

## CHAPTER 135

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**GOVERNMENT - SPECIAL DISTRICTS**


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**SENATE BILL 16-016**

BY SENATOR(S) Steadman and Cadman, Scheffel, Baumgardner, Cooke, Crowder, Grantham, Guzman, Hill, Hodge, Holbert, Jahn, Johnston, Kefalas, Kerr, Martinez Humenik, Merrifield, Roberts, Tate, Todd, Ulibarri;  
 also REPRESENTATIVE(S) Hullinghorst and Lawrence, Arndt, Becker K., Brown, Conti, Court, Danielson, Fields, Ginal, Kagan, Kraft-Tharp, Landgraf, Lebsock, Lee, Lontine, McCann, Melton, Mitsch Bush, Moreno, Pettersen, Primavera, Priola, Rankin, Rosenthal, Roupe, Ryden, Singer, Thurlow, Williams, Wilson, Windholz, Winter, Young, Buckner, Duran, Garnett, Hamner, Pabon, Salazar, Tyler, Vigil.

**AN ACT**

**CONCERNING THE SCIENTIFIC AND CULTURAL FACILITIES DISTRICT, AND, IN CONNECTION THEREWITH, AMENDING THE BALLOT QUESTION CONCERNING THE EXTENSION OF THE DISTRICT TO BE SUBMITTED TO THE VOTERS AND MODIFYING STATUTORY PROVISIONS CONCERNING THE ADMINISTRATION OF THE DISTRICT.**

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, 32-13-103, **amend** (1.5), (4), (6), (7) (a), and (7) (b) (I) as follows:

**32-13-103. Definitions.** As used in this article, unless the context otherwise requires:

(1.5) "Annual operating income" means operating income from all MISSION-BASED sources, except capital construction fund income, designated funds raised for the purchase of specified capital needs, UNRELATED BUSINESS INCOME, FUNDS RAISED FOR THE PURPOSE OF DEBT REDUCTION, **income for endowment corpus, and** any distribution of moneys by the board, AND ANY RESTRICTION ESTABLISHED THROUGH BOARD POLICY.

(4) "Cultural facility" means a nonprofit institutional organization ~~having as its~~ UNDER SECTION 501 (c) (3) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED, OR ANY AGENCY OF LOCAL GOVERNMENT WITH THE **primary purpose** ~~the advancement and preservation of art, music, theater, or dance~~ OF ENLIGHTENING AND ENTERTAINING THE PUBLIC THROUGH THE PRODUCTION, PRESENTATION,

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

EXHIBITION, ADVANCEMENT, OR PRESERVATION OF VISUAL ARTS, PERFORMING ARTS, OR CULTURAL HISTORY, AS SUCH TERMS ARE DEFINED BY THE BOARD. "Cultural facility" ~~also includes any agency of local government charged with the advancement and preservation of art, music, theater, or dance but~~ does not include any agency of the state, any educational institution, any radio or television broadcasting network or station, any cable communications system, or any newspaper or magazine.

(6) "Paid attendance" means the total paid attendance at all MISSION-BASED programs as verified by annual audit reports.

(7) (a) With respect to the Denver metropolitan scientific and cultural facilities district, "scientific facility" means a nonprofit institutional organization ~~having as its~~ UNDER SECTION 501 (c) (3) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED, OR AN AGENCY OF LOCAL GOVERNMENT WITH THE primary purpose ~~the advancement and preservation of zoology, botany, natural history, or cultural history~~ OF ENLIGHTENING AND ENTERTAINING THE PUBLIC THROUGH THE PRODUCTION, PRESENTATION, EXHIBITION, ADVANCEMENT, OR PRESERVATION OF NATURAL HISTORY OR NATURAL SCIENCES INCLUDING EARTH, LIFE, OR PHYSICAL SCIENCES, AS SUCH TERMS ARE DEFINED BY THE BOARD. "Scientific facility" ~~also includes any agency of local government charged with the advancement and preservation of zoology, botany, natural history, or cultural history but~~ does not include any agency of the state, any educational institution, any radio or television broadcasting network or station, any cable communications system, any newspaper or magazine, or any organization that is engaged solely in the acquisition or physical restoration of historic buildings, structures, or sites.

(b) (I) With respect to scientific and cultural facilities districts other than the Denver metropolitan scientific and cultural facilities district, "scientific facility" means a nonprofit institutional organization ~~having as its~~ UNDER SECTION 501 (c) (3) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED, OR AN AGENCY OF LOCAL GOVERNMENT WITH THE primary purpose ~~the advancement and preservation of zoology, botany, anthropology, cultural history, or natural history~~ OF ENLIGHTENING AND ENTERTAINING THE PUBLIC THROUGH THE PRODUCTION, PRESENTATION, EXHIBITION, ADVANCEMENT, OR PRESERVATION OF NATURAL HISTORY OR NATURAL SCIENCES INCLUDING EARTH, LIFE, OR PHYSICAL SCIENCES, AS SUCH TERMS ARE DEFINED BY THE BOARD. "Scientific facility" ~~also includes any agency of local government charged with the advancement and preservation of zoology, botany, anthropology, cultural history, or natural history but~~ does not include any agency of the state, any educational institution, any radio or television broadcasting network or station, any cable communications system, or any newspaper or magazine.

**SECTION 2.** In Colorado Revised Statutes, 32-13-104.5, **amend** (1) (b) (I) as follows:

**32-13-104.5. Additional district area - Douglas county.** (1) In addition to the areas described in section 32-13-104, all or any portion of the area within the boundaries of Douglas county that is not included in the Denver metropolitan scientific and cultural facilities district but is contiguous with the district may be included in the district if the following requirements are met:

(b) An election is held and conducted in accordance with articles 1 to 13 of title 1, C.R.S., and the following requirements:

(I) The election is held at a general or odd-year election ~~prior to 2017~~ NOT LATER THAN 2025, as determined by intergovernmental agreement of the governing bodies of all municipalities that include portions of the area proposed to be included in the district and the board of county commissioners of Douglas county;

**SECTION 3.** In Colorado Revised Statutes, 32-13-105, **amend** (5) (d) (IV), (7) (a), (7) (c), (8), (10) (a), (10) (d) (I), and (10) (d) (IV); **repeal** (10) (e); and **add** (5) (g), (10) (f), and (11) as follows:

**32-13-105. Authorizing elections - repeal.** (5) (d) (IV) If at any election a majority of the registered electors within the geographical boundaries of the district voting on the question vote affirmatively on the question authorizing the district to continue the levy and collection of the sales and use taxes specified in paragraph (a) of subsection (4) of this section, AS IT EXISTED PRIOR TO THE EFFECTIVE DATE OF THIS SUBPARAGRAPH (IV), AS AMENDED, as modified pursuant to subparagraphs (I), (II), and (III) of paragraph (a) of this subsection (5), until the date specified in the question, then such sales and use taxes shall continue to be levied, collected, and distributed as provided for in this article until said date.

(g) THIS SUBSECTION (5) IS REPEALED, EFFECTIVE JULY 1, 2018.

(7) (a) The provisions of article 40 of title 1, C.R.S., regarding the following subject matter shall apply to petitions that may be submitted pursuant to ~~subsection (4), (5), or (10) of this section:~~ Form requirements and approval; circulation of petitions; elector information and signatures on petitions; affidavits and requirements of circulators of petitions; and verification of signatures, including but not limited to cure of an insufficiency of signatures and protests regarding sufficiency statements and procedures for hearings or further appeals regarding such protests. The provisions of article 40 of title 1, C.R.S., regarding review and comment, the setting of a ballot title, including but not limited to the duties of the title board, rehearings, and appeals, and the number of signatures required shall not apply to petitions that may be submitted pursuant to ~~subsection (4), (5), or (10) of this section.~~

(c) Notice of any question to be submitted to the registered electors within the geographical boundaries of the district upon the adoption of a resolution by the board of the district pursuant to ~~subsection (4), (5), or (10) of this section~~ and at which election such question shall be submitted shall be filed in the office of the secretary of state prior to fifty-five days before such election.

(8) The provisions of ~~subsections (4) to (6) of this section~~ shall not be applicable if the authority of the district to levy and collect any sales and use taxes approved by the registered electors or to continue to levy and collect any sales and use taxes approved by the registered electors has expired pursuant to the provisions of this article.

(10) (a) For purposes of complying with the provisions of section 20 (4) of article X of the state constitution and upon proper submittal of a valid initiative petition to

or upon the adoption of a resolution by the board, the district may submit to the registered electors within the geographical boundaries of the district, at a general election or an election held on the first Tuesday in November of an odd-numbered year, the question of whether the district shall be authorized to continue the levy and collection of the aggregate one-tenth of one percent sales and use tax as specified in paragraph (a) of subsection (5) of this section, AS IT EXISTED ON THE EFFECTIVE DATE OF THIS PARAGRAPH (a), AS AMENDED, for a period not to exceed twelve years from the date upon which the authority of the district to levy and collect the sales and use taxes is scheduled to expire, AS FOLLOWS:

(I) A UNIFORM SALES AND USE TAX THROUGHOUT SAID GEOGRAPHICAL AREA AT A RATE OF SIXTY-FOUR ONE-THOUSANDTHS OF ONE PERCENT FOR TOTAL ANNUAL REVENUES COLLECTED BY THE DISTRICT UP TO AND INCLUDING THIRTY-EIGHT MILLION DOLLARS AND AT A RATE OF FIFTY-SEVEN ONE-THOUSANDTHS OF ONE PERCENT AFTER TOTAL ANNUAL REVENUES COLLECTED BY THE DISTRICT EXCEED THIRTY-EIGHT MILLION DOLLARS, UPON EVERY TRANSACTION OR OTHER INCIDENT WITH RESPECT TO WHICH A SALES AND USE TAX IS LEVIED BY THE STATE, PURSUANT TO THE PROVISIONS OF ARTICLE 26 OF TITLE 39, C.R.S.; EXCEPT THAT SUCH SALES AND USE TAX SHALL NOT BE LEVIED ON THE SALE OR USE OF AVIATION FUEL, TO BE DISTRIBUTED TO THE DENVER MUSEUM OF NATURE AND SCIENCE, THE DENVER ZOOLOGICAL GARDENS, THE DENVER ART MUSEUM, THE DENVER BOTANICAL GARDENS, AND THE DENVER CENTER FOR THE PERFORMING ARTS PURSUANT TO THE PROVISIONS OF SECTION 32-13-107 (3) (a);

(II) A UNIFORM SALES AND USE TAX THROUGHOUT SAID GEOGRAPHICAL AREA AT A RATE OF TWENTY-TWO ONE-THOUSANDTHS OF ONE PERCENT FOR TOTAL ANNUAL REVENUES COLLECTED BY THE DISTRICT UP TO AND INCLUDING THIRTY-EIGHT MILLION DOLLARS AND AT A RATE OF TWENTY-SIX ONE-THOUSANDTHS OF ONE PERCENT AFTER TOTAL ANNUAL REVENUES COLLECTED BY THE DISTRICT EXCEED THIRTY-EIGHT MILLION DOLLARS, UPON EVERY TRANSACTION OR OTHER INCIDENT WITH RESPECT TO WHICH A SALES AND USE TAX IS LEVIED BY THE STATE, PURSUANT TO THE PROVISIONS OF ARTICLE 26 OF TITLE 39, C.R.S.; EXCEPT THAT SUCH SALES AND USE TAX SHALL NOT BE LEVIED ON THE SALE OR USE OF AVIATION FUEL, TO BE DISTRIBUTED TO SCIENTIFIC AND CULTURAL FACILITIES PURSUANT TO THE PROVISIONS OF SECTION 32-13-107 (3) (b); AND

(III) A UNIFORM SALES AND USE TAX THROUGHOUT SAID GEOGRAPHICAL AREA AT A RATE OF FOURTEEN ONE-THOUSANDTHS OF ONE PERCENT FOR TOTAL ANNUAL REVENUES COLLECTED BY THE DISTRICT UP TO AND INCLUDING THIRTY-EIGHT MILLION DOLLARS AND AT A RATE OF SEVENTEEN ONE-THOUSANDTHS OF ONE PERCENT AFTER TOTAL ANNUAL REVENUES COLLECTED BY THE DISTRICT EXCEED THIRTY-EIGHT MILLION DOLLARS, UPON EVERY TRANSACTION OR OTHER INCIDENT WITH RESPECT TO WHICH A SALES AND USE TAX IS LEVIED BY THE STATE, PURSUANT TO THE PROVISIONS OF ARTICLE 26 OF TITLE 39, C.R.S.; EXCEPT THAT SUCH SALES AND USE TAX SHALL NOT BE LEVIED ON THE SALE OR USE OF AVIATION FUEL, TO BE DISTRIBUTED TO SCIENTIFIC AND CULTURAL FACILITIES PURSUANT TO THE PROVISIONS OF SECTION 32-13-107 (3) (c).

(d) (I) Except as otherwise provided in subparagraph (III) of this paragraph (d), at the election, the question appearing on the ballot shall be as follows:

"SHALL THERE BE AN EXTENSION UNTIL ~~(MONTH, DAY, AND YEAR)~~ JUNE 30, 2030, OF THE AGGREGATE 0.1 PERCENT SALES AND USE TAXES CURRENTLY LEVIED AND COLLECTED BY THE DENVER METROPOLITAN SCIENTIFIC AND CULTURAL FACILITIES DISTRICT THAT ARE SCHEDULED TO EXPIRE ON ~~(MONTH, DAY, AND YEAR)~~ JUNE 30, 2018, FOR ASSISTING SCIENTIFIC AND CULTURAL FACILITIES WITHIN THE DISTRICT, WHILE AUTHORIZING THE DISTRICT TO CONTINUE TO COLLECT, RETAIN, AND SPEND ALL REVENUE GENERATED BY SUCH TAX IN EXCESS OF THE LIMITATION PROVIDED IN ARTICLE X OF SECTION 20 OF THE COLORADO CONSTITUTION AND WHILE MODIFYING THE RATES OF THE THREE INDIVIDUAL SALES AND USE TAXES COLLECTED BY THE DISTRICT AS FOLLOWS: FOR TOTAL ANNUAL REVENUES COLLECTED BY THE DISTRICT UP TO THIRTY-EIGHT MILLION DOLLARS, DECREASING THE .0655 PERCENT SALES AND USE TAX TO .064 PERCENT; INCREASING THE .021 PERCENT SALES AND USE TAX TO .022 PERCENT; AND INCREASING THE .0135 PERCENT SALES AND USE TAX TO .014 PERCENT; AND, FOR TOTAL ANNUAL REVENUES COLLECTED BY THE DISTRICT THAT EXCEED THIRTY-EIGHT MILLION DOLLARS, DECREASING THE .064 PERCENT SALES AND USE TAX TO .057 PERCENT; INCREASING THE .022 PERCENT SALES AND USE TAX TO .026 PERCENT; AND INCREASING THE .014 PERCENT SALES AND USE TAX TO .017 PERCENT?"

(IV) If at any election a majority of the registered electors within the geographical boundaries of the district voting on the question vote affirmatively on the question authorizing the district to continue the levy and collection of the sales and use taxes specified in paragraph (a) of subsection (5) of this section, AS MODIFIED PURSUANT TO SUBPARAGRAPHS (I), (II), AND (III) OF PARAGRAPH (a) OF THIS SUBSECTION (10), until the date specified in the question JUNE 30, 2030, then such sales and use taxes shall continue to be levied, collected, and distributed as provided for in this article until said date.

(e) ~~The provisions of this subsection (10) shall be applicable only if prior voter approval has been obtained to levy and collect the sales and use taxes specified in paragraph (a) of subsection (5) of this section.~~

(f) ALL OF THE ELECTORS WITHIN THE AREA OF THE BOUNDARIES OF THE COUNTIES OF ADAMS, ARAPAHOE, BOULDER, AND JEFFERSON, ALL OF THE ELECTORS WITHIN THE BOUNDARIES OF THE CITY AND COUNTY OF BROOMFIELD AND THE CITY AND COUNTY OF DENVER, AND ALL OF THE ELECTORS WITHIN DOUGLAS COUNTY EXCLUDING THE ELECTORS WITHIN THE BOUNDARIES OF THE TOWN OF CASTLE ROCK OR THE TOWN OF LARKSPUR, ARE ELIGIBLE ELECTORS FOR THE PURPOSE OF THE ELECTION TO BE HELD PURSUANT TO THIS SUBSECTION (10).

(11) (a) FOR PURPOSES OF COMPLYING WITH THE PROVISIONS OF SECTION 20 (4) OF ARTICLE X OF THE STATE CONSTITUTION AND UPON PROPER SUBMITTAL OF A VALID INITIATIVE PETITION TO OR UPON THE ADOPTION OF A RESOLUTION BY THE BOARD, THE DISTRICT MAY SUBMIT TO THE REGISTERED ELECTORS WITHIN THE GEOGRAPHICAL BOUNDARIES OF THE DISTRICT, AT A GENERAL ELECTION OR AN ELECTION HELD ON THE FIRST TUESDAY IN NOVEMBER OF AN ODD-NUMBERED YEAR, THE QUESTION OF WHETHER THE DISTRICT SHALL BE AUTHORIZED TO CONTINUE THE LEVY AND COLLECTION OF THE AGGREGATE ONE-TENTH OF ONE PERCENT SALES AND USE TAX AS SPECIFIED IN PARAGRAPH (a) OF SUBSECTION (10) OF THIS SECTION FOR

A PERIOD NOT TO EXCEED TWELVE YEARS FROM THE DATE UPON WHICH THE AUTHORITY OF THE DISTRICT TO LEVY AND COLLECT THE SALES AND USE TAXES IS SCHEDULED TO EXPIRE.

(b) A RESOLUTION OR THE SUMMARY FOR A PETITION PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (11) SHALL INCLUDE, BUT NOT BE LIMITED TO, THE FOLLOWING STATEMENTS:

(I) THAT THE DISTRICT WOULD CONTINUE TO LEVY AND COLLECT THE AGGREGATE ONE-TENTH OF ONE PERCENT SALES AND USE TAX AS SPECIFIED IN PARAGRAPH (a) OF SUBSECTION (10) OF THIS SECTION FOR A PERIOD NOT TO EXCEED TWELVE YEARS FROM THE DATE UPON WHICH THE AUTHORITY OF THE DISTRICT TO LEVY AND COLLECT THE SALES AND USE TAXES IS SCHEDULED TO EXPIRE; AND

(II) THE MONTH, DAY, AND YEAR ON WHICH THE AUTHORITY OF THE DISTRICT TO LEVY AND COLLECT THE SALES AND USE TAXES EXPIRES.

(c) THE DISTRICT MAY SUBMIT THE QUESTION SET FORTH IN PARAGRAPH (a) OF THIS SUBSECTION (11) TO THE REGISTERED ELECTORS OF THE DISTRICT:

(I) AFTER BEING PRESENTED WITH A PETITION REQUESTING THE SUBMITTAL OF THE QUESTION THAT IS SIGNED BY REGISTERED ELECTORS WITHIN THE GEOGRAPHICAL BOUNDARIES OF THE DISTRICT IN AN AMOUNT EQUAL TO AT LEAST FIVE PERCENT OF THE TOTAL NUMBER OF VOTES CAST WITHIN THE GEOGRAPHICAL BOUNDARIES OF THE DISTRICT FOR ALL CANDIDATES FOR THE OFFICE OF SECRETARY OF STATE AT THE PREVIOUS GENERAL ELECTION AND AFTER VERIFICATION OF THE SIGNATURES ON THE PETITION BY THE SECRETARY IN ACCORDANCE WITH SUBSECTION (7) OF THIS SECTION; OR

(II) AFTER THE ADOPTION OF A RESOLUTION BY THE BOARD.

(d) (I) EXCEPT AS OTHERWISE PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH (d), AT THE ELECTION, THE QUESTION APPEARING ON THE BALLOT SHALL BE AS FOLLOWS:

"SHALL THERE BE AN EXTENSION UNTIL (MONTH, DAY, AND YEAR) OF THE AGGREGATE 0.1 PERCENT SALES AND USE TAXES CURRENTLY LEVIED AND COLLECTED BY THE DENVER METROPOLITAN SCIENTIFIC AND CULTURAL FACILITIES DISTRICT THAT ARE SCHEDULED TO EXPIRE ON (MONTH, DAY, AND YEAR) FOR ASSISTING SCIENTIFIC AND CULTURAL FACILITIES WITHIN THE DISTRICT, WHILE AUTHORIZING THE DISTRICT TO CONTINUE TO COLLECT, RETAIN, AND SPEND ALL REVENUE GENERATED BY SUCH TAX IN EXCESS OF THE LIMITATION PROVIDED IN ARTICLE X OF SECTION 20 OF THE COLORADO CONSTITUTION?"

(II) EXCEPT AS OTHERWISE PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH (d), THE BALLOT TITLE IS A STATEMENT OF THE LANGUAGE INCLUDED IN THE QUESTION SET FORTH IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (d), EXCEPT THAT THE WORDS "SHALL THERE BE" ARE NOT INCLUDED IN THE STATEMENT, AND THE STATEMENT ENDS WITH A PERIOD INSTEAD OF A QUESTION MARK.

(III) THE BALLOT QUESTION SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (d) AND THE BALLOT TITLE SPECIFIED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (d) MAY BE MODIFIED BY THE PROPONENTS OF AN INITIATIVE PETITION OR THE BOARD, AS APPLICABLE, ONLY TO THE EXTENT NECESSARY TO CONFORM TO THE REQUIREMENTS OF ANY FINAL DECISION OF A DISTRICT OR APPELLATE COURT REGARDING THE LEGAL REQUIREMENTS FOR BALLOT QUESTIONS AND TITLES.

(IV) IF AT ANY ELECTION A MAJORITY OF THE REGISTERED ELECTORS WITHIN THE GEOGRAPHICAL BOUNDARIES OF THE DISTRICT VOTING ON THE QUESTION VOTE AFFIRMATIVELY ON THE QUESTION AUTHORIZING THE DISTRICT TO CONTINUE THE LEVY AND COLLECTION OF THE SALES AND USE TAXES SPECIFIED IN PARAGRAPH (a) OF SUBSECTION (10) OF THIS SECTION UNTIL THE DATE SPECIFIED IN THE QUESTION, THEN SUCH SALES AND USE TAXES SHALL CONTINUE TO BE LEVIED, COLLECTED, AND DISTRIBUTED AS PROVIDED FOR IN THIS ARTICLE UNTIL SAID DATE.

(e) THE PROVISIONS OF THIS SUBSECTION (11) ARE APPLICABLE ONLY IF PRIOR VOTER APPROVAL IS OBTAINED TO LEVY AND COLLECT THE SALES AND USE TAXES SPECIFIED IN PARAGRAPH (a) OF SUBSECTION (10) OF THIS SECTION.

**SECTION 4.** In Colorado Revised Statutes, 32-13-106, **amend** (2) (g.5); **repeal** (2) (j); and **add** (2) (l) as follows:

**32-13-106. Board of directors - powers and duties.** (2) The board shall have the following powers and duties:

(g.5) To submit any question specified in section 32-13-105 ~~(4), (5), or (6)~~ to the registered electors within the geographical boundaries of the district at the appropriate election upon the proper submittal of a valid initiative petition to or upon the adoption of a resolution by the district;

~~(j) To submit the question specified in section 32-13-105 (9) to the registered electors within the geographical boundaries of the district at a general election or at an election held on the first Tuesday in November of an odd-numbered year, upon the adoption of a resolution by the district; and~~

(l) TO PUBLISH AND UPDATE ANNUAL GOVERNANCE AND TRANSPARENCY NOTICE REQUIREMENTS BY POSTING BOARD MEMBER NAMES, DISTRICT CONTACT INFORMATION, AND MEETING INFORMATION ON THE DISTRICT'S WEBSITE.

**SECTION 5.** In Colorado Revised Statutes, 32-13-107, **amend** (1) (a), (3) introductory portion, (3) (a) introductory portion, (3) (a) (I), (3) (b) introductory portion, (3) (b) (I), (3) (b) (II), (3) (c) introductory portion, (3) (c) (I) introductory portion, (3) (c) (I) (A), (3) (c) (I) (C), (3) (c) (II), and (3) (c) (III); and **add** (3) (c) (I) (D) as follows:

**32-13-107. Sales and use tax imposed - collection - administration of tax - use.** (1) (a) Except as otherwise provided in paragraph (b) of this subsection (1), upon the approval of the registered electors pursuant to the provisions of section 32-13-105, the board has the power to levy such uniform sales and use taxes throughout the district created in section 32-13-104 upon every transaction or other incident with respect to which a sales and use tax is levied by the state, pursuant to

the provisions of article 26 of title 39, C.R.S.; EXCEPT THAT BEGINNING JULY 1, 2016, SUCH SALES AND USE TAX SHALL NOT BE LEVIED OR COLLECTED ON THE SALE OR USE OF AVIATION FUEL.

(3) The proceeds of such sales and use tax collections shall be used by the board to assist scientific and cultural facilities within the district. ~~After deducting costs, not exceeding three-fourths of one percent of the sales and use tax revenues annually collected, which are incurred by the district for the administration of such moneys, and after deducting~~ THE BOARD MAY DEDUCT FROM THE PROCEEDS OF THE SALES AND USE TAX COLLECTIONS AMOUNTS NECESSARY TO COVER THE COSTS INCURRED BY THE DISTRICT FOR THE ADMINISTRATION OF SUCH PROCEEDS; EXCEPT THAT THE AMOUNT DEDUCTED FOR SUCH PURPOSE SHALL NOT EXCEED ONE AND FIFTY ONE-HUNDREDTHS PERCENT OF THE SALES AND USE TAX REVENUES ANNUALLY COLLECTED UP TO AND INCLUDING THIRTY-EIGHT MILLION DOLLARS AND ONE AND FIFTY ONE-HUNDREDTHS PERCENT OF THE SALES AND USE TAX REVENUES ANNUALLY COLLECTED IN EXCESS OF THIRTY-EIGHT MILLION DOLLARS. THE BOARD MAY ALSO DEDUCT FROM THE PROCEEDS OF THE SALES AND USE TAX COLLECTIONS an amount necessary to pay the district's actual or anticipated reasonable costs related to a coordinated election. ~~distributions by the board to scientific and cultural facilities shall be made~~ AFTER MAKING THE DEDUCTIONS ALLOWED IN THIS SUBSECTION (3), THE BOARD SHALL DISTRIBUTE THE REMAINING PROCEEDS FROM THE SALES AND USE TAX COLLECTIONS TO SCIENTIFIC AND CULTURAL FACILITIES as follows:

(a) Upon voter approval of the levy and collection of the sales and use tax specified in ~~section 32-13-105, (1) (a), (4) (a) (I), or (5) (a) (I)~~ SECTION 32-13-105 (5) (a) (I) OR (10) (a) (I), as applicable, the sales and use tax revenues levied and collected by the district shall be distributed annually by the board as follows:

(I) Except as otherwise provided in subparagraph (II) of this paragraph (a), ninety-five percent of said sales and use tax revenues shall be distributed for annual operating expenses as follows:

(A) ~~Twenty-five percent~~ TWENTY-FOUR AND FIFTY ONE-HUNDREDTHS PERCENT shall be distributed to the Denver museum of nature and science;

(B) ~~Twenty and eighty-three one hundredths percent~~ TWENTY AND THIRTY-THREE ONE-HUNDREDTHS PERCENT shall be distributed to the Denver art museum;

(C) Twenty-four and twenty-four one-hundredths percent shall be distributed to the Denver zoological gardens;

(D) ~~Eleven and seventy-five one hundredths percent~~ THIRTEEN AND TWENTY-FIVE ONE-HUNDREDTHS PERCENT shall be distributed to the Denver botanical gardens;

(E) ~~Eighteen and eighteen one hundredths percent~~ SEVENTEEN AND SIXTY-EIGHT ONE-HUNDREDTHS PERCENT shall be distributed to the Denver center for the performing arts;

(b) Upon voter approval of the levy and collection of the sales and use tax specified in ~~section 32-13-105, (1) (b), (4) (a) (II), or (5) (a) (II)~~; SECTION 32-13-105 (5) (a) (II) OR (10) (a) (II), as applicable, the sales and use tax revenues levied and



collected by the district shall be distributed annually by the board for annual operating expenses as follows:

(I) Ninety-five percent of said sales and use tax revenues shall be distributed to scientific and cultural facilities within the district that are not receiving moneys pursuant to paragraph (a) of this subsection (3) and that meet the following criteria:

(A) Any such facility shall be a nonprofit organization that has a determination letter in effect from the internal revenue service confirming that the organization meets the requirements of section 501 (c) (3) of the federal "Internal Revenue Code of 1986", as amended, ~~whose primary purpose is to provide for the enlightenment and entertainment of~~ WITH THE PRIMARY PURPOSE OF ENLIGHTENING AND ENTERTAINING the public through the production, presentation, exhibition, advancement, or preservation of ~~art, music, theater, dance, zoology, botany, or natural history~~ VISUAL ARTS, PERFORMING ARTS, CULTURAL HISTORY, NATURAL HISTORY, OR NATURAL SCIENCES INCLUDING EARTH, LIFE, OR PHYSICAL SCIENCES, AS SUCH TERMS ARE DEFINED BY THE BOARD, or shall be an agency of local government that has such primary purpose.

(B) Any such facility shall have its principal office within the district, shall conduct the majority of its activities within the state of Colorado, and shall principally benefit the residents of the district. IN ADDITION, ANY SUCH FACILITY SHALL DEMONSTRATE ITS REGIONAL SERVICE AND IMPACT ACCORDING TO CRITERIA ESTABLISHED BY THE BOARD.

(C) For any facility that applies to receive district moneys prior to July 1, 2006, such facility shall have had an annual operating income of more than seven hundred thousand dollars for the previous year as adjusted for the annual change in the consumer price index as specified in this sub-subparagraph (C). For any facility that applies to receive district moneys on or after July 1, 2006, such facility shall have had an annual operating income of more than one million two hundred fifty thousand dollars for the previous year as adjusted for the annual change in the consumer price index as specified in this sub-subparagraph (C); except that any facility that qualified to receive a distribution pursuant to this paragraph (b) on or before June 30, 2006, shall be subject to the one million two hundred fifty thousand dollar threshold as adjusted for the annual change in the consumer price index as specified in this sub-subparagraph (C), as of July 1, 2009. For distributions made pursuant to this paragraph (b) in 1996 and in each year thereafter, the board shall annually adjust the amount specified in this sub-subparagraph (C), as applicable, in accordance with the annual percentage change in the consumer price index for the previous year for the Denver-Boulder-Greeley consolidated metropolitan statistical area for all urban consumers, all goods, as published by the United States department of labor, bureau of labor statistics. FOR DISTRIBUTIONS MADE PURSUANT TO THIS PARAGRAPH (b) IN 2017 AND IN EACH YEAR THEREAFTER, THE BOARD SHALL ANNUALLY ADJUST THE AMOUNT SPECIFIED IN THIS SUB-SUBPARAGRAPH (C), AS APPLICABLE, FOR THE PERCENTAGE CHANGE BETWEEN THE AVERAGE DENVER-BOULDER-GREELEY CONSOLIDATED METROPOLITAN STATISTICAL AREA CONSUMER PRICE INDEX, OR SUCCESSOR INDEX, FOR THE CALENDAR YEAR THREE YEARS PRIOR TO THE YEAR OF DISTRIBUTION AND THE AVERAGE DENVER-BOULDER-GREELEY CONSOLIDATED METROPOLITAN STATISTICAL AREA CONSUMER PRICE INDEX, OR SUCCESSOR INDEX, FOR THE CALENDAR YEAR TWO

YEARS PRIOR TO THE YEAR OF DISTRIBUTION.

~~(D) For any facility that applies to receive district moneys prior to July 1, 2006, such facility shall have been in existence, operating, and providing service to the public for at least two years prior to such distribution. For any facility that applies to receive district moneys for the first time on or after July 1, 2006, such facility shall have been in existence, operating, and providing service to the public for at least five years prior to the distribution. For any facility that applies to receive district moneys on or after July 1, 2006, that has had a recommencement after bankruptcy or nonconsensual reorganization, such facility shall have been operating and providing service to the public for at least five years from the original date of recommencement~~ BEGINNING JANUARY 1, 2017, A FACILITY MUST HAVE BEEN IN EXISTENCE, OPERATING, AND PROVIDING SERVICE TO THE PUBLIC FOR AT LEAST SEVEN YEARS AS A NONPROFIT INSTITUTIONAL ORGANIZATION UNDER SECTION 501 (c) (3) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED, PRIOR TO APPLYING FOR ELIGIBILITY TO RECEIVE DISTRICT MONEYS FOR THE FIRST TIME. For purposes of this sub-subparagraph (D), "operating" means engaged in some form of activity that is in furtherance of the advancement and preservation of art, music, theater, dance, zoology, botany, or natural history, including but not limited to activities relating to production, exhibition, and presentation WITH THE PRIMARY PURPOSE OF ENLIGHTENING AND ENTERTAINING THE PUBLIC THROUGH THE PRODUCTION, PRESENTATION, EXHIBITION, ADVANCEMENT, OR PRESERVATION OF VISUAL ARTS, PERFORMING ARTS, CULTURAL HISTORY, NATURAL HISTORY, OR NATURAL SCIENCES INCLUDING EARTH, LIFE, OR PHYSICAL SCIENCES, AS SUCH TERMS ARE DEFINED BY THE BOARD.

(E) NOTWITHSTANDING THE PROVISIONS OF THIS SUBPARAGRAPH (I), FOR MULTIPLE FACILITIES THAT WERE CREATED BY A LOCAL GOVERNMENT AND THAT HAVE THE SAME TAXPAYER IDENTIFICATION NUMBER OR FEDERAL EMPLOYEE IDENTIFICATION NUMBER, NO MORE THAN TWO FACILITIES PER TAXPAYER IDENTIFICATION NUMBER OR FEDERAL EMPLOYEE IDENTIFICATION NUMBER ARE ELIGIBLE TO RECEIVE A DISTRIBUTION OF REVENUES PURSUANT TO THIS PARAGRAPH (b) IN ANY FISCAL YEAR.

(II) (A) Distribution of moneys pursuant to subparagraph (I) of this paragraph (b) shall be based upon a formula to be applied annually ~~which~~ THAT gives equal A SPECIFIC weight to the annual operating income of such facilities, and the annual paid attendance at such facilities, AND THE ANNUAL DOCUMENTED FREE ATTENDANCE AT SUCH FACILITIES. THE BOARD SHALL DETERMINE THE WEIGHT TO BE GIVEN TO EACH FACTOR, AND SUCH DETERMINATION SHALL BE BINDING ON THE BOARD. THE BOARD MAY MODIFY THE WEIGHT TO BE GIVEN TO EACH FACTOR NOT MORE THAN ONCE EVERY TWO YEARS.

~~(B) After the first five years said sales and use tax is levied and collected, the board may modify, in its discretion, the weight to be given the factors of annual operating income and the annual paid attendance in the formula specified in sub-subparagraph (A) of this subparagraph (II). Such determination by the board of the weight to be given said factors shall be binding on the board and may only be modified every five years thereafter.~~

(c) Upon voter approval of the levy and collection of the sales and use tax

specified in ~~section 32-13-105, (1) (c), (4) (a) (HH), or (5) (a) (HH)~~; SECTION 32-13-105 (5) (a) (III) OR (10) (a) (III), as applicable, the sales and use tax revenues levied and collected by the district shall be distributed annually by the board for annual operating expenses as follows:

(I) Ninety-five percent of said sales and use tax revenues collected in each county comprising the district shall be distributed by the board to scientific and cultural facilities within such county pursuant to the provisions of the plan submitted by each county cultural council as specified in subparagraph (II) of this paragraph (c). Said moneys shall be distributed to scientific and cultural facilities within the district which are not receiving moneys pursuant to ~~paragraph (a)~~ PARAGRAPH (a) OR (b) of this subsection (3) and which meet the following criteria:

(A) Any such facility shall be a nonprofit organization that has a determination letter in effect from the internal revenue service confirming that the organization meets the requirements of section 501 (c) (3) of the federal "Internal Revenue Code of 1986", as amended, ~~whose primary purpose is to provide for the enlightenment and entertainment of~~ WITH THE PRIMARY PURPOSE OF ENLIGHTENING AND ENTERTAINING the public through the production, presentation, exhibition, advancement, or preservation of ~~art, music, theater, dance, zoology, botany, or natural history~~ VISUAL ARTS, PERFORMING ARTS, CULTURAL HISTORY, NATURAL HISTORY, OR NATURAL SCIENCES INCLUDING EARTH, LIFE, OR PHYSICAL SCIENCES, AS SUCH TERMS ARE DEFINED BY THE BOARD, or shall be an agency of local government that has such primary purpose.

(C) ~~Any such facility that applies to receive district moneys for the first time on or after July 1, 2006, shall have been in existence, operating, and providing service to the public for at least three years prior to such distribution. For any facility that applies to receive district moneys on or after July 1, 2006, that has had a recommencement after bankruptcy or nonconsensual reorganization, such facility shall be operating and providing service to the public for at least three years from the original date of recommencement~~ BEGINNING JANUARY 1, 2017, A FACILITY MUST HAVE BEEN IN EXISTENCE, OPERATING, AND PROVIDING SERVICE TO THE PUBLIC FOR AT LEAST FIVE YEARS AS A NONPROFIT INSTITUTIONAL ORGANIZATION UNDER SECTION 501 (c) (3) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED, PRIOR TO APPLYING FOR ELIGIBILITY TO RECEIVE DISTRICT MONEYS FOR THE FIRST TIME. For purposes of this sub-subparagraph (C), "operating" means engaged in some form of activity ~~that is in furtherance of the advancement and preservation of art, music, theater, dance, zoology, botany, or natural history, including but not limited to activities relating to production, exhibition, and presentation~~ WITH THE PRIMARY PURPOSE OF ENLIGHTENING AND ENTERTAINING THE PUBLIC THROUGH THE PRODUCTION, PRESENTATION, EXHIBITION, ADVANCEMENT, OR PRESERVATION OF VISUAL ARTS, PERFORMING ARTS, CULTURAL HISTORY, NATURAL HISTORY, OR NATURAL SCIENCES INCLUDING EARTH, LIFE, OR PHYSICAL SCIENCES, AS SUCH TERMS ARE DEFINED BY THE BOARD.

(D) NOTWITHSTANDING THE PROVISIONS OF THIS SUBPARAGRAPH (I), FOR MULTIPLE FACILITIES THAT WERE CREATED BY A LOCAL GOVERNMENT AND THAT HAVE THE SAME TAXPAYER IDENTIFICATION NUMBER OR FEDERAL EMPLOYEE IDENTIFICATION NUMBER, NO MORE THAN TWO FACILITIES PER TAXPAYER IDENTIFICATION NUMBER OR FEDERAL EMPLOYEE IDENTIFICATION NUMBER ARE

ELIGIBLE TO RECEIVE A DISTRIBUTION OF REVENUES PURSUANT TO THIS PARAGRAPH (c) IN ANY FISCAL YEAR.

(II) The county cultural council of each county comprising the district shall submit to the board an annual plan specifying the distribution of such revenues as provided for in subparagraph (I) of this paragraph (c) to scientific and cultural facilities in such county ~~which~~ THAT meet the criteria set forth in subparagraph (I) of this paragraph (c). In creating such plan, a county cultural council may TAKE INTO ACCOUNT AN ORGANIZATION'S FINANCIAL AND ORGANIZATIONAL CAPACITY TO EXPEND TAX DOLLARS TO SERVE THE PUBLIC AND ACHIEVE THE MISSION OF THE ORGANIZATION, AND MAY give priority to scientific and cultural facilities within such county ~~which~~ THAT qualify to receive moneys pursuant to the provisions of subparagraph (I) of paragraph (b) of this subsection (3). Such plans submitted by such county cultural councils to the board shall be binding upon the board.

(III) Up to five percent of said sales and use tax revenues collected in each county comprising the district may be distributed by the board to the scientific and cultural facilities that qualify to receive moneys pursuant to subparagraph (I) of this paragraph (c) as the board may determine appropriate based upon one or more of the following factors: Accessibility, quality, need, enhanced or innovative programs, FINANCIAL AND ORGANIZATIONAL CAPACITY TO EXPEND TAX DOLLARS TO SERVE THE PUBLIC AND ACHIEVE THE MISSION OF THE ORGANIZATION, and collaboration with the Denver museum of nature and science, the Denver art museum, the Denver zoological gardens, the Denver botanical gardens, or the Denver center for the performing arts or with scientific and cultural facilities that qualify to receive moneys pursuant to subparagraph (I) of paragraph (b) of this subsection (3) or subparagraph (I) of this paragraph (c). Any distribution made pursuant to this subparagraph (III) shall be based upon the provisions of the plan submitted by each county cultural council as required by subparagraph (II) of this paragraph (c).

**SECTION 6.** In Colorado Revised Statutes, 32-13-110, **amend** (3) (a) as follows:

**32-13-110. Tax imposed - collection - administration of tax - use.** (3) The proceeds of such sales tax collections shall be used by the board to assist scientific and cultural facilities within the district. After deducting any costs incurred by the district for the administration of such moneys, distributions shall be made by the board, in accordance with any formula or criteria, if any, contained in the petition or resolution pursuant to section 32-13-108 (2) (b), to scientific and cultural facilities which meet the criteria, if any, specified in such petition or resolution, and which meet the following criteria:

(a) Any such facility shall be a nonprofit organization which meets the requirements of ~~section 501 (c)~~ SECTION 501 (c) (3) of the federal "Internal Revenue Code of 1986", as amended, ~~whose primary purpose is to provide for the enlightenment and entertainment of~~ WITH THE PRIMARY PURPOSE OF ENLIGHTENING AND ENTERTAINING the public through the production, presentation, exhibition, advancement, or preservation of ~~art, music, theater, dance, zoology, botany, anthropology, cultural history, or natural history~~ VISUAL ARTS, PERFORMING ARTS, CULTURAL HISTORY, NATURAL HISTORY, OR NATURAL SCIENCES INCLUDING EARTH, LIFE, OR PHYSICAL SCIENCES, AS SUCH TERMS ARE DEFINED BY THE BOARD, or shall

be an agency of local government ~~which~~ THAT has such primary purpose; and

**SECTION 7.** In Colorado Revised Statutes, **repeal** 32-13-105 (1), (2), (3), (4), and (9).

**SECTION 8. Effective date.** (1) This act takes effect upon passage; except that:

(a) The following sections of this act take effect on January 1, 2017:

(I) Section 32-13-103 (1.5), (4), (6), (7) (a), and (7) (b) (I), Colorado Revised Statutes, as contained in section 1 of this act;

(II) Section 32-13-107 (3) (b) (I), (3) (c) (I) (A), (3) (c) (I) (C), and (3) (c) (I) (D), Colorado Revised Statutes, as contained in section 5 of this act; and

(III) Section 32-13-110 (3) (a), Colorado Revised Statutes, as contained in section 6 of this act;

(b) Section 32-13-107 (3) (b) (II), Colorado Revised Statutes, as contained in section 5 of this act, takes effect January 1, 2018; and

(c) Section 32-13-107 (3) (a) (I), Colorado Revised Statutes, as contained in section 5 of this act, takes effect July 1, 2018.

**SECTION 9. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: April 29, 2016