d) as the "fund". The general assembly may make appropriations from the fund to the department for the department's administrative costs incurred in implementing this section. The department shall distribute the remaining moneys in the fund pursuant to this subsection (2). Any moneys in the fund not expended for the purpose of this section shall be invested by the state treasurer as provided by law. All interest and income derived from the investment and deposit of moneys in the fund shall be credited to the fund. Any unexpended and unencumbered moneys remaining in the fund at the end of a fiscal year shall remain in the fund and shall not be credited or transferred to the general fund or another fund.

(3) Except for administrative costs of the department, provider fees imposed and distributed pursuant to this section from certified home health care agencies and licensed hospitals within the territorial boundaries of a local government shall be kept separate to ensure that the provider fees collected from certified home health care agencies within the territorial boundaries of the local government are distributed only to certified home health care agencies and the provider fees collected from licensed hospitals within the territorial boundaries of the local government are distributed only to licensed hospitals.

(4) A local government that elects to impose and collect a provider fee from qualified providers pursuant to this section shall follow all applicable state and federal medicaid rules and regulations regarding provider fees.

IMMIGRATION STATUS - COOPERATION WITH FEDERAL OFFICIALS

ARTICLE 29

Immigration Status - Cooperation with Federal Officials

29-29-101 to 29-29-103. (Repealed)