

**First Regular Session
Seventy-third General Assembly
STATE OF COLORADO**

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 21-0983.01 Bob Lackner x4350

SENATE BILL 21-262

SENATE SPONSORSHIP

Zenzinger and Gardner, Ginal, Moreno, Pettersen, Priola, Woodward

HOUSE SPONSORSHIP

Bird and McKean,

Senate Committees
Local Government

House Committees

A BILL FOR AN ACT

101 **CONCERNING TRANSPARENCY FOR SPECIAL DISTRICTS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill makes various changes to statutory provisions to promote transparency for special districts. Specifically:

- Under current law, the designated election official is required to provide notice by publication of a call for nominations for a regular local government election. **Section 1** of the bill eliminates the requirement that notice be made exclusively by publication and allows the notice to be made by any 2 of 5 means, including publication,

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

SENATE
3rd Reading Unamended
May 20, 2021

SENATE
Amended 2nd Reading
May 19, 2021

specified in the bill.

- **Section 2** exempts inactive special districts from new requirements under the bill concerning maintenance of a district's website and a district's annual report;
- **Section 3** requires a metropolitan district, by a certain date, to establish, maintain, and annually update an official website in a form that is readily accessible to the public that contains information that is specified in the bill;
- **Section 4** adds to existing statutory requirements regarding the annual report to be filed by a special district and, among other things, supplements the type of information to be included in the annual report;
- In the case of any contracts or agreements entered into by the special district with a person or private entity for the person or private entity's advance of funds on behalf or for the benefit of the special district for the design or construction of public improvements that is anticipated to result in a future reimbursement of the person or private entity by the special district for the costs associated with the design or construction, **section 5** requires that, prior to payment or reimbursement of the advance of funds by the special district, a professional engineer registered in the state of Colorado prepares a written certification attesting to various statements enumerated in the bill;
- **Section 6** prohibits a metropolitan district from exercising its power of dominant eminent domain within a municipality or the unincorporated area of a county, other than within the boundaries of the jurisdiction that approved its service plan, without a written resolution approving the exercise of dominant eminent domain by the governing body of the municipality in connection with property that is located within an incorporated area or by the board of county commissioners of the county in connection with property that is located within an unincorporated area; and
- **Section 7** requires, on and after January 1, 2022, each owner of real property that sells real property that includes a newly constructed residence that is located within a metropolitan district, concurrently with or prior to the execution of a contract to sell the property, to provide to the purchaser of the property certain information or statements specified in the bill relating to the finances of the metropolitan district, including information about the debt obligations of the district and an estimate of property taxes applicable to the property at the time of the sale.

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

2 **SECTION 1.** In Colorado Revised Statutes, 1-13.5-501, **amend**
3 (1); and **add** (1.5) and (1.7) as follows:

4 **1-13.5-501. Call for nominations - definitions.** (1) Between
5 seventy-five and one hundred days before a regular local government
6 election, the designated election official shall provide PUBLIC notice ~~by~~
7 ~~publication~~ of a call for nominations for the election. The call must state
8 the director offices to be voted upon at the election, where a
9 self-nomination and acceptance form or letter may be obtained, the
10 deadline for submitting the self-nomination and acceptance form or letter
11 to the designated election official, and information on obtaining an
12 absentee ballot.

13 (1.5) EXCEPT AS OTHERWISE REQUIRED BY SUBSECTION (1.7) OF
14 THIS SECTION, THE PUBLIC NOTICE REQUIRED BY SUBSECTION (1) OF THIS
15 SECTION MUST BE MADE BY ANY TWO OF THE FOLLOWING MEANS:

16 (a) PUBLICATION AS DEFINED IN SUBSECTION (2) OF THIS SECTION;

17 (b) MAILING THE NOTICE, AT THE LOWEST COST OPTION, TO EACH
18 ADDRESS AT WHICH ONE OR MORE ACTIVE REGISTERED ELECTORS OF THE
19 LOCAL GOVERNMENT RESIDES AS SPECIFIED IN THE REGISTRATION LIST
20 PROVIDED BY THE COUNTY CLERK AND RECORDER AS OF THE DATE THAT
21 IS ONE HUNDRED FIFTY DAYS PRIOR TO THE DATE OF THE REGULAR LOCAL
22 GOVERNMENT ELECTION;

23 (c) INCLUDING THE NOTICE AS A PROMINENT PART OF A
24 NEWSLETTER, ANNUAL REPORT, BILLING INSERT, BILLING STATEMENT,
25 LETTER, VOTER INFORMATION CARD OR OTHER NOTICE OF ELECTION, OR
26 OTHER INFORMATIONAL MAILING SENT BY THE LOCAL GOVERNMENT TO

1 THE ELIGIBLE ELECTORS OF THE LOCAL GOVERNMENT;

2 (d) POSTING THE INFORMATION ON THE OFFICIAL WEBSITE OF THE
3 LOCAL GOVERNMENT; OR ___

4 (e) FOR A LOCAL GOVERNMENT WITH FEWER THAN ONE THOUSAND
5 ELIGIBLE ELECTORS THAT IS WHOLLY LOCATED WITHIN A COUNTY THE
6 POPULATION OF WHICH IS LESS THAN THIRTY THOUSAND PEOPLE, POSTING
7 THE NOTICE IN AT LEAST THREE PUBLIC PLACES WITHIN THE TERRITORIAL
8 BOUNDARIES OF THE LOCAL GOVERNMENT AND, IN ADDITION, POSTING A
9 NOTICE IN THE OFFICE OF THE CLERK AND RECORDER OF THE COUNTY IN
10 WHICH THE LOCAL GOVERNMENT IS LOCATED. ANY SUCH NOTICES MUST
11 REMAIN POSTED UNTIL THE DAY AFTER THE CALL FOR NOMINATIONS
12 CLOSES.

13 (1.7) (a) IN THE CASE OF ANY METROPOLITAN DISTRICT THAT WAS
14 ORGANIZED AFTER JANUARY 1, 2000, IN ACCORDANCE WITH TITLE 32, THE
15 NOTICE REQUIRED BY SUBSECTION (1) OF THIS SECTION MUST BE MADE BY
16 EMAILING THE NOTICE TO EACH ACTIVE REGISTERED ELECTOR OF THE
17 METROPOLITAN DISTRICT AS SPECIFIED IN THE REGISTRATION LIST
18 PROVIDED BY THE COUNTY CLERK AND RECORDER AS OF THE DATE THAT
19 IS ONE HUNDRED FIFTY DAYS PRIOR TO THE DATE OF THE REGULAR LOCAL
20 GOVERNMENT ELECTION. WHERE THE ACTIVE REGISTERED ELECTOR DOES
21 NOT HAVE AN E-MAIL ADDRESS ON FILE FOR SUCH PURPOSE WITH THE
22 COUNTY CLERK AND RECORDER AS OF THE DATE THAT IS NOT LATER THAN
23 ONE HUNDRED FIFTY DAYS PRIOR TO THE DATE OF THE REGULAR LOCAL
24 GOVERNMENT ELECTION, THE PUBLIC NOTICE REQUIRED BY SUBSECTION
25 (1) OF THIS SECTION MUST BE MADE BY MAILING THE NOTICE, AT THE
26 LOWEST COST OPTION, TO EACH ADDRESS AT WHICH ONE OR MORE ACTIVE
27 REGISTERED ELECTORS OF THE METROPOLITAN DISTRICT RESIDES AS

1 SPECIFIED IN THE REGISTRATION LIST PROVIDED BY THE COUNTY CLERK
2 AND RECORDER AS OF THE DATE THAT IS ONE HUNDRED FIFTY DAYS PRIOR
3 TO THE DATE OF THE REGULAR LOCAL GOVERNMENT ELECTION.

4 (b) IN ADDITION TO THE PUBLIC NOTICE REQUIRED BY SUBSECTION
5 (1.7)(a) OF THIS SECTION, THE DESIGNATED ELECTION OFFICIAL SHALL
6 ALSO PROVIDE PUBLIC NOTICE BY ANY ONE OF THE FOLLOWING MEANS:

7 (I) PUBLICATION AS DEFINED IN SUBSECTION (2) OF THIS SECTION;

8 (II) INCLUDING THE NOTICE AS A PROMINENT PART OF A
9 NEWSLETTER, ANNUAL REPORT, BILLING INSERT, BILLING STATEMENT,
10 LETTER, VOTER INFORMATION CARD OR OTHER NOTICE OF ELECTION, OR
11 OTHER INFORMATIONAL MAILING SENT BY THE METROPOLITAN DISTRICT
12 TO THE ELIGIBLE ELECTORS OF THE METROPOLITAN DISTRICT;

13 (III) POSTING THE INFORMATION ON THE OFFICIAL WEBSITE OF THE
14 METROPOLITAN DISTRICT; OR

15 (IV) FOR A METROPOLITAN DISTRICT WITH FEWER THAN ONE
16 THOUSAND ELIGIBLE ELECTORS THAT IS WHOLLY LOCATED WITHIN A
17 COUNTY, THE POPULATION OF WHICH IS LESS THAN THIRTY THOUSAND
18 PEOPLE, POSTING THE NOTICE IN AT LEAST THREE PUBLIC PLACES WITHIN
19 THE TERRITORIAL BOUNDARIES OF THE METROPOLITAN DISTRICT AND, IN
20 ADDITION, POSTING A NOTICE IN THE OFFICE OF THE CLERK AND RECORDER
21 OF THE COUNTY IN WHICH THE SPECIAL DISTRICT IS LOCATED. ANY SUCH
22 NOTICES MUST REMAIN POSTED UNTIL THE DAY AFTER THE CALL FOR
23 NOMINATIONS CLOSES.

24 **SECTION 2.** In Colorado Revised Statutes, 32-1-104, **amend** (5)
25 as follows:

26 **32-1-104. Establishment of a special districts file.**

27 (5) Notwithstanding any other provision of law, inactive special districts

1 ~~shall be~~ ARE exempt from compliance with the provisions of subsection
2 (2) of this section; sections **32-1-104.5 (3), 32-1-207 (3)(c)**, 32-1-306,
3 32-1-809, and 32-1-903; parts 1, 2, and 6 of article 1 of title 29; ~~C.R.S.~~;
4 and part 1 of article 1 and part 1 of article 5 of title 39. ~~C.R.S.~~

5 **SECTION 3.** In Colorado Revised Statutes, 32-1-104.5, **add** (3)
6 as follows:

7 **32-1-104.5. Audit and budget requirements - election results**
8 **- description on websites.** (3) (a) EXCEPT AS PROVIDED IN SUBSECTION
9 (3)(d) OF THIS SECTION, WITHIN ONE YEAR OF THE DATE AN ORDER AND
10 DECREE HAS BEEN ISSUED BY A DISTRICT COURT FOR A NEWLY ORGANIZED
11 METROPOLITAN DISTRICT, OR BY JANUARY 1, 2023, FOR ANY
12 METROPOLITAN DISTRICT THAT HAS RECEIVED AN ORDER AND DECREE
13 FROM THE DISTRICT COURT IN CONNECTION WITH ITS ORGANIZATION AFTER
14 JANUARY 1, 2000, BUT BEFORE JANUARY 1, 2022, THE METROPOLITAN
15 DISTRICT SHALL ESTABLISH, MAINTAIN, AND, UNLESS OTHERWISE
16 SPECIFIED, ANNUALLY UPDATE AN OFFICIAL WEBSITE IN A FORM THAT IS
17 READILY ACCESSIBLE TO THE PUBLIC THAT CONTAINS THE FOLLOWING
18 INFORMATION:

19 (I) THE NAMES, TERMS, AND CONTACT INFORMATION FOR THE
20 CURRENT DIRECTORS OF THE BOARD OF THE METROPOLITAN DISTRICT AND
21 OF THE MANAGER OF THE METROPOLITAN DISTRICT, IF APPLICABLE;

22 (II) THE CURRENT FISCAL YEAR BUDGET OF THE METROPOLITAN
23 DISTRICT AND, WITHIN THIRTY DAYS OF ADOPTION BY THE BOARD OF THE
24 METROPOLITAN DISTRICT, ANY AMENDMENTS TO THE BUDGET;

25 (III) THE PRIOR YEAR'S AUDITED FINANCIAL STATEMENTS OF THE
26 METROPOLITAN DISTRICT, IF APPLICABLE, OR AN APPLICATION FOR
27 EXEMPTION FROM AN AUDIT PREPARED IN ACCORDANCE WITH THE

1 "COLORADO LOCAL GOVERNMENT AUDIT LAW", PART 6 OF ARTICLE 1 OF
2 TITLE 29, WITHIN THIRTY DAYS OF THE FILING OF THE APPLICATION WITH
3 THE STATE AUDITOR;

4 (IV) THE ANNUAL REPORT OF THE METROPOLITAN DISTRICT IN
5 ACCORDANCE WITH SECTION 32-1-207 (3)(c);

6 (V) BY JANUARY 30 OF EACH YEAR, THE DATE, TIME, AND
7 LOCATION OF SCHEDULED REGULAR MEETINGS OF THE DISTRICT'S BOARD
8 FOR THE CURRENT FISCAL YEAR;

9 (VI) IF REQUIRED BY SECTION 1-13.5-501 (1.5), BY NO LATER THAN
10 SEVENTY-FIVE DAYS PRIOR TO A REGULAR ELECTION FOR AN ELECTION AT
11 WHICH MEMBERS OF A BOARD OF DIRECTORS FOR A METROPOLITAN
12 DISTRICT WILL BE CONSIDERED, THE CALL FOR NOMINATIONS PURSUANT TO
13 SECTION 1-13.5-501 (1);

14 (VII) NOT MORE THAN THIRTY DAYS AFTER AN ELECTION,
15 CERTIFIED ELECTION RESULTS FOR AN ELECTION CONDUCTED WITHIN THE
16 CURRENT FISCAL YEAR;

17 (VIII) A CURRENT MAP DEPICTING THE BOUNDARIES OF THE
18 METROPOLITAN DISTRICT AS OF JANUARY 1 OF THE CURRENT FISCAL YEAR;
19 AND

20 (IX) ANY OTHER INFORMATION DEEMED APPROPRIATE BY THE
21 BOARD OF DIRECTORS OF THE METROPOLITAN DISTRICT.

22 (b) METROPOLITAN DISTRICTS SERVING THE SAME COMMUNITY
23 MAY ESTABLISH AND MAINTAIN A CONSOLIDATED WEBSITE PROVIDED THE
24 WEBSITE CLEARLY IDENTIFIES EACH METROPOLITAN DISTRICT AND
25 PROVIDES THE REQUIRED INFORMATION SPECIFIED IN SUBSECTION (3)(a) OF
26 THIS SECTION FOR EACH METROPOLITAN DISTRICT.

27 (c) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A NOTICE

1 OF MEETING CONTAINING THE INFORMATION SET FORTH IN SECTION
2 24-6-402 (2)(c)(III) AND POSTED ON THE METROPOLITAN DISTRICT'S
3 WEBSITE NO LESS THAN TWENTY-FOUR HOURS PRIOR TO SUCH MEETING
4 SATISFIES THE REQUIREMENTS OF SECTION 24-6-402 (2)(c)(III).

5 (d) (I) ANY METROPOLITAN DISTRICT IN INACTIVE STATUS
6 PURSUANT TO SECTION 32-1-104 (3) IS NOT REQUIRED TO ESTABLISH,
7 MAINTAIN, OR UPDATE AN OFFICIAL WEBSITE DURING INACTIVE STATUS. A
8 METROPOLITAN DISTRICT RETURNING TO ACTIVE STATUS SHALL COMPLY
9 WITH THIS SUBSECTION (3) WITHIN NINETY DAYS OF ADOPTION OF A
10 RESOLUTION RETURNING TO ACTIVE STATUS.

11 (II) ANY METROPOLITAN DISTRICT THAT DOES NOT HAVE THE
12 POWER TO IMPOSE AN AD VALOREM PROPERTY TAX IS NOT REQUIRED TO
13 ESTABLISH, MAINTAIN, OR UPDATE AN OFFICIAL WEBSITE PURSUANT TO
14 THIS SUBSECTION (3).

15 **SECTION 4.** In Colorado Revised Statutes, 32-1-207, **amend**
16 (3)(c), (3)(d), and (4) as follows:

17 **32-1-207. Compliance - modification - enforcement.**

18 (3) (c) (I) ~~A board of county commissioners may request any special~~
19 ~~district located wholly or partially within the county's unincorporated~~
20 ~~area, and the governing body of any municipality may request any special~~
21 ~~district located wholly or partially within the municipality's boundaries,~~
22 ~~to file,~~ ANY SPECIAL DISTRICT CREATED AFTER JULY 1, 2000, SHALL FILE
23 not more than once a year a special district annual report FOR THE
24 PRECEDING CALENDAR YEAR. UNLESS THE REQUIREMENT IS WAIVED OR
25 OTHERWISE REQUESTED BY AN EARLIER DATE BY THE BOARD OF COUNTY
26 COMMISSIONERS OR BY THE GOVERNING BODY OF THE MUNICIPALITY IN
27 WHICH A SPECIAL DISTRICT IS WHOLLY OR PARTIALLY LOCATED,

1 COMMENCING IN 2023 FOR THE 2022 CALENDAR YEAR, THE ANNUAL
2 REPORT MUST BE PROVIDED IN ACCORDANCE WITH THIS SUBSECTION (3)(c)
3 BY OCTOBER 1 OF EACH YEAR. The annual report ~~shall~~ MUST be
4 ELECTRONICALLY filed with the ~~board of county commissioners, any~~
5 ~~municipality in which the special district is wholly or partially located,~~
6 GOVERNING BODY THAT APPROVED THE SERVICE PLAN OR, IF THE
7 JURISDICTION HAS CHANGED DUE TO ANNEXATION INTO A MUNICIPALITY,
8 THE CURRENT GOVERNING BODY WITH JURISDICTION OVER THE SPECIAL
9 DISTRICT, the division, and the state auditor, and such report ~~shall~~ MUST
10 be ~~deposited~~ ELECTRONICALLY FILED with the county clerk and recorder
11 for public inspection, and a copy of the report ~~shall~~ MUST be made
12 available by the special district ~~to any interested party pursuant to section~~
13 ~~32-1-204 (1). If a special district files an annual report pursuant to this~~
14 ~~paragraph (c),~~ ON THE SPECIAL DISTRICT'S WEBSITE PURSUANT TO SECTION
15 32-1-104.5 (3).

16 (II) ~~Such~~ THE report ~~shall~~ REQUIRED BY THIS SUBSECTION (3)(c)
17 MUST include, AS APPLICABLE FOR THE REPORTING YEAR, but shall not be
18 limited to: ~~information on the progress of the special district in the~~
19 ~~implementation of the service plan~~

20 (A) BOUNDARY CHANGES MADE;

21 (B) INTERGOVERNMENTAL AGREEMENTS ENTERED INTO OR
22 TERMINATED WITH OTHER GOVERNMENTAL ENTITIES;

23 (C) ACCESS INFORMATION TO OBTAIN A COPY OF RULES AND
24 REGULATIONS ADOPTED BY THE BOARD;

25 (D) A SUMMARY OF LITIGATION INVOLVING PUBLIC
26 IMPROVEMENTS OWNED BY THE SPECIAL DISTRICT;

27 (E) THE STATUS OF THE CONSTRUCTION OF PUBLIC IMPROVEMENTS

1 BY THE SPECIAL DISTRICT;

2 (F) A LIST OF FACILITIES OR IMPROVEMENTS CONSTRUCTED BY THE
3 SPECIAL DISTRICT THAT WERE CONVEYED OR DEDICATED TO THE COUNTY
4 OR MUNICIPALITY;

5 (G) THE FINAL ASSESSED VALUATION OF THE SPECIAL DISTRICT AS
6 OF DECEMBER 31 OF THE REPORTING YEAR;

7 (H) A COPY OF THE CURRENT YEAR'S BUDGET;

8 (I) A COPY OF THE AUDITED FINANCIAL STATEMENTS, IF REQUIRED
9 BY THE "COLORADO LOCAL GOVERNMENT AUDIT LAW", PART 6 OF
10 ARTICLE 1 OF TITLE 29, OR THE APPLICATION FOR EXEMPTION FROM AUDIT,
11 AS APPLICABLE;

12 (J) NOTICE OF ANY UNCURED DEFAULTS EXISTING FOR MORE THAN
13 NINETY DAYS UNDER ANY DEBT INSTRUMENT OF THE SPECIAL DISTRICT;
14 AND

15 (K) ANY INABILITY OF THE SPECIAL DISTRICT TO PAY ITS
16 OBLIGATIONS AS THEY COME DUE UNDER ANY OBLIGATION WHICH
17 CONTINUES BEYOND A NINETY-DAY PERIOD.

18 (III) SPECIAL DISTRICTS OPERATING UNDER A CONSOLIDATED
19 SERVICE PLAN OR SERVING THE SAME COMMUNITY MAY FILE A
20 CONSOLIDATED ANNUAL REPORT SETTING FORTH THE INFORMATION
21 CONTAINED IN THIS SUBSECTION (3)(c) FOR EACH OF THE SPECIAL
22 DISTRICTS. The board of county commissioners or the governing body of
23 the municipality may review the annual reports in a regularly scheduled
24 public meeting, and such review ~~shall~~ MUST be included as an agenda
25 item in the public notice for such meeting. A SPECIAL DISTRICT IS NOT
26 REQUIRED TO FILE AN ANNUAL REPORT FOR ANY YEAR IN WHICH THE
27 SPECIAL DISTRICT WAS IN INACTIVE STATUS FOR THE ENTIRE YEAR

1 PURSUANT TO SECTION 32-1-104 (3).

2 (d) ~~Any special district created on or after July 1, 1991, shall~~
3 ~~annually file the report specified in paragraph (c) of this subsection (3)~~
4 ~~with the board of county commissioners or the governing body of the~~
5 ~~municipality that has adopted a resolution of approval of the special~~
6 ~~district pursuant to section 32-1-204.5 or 32-1-204.7 for five years after~~
7 ~~its organization and for succeeding annual periods, if so requested by the~~
8 ~~board of county commissioners or the governing body of the municipality.~~
9 The annual report shall also be filed with the division and with the state
10 auditor. The state auditor shall review the annual report and report any
11 apparent decrease in the financial ability of the district to discharge its
12 existing or proposed indebtedness in accordance with the service plan to
13 the division. In such event, the division shall confer with the board of the
14 special district and the board of county commissioners or the governing
15 body of the municipality regarding such condition. The division may
16 establish a standard form for the annual report that the board of a special
17 district may elect to use.

18 (4) In the case of a health service district, a change in service by
19 the district ~~shall not be~~ IS NOT deemed material unless the change affects
20 the license or certificate of compliance issued by the department of public
21 health and environment. A health service district ~~shall be~~ IS exempt from
22 ~~paragraphs (b) and (c) of subsection (3)~~ SUBSECTION (3)(b) AND (3)(c) of
23 this section.

24 **SECTION 5.** In Colorado Revised Statutes, 32-1-1001, **add**
25 (1)(d)(III) and (1)(d)(IV) as follows:

26 **32-1-1001. Common powers - definitions.** (1) For and on behalf
27 of the special district the board has the following powers:

1 (d) (III) ANY CONTRACTS OR AGREEMENTS ENTERED INTO BY THE
2 SPECIAL DISTRICT WITH A PERSON OR PRIVATE ENTITY FOR THE PERSON OR
3 PRIVATE ENTITY'S ADVANCE OF FUNDS ON BEHALF OF OR FOR THE BENEFIT
4 OF THE SPECIAL DISTRICT FOR THE DESIGN OR CONSTRUCTION OF PUBLIC
5 IMPROVEMENTS THAT IS ANTICIPATED TO RESULT IN A FUTURE
6 REIMBURSEMENT OF THE PERSON OR PRIVATE ENTITY, OR AFFILIATE OR
7 ASSIGNEE THEREOF, BY THE SPECIAL DISTRICT FOR THE COSTS ASSOCIATED
8 WITH THE DESIGN OR CONSTRUCTION REQUIRES, PRIOR TO PAYMENT OR
9 REIMBURSEMENT OF THE ADVANCE OF FUNDS BY THE SPECIAL DISTRICT, A
10 WRITTEN CERTIFICATION FROM A PROFESSIONAL ENGINEER REGISTERED IN
11 THE STATE OF COLORADO CERTIFYING THAT:

12 (A) THE COSTS OF PUBLIC IMPROVEMENTS ARE REASONABLE
13 COMPARED TO MARKET CONDITIONS THAT EXISTED AT THE TIME OF
14 CONSTRUCTION FOR SIMILAR IMPROVEMENTS IN A SUBSTANTIALLY
15 SIMILAR AREA AS THE SPECIAL DISTRICT;

16 (B) FOR PUBLIC IMPROVEMENTS THAT ARE TO BE OPERATED AND
17 MAINTAINED BY A SPECIAL DISTRICT, THE PUBLIC IMPROVEMENTS HAVE
18 BEEN CONSTRUCTED IN SUBSTANTIAL COMPLIANCE WITH THE
19 CONSTRUCTION PLANS AND ANY APPLICABLE CONSTRUCTION STANDARDS
20 AT THE TIME OF CONSTRUCTION; AND

21 (C) THE PUBLIC IMPROVEMENTS ARE FIT FOR THEIR INTENDED
22 PURPOSE.

23 (IV) THE REQUIREMENTS SPECIFIED IN SUBSECTION (1)(d)(III) OF
24 THIS SECTION SHALL NOT APPLY TO CONTRACTS OR AGREEMENTS ENTERED
25 INTO BY THE SPECIAL DISTRICT FOR THE DESIGN OR CONSTRUCTION OF
26 PUBLIC IMPROVEMENTS.

27 **SECTION 6.** In Colorado Revised Statutes, 32-1-1004, **amend**

1 (4) as follows:

2 **32-1-1004. Metropolitan districts - additional powers and**
3 **duties.** (4) A metropolitan district may have and exercise the power of
4 eminent domain and dominant eminent domain and, in the manner
5 provided by article 1 of title 38, ~~C.R.S.~~, may take any property necessary
6 to the exercise of the powers granted, both within and without the special
7 district, only for the purposes of fire protection, sanitation, street
8 improvements, television relay and translator facilities, water, or water
9 and sanitation, except for the acquisition of water rights, and, within the
10 boundaries of the district, if the district is providing park and recreation
11 services, only for the purpose of easements and rights-of-way for access
12 to park and recreational facilities operated by the special district and only
13 where no other access to such facilities exists or can be acquired by other
14 means. A METROPOLITAN DISTRICT SHALL NOT EXERCISE ITS POWER OF
15 DOMINANT EMINENT DOMAIN WITHIN A MUNICIPALITY OR THE
16 UNINCORPORATED AREA OF A COUNTY, OTHER THAN WITHIN THE
17 BOUNDARIES OF THE JURISDICTION THAT APPROVED ITS SERVICE PLAN,
18 WITHOUT A WRITTEN RESOLUTION APPROVING THE EXERCISE OF DOMINANT
19 EMINENT DOMAIN BY THE GOVERNING BODY OF THE MUNICIPALITY IN
20 CONNECTION WITH PROPERTY THAT IS LOCATED WITHIN AN INCORPORATED
21 AREA OR BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY IN
22 CONNECTION WITH PROPERTY THAT IS LOCATED WITHIN AN
23 UNINCORPORATED AREA.

24 **SECTION 7.** In Colorado Revised Statutes, **add** 38-35.7-110 as
25 follows:

26 **38-35.7-110. Disclosure - estimated future property taxes for**
27 **newly constructed residences within the boundaries of a metropolitan**

1 **district - rules - definition.** (1) AS USED IN THIS SECTION, "NEWLY
2 CONSTRUCTED RESIDENCE" MEANS A RESIDENTIAL IMPROVEMENT AS
3 DEFINED IN SECTION 39-1-102 (14.3) THAT:

4 (a) HAS NOT BEEN PREVIOUSLY SOLD TO ITS INTENDED OCCUPANT
5 AS A PLACE OF RESIDENCE; AND

6 (b) IS LOCATED WITHIN THE TERRITORIAL BOUNDARIES OF A
7 METROPOLITAN DISTRICT.

8 (2) ON AND AFTER JANUARY 1, 2022, EACH OWNER OF REAL
9 PROPERTY THAT SELLS REAL PROPERTY THAT INCLUDES A NEWLY
10 CONSTRUCTED RESIDENCE, CONCURRENTLY WITH OR PRIOR TO THE
11 EXECUTION OF A CONTRACT TO SELL THE PROPERTY, SHALL PROVIDE TO
12 THE PURCHASER OF THE PROPERTY:

13 (a) A PAPER COPY, ELECTRONIC COPY, OR A WEBSITE PAGE LINK TO
14 THE NOTICE TO ELECTORS REQUIRED BY SECTION 32-1-809 (1) AS MOST
15 RECENTLY PREPARED AND FILED BY THE METROPOLITAN DISTRICT;

16 (b) A PAPER COPY, ELECTRONIC COPY, OR A WEBSITE PAGE LINK TO
17 THE SERVICE PLAN OR STATEMENT OF PURPOSE OF THE METROPOLITAN
18 DISTRICT, INCLUDING ANY AMENDMENTS TO THE SERVICE PLAN, AS FILED
19 WITH THE DIVISION OF LOCAL GOVERNMENT IN THE DEPARTMENT OF
20 LOCAL AFFAIRS;

21 (c) A STATEMENT IN WRITING DISCLOSING THAT:

22 (I) PURSUANT TO ITS SERVICE PLAN, THE METROPOLITAN DISTRICT
23 HAS AUTHORITY TO ISSUE UP TO _____ DOLLARS OF DEBT AND, IF
24 APPLICABLE, THAT THE DEBT OF THE DISTRICT MAY BE REPAID THROUGH
25 AD VALOREM PROPERTY TAXES, FROM A DEBT SERVICE MILL LEVY ON ALL
26 TAXABLE PROPERTY OF THE DISTRICT, OR ANY OTHER LEGALLY AVAILABLE
27 REVENUES OF THE DISTRICT;

1 (II) THE MAXIMUM DEBT SERVICE MILL LEVY THE METROPOLITAN
2 DISTRICT IS PERMITTED TO IMPOSE UNDER THE SERVICE PLAN IS ____ MILLS
3 OR, IF NO MAXIMUM DEBT SERVICE MILL LEVY IS SPECIFIED IN THE SERVICE
4 PLAN, A STATEMENT THAT THERE IS NO MAXIMUM DEBT SERVICE MILL
5 LEVY. IF APPLICABLE, THE STATEMENT MUST ALSO DISCLOSE WHETHER
6 THE DEBT SERVICE MILL LEVY CAP MAY BE ADJUSTED DUE TO CHANGES IN
7 THE CONSTITUTIONAL OR STATUTORY METHOD OF ASSESSING PROPERTY
8 TAX OR IN THE ASSESSMENT RATIO, OR BY AMENDMENTS TO THE SERVICE
9 PLAN OR VOTER AUTHORIZATIONS.

10 (III) IN ADDITION TO IMPOSING A DEBT SERVICE MILL LEVY, THE
11 METROPOLITAN DISTRICT IS ALSO AUTHORIZED TO IMPOSE A SEPARATE
12 MILL LEVY TO GENERATE REVENUES FOR GENERAL OPERATING EXPENSES.
13 IF APPLICABLE, THE STATEMENT MUST ALSO DISCLOSE WHETHER THE
14 AMOUNT OF THE GENERAL OPERATING EXPENSES MILL LEVY MAY BE
15 INCREASED AS NECESSARY, SEPARATE AND APART FROM THE DEBT
16 SERVICE MILL LEVY CAP. IN THE ALTERNATIVE, IF THE SERVICE PLAN
17 PROVIDES FOR THE AGGREGATE MILL LEVY CAP FOR DEBT SERVICE AND
18 GENERAL OPERATING EXPENSES COMBINED, THE STATEMENT MUST
19 ADDRESS THE APPLICABLE AGGREGATE MILL LEVY CAP.

20 (IV) THE METROPOLITAN DISTRICT MAY ALSO RELY UPON VARIOUS
21 OTHER REVENUE SOURCES AUTHORIZED BY LAW TO OFFSET ITS EXPENSES
22 OF CAPITAL CONSTRUCTION AND GENERAL OPERATING EXPENSES.
23 PURSUANT TO COLORADO LAW, THE DISTRICT MAY IMPOSE FEES, RATES,
24 TOLLS, PENALTIES, OR OTHER CHARGES AS PROVIDED IN TITLE 32. THE
25 STATEMENT MUST INCLUDE THAT A CURRENT FEE SCHEDULE, IF
26 APPLICABLE, IS AVAILABLE FROM THE METROPOLITAN DISTRICT.

27 (d) (I) AN ESTIMATE OF THE PROPERTY TAXES LEVIED BY THE

1 METROPOLITAN DISTRICT THAT ARE APPLICABLE TO THE PROPERTY FOR
2 COLLECTION DURING THE YEAR IN WHICH THE SALE OCCURS, WHICH
3 ESTIMATE MUST INCLUDE ANY DEBT SERVICE MILL LEVIES THAT ARE
4 SPECIFIED IN SUBSECTION (2)(c)(II) OF THIS SECTION AND ANY MILL LEVIES
5 FOR GENERAL OPERATING EXPENSES THAT ARE SPECIFIED IN SUBSECTION
6 (2)(c)(III) OF THIS SECTION, SHOWN BOTH AS THE TOTAL MILL LEVY AS
7 WELL AS THE TOTAL DOLLAR AMOUNT THAT COULD BE COLLECTED BASED
8 UPON THE PURCHASE PRICE OF THE PROPERTY, THE RESIDENTIAL
9 ASSESSMENT RATE, AND MILL LEVIES THAT ARE IN EFFECT IN THE DISTRICT
10 AT THE TIME OF THE SALE.

11 (II) A SELLER HAS COMPLIED WITH SUBSECTION (2)(d)(I) OF THIS
12 SECTION IF THE SELLER PROVIDES TO THE PURCHASER THE MILL LEVY, THE
13 RESIDENTIAL ASSESSMENT RATIO, AND A FORMULA BY WHICH THE
14 PURCHASER MAY CALCULATE THE ESTIMATED PROPERTY TAXES ON THE
15 PROPERTY FOR THE CURRENT YEAR.

16 (e) A COPY OF THE MOST CURRENT COUNTY ASSESSOR'S PROPERTY
17 TAX CERTIFICATE APPLICABLE TO THE PROPERTY AS AN ESTIMATE OF THE
18 SUM OF ADDITIONAL PROPERTY TAXES LEVIED BY OTHER TAXING ENTITIES
19 THAT OVERLAP THE PROPERTY IN WHICH THE NEWLY CONSTRUCTED
20 RESIDENCE IS LOCATED.

21 (3) IN DISCLOSING AN ESTIMATE OF PROPERTY TAXES FOR
22 PURPOSES OF SATISFYING SUBSECTIONS (2)(d)(I) OF THIS SECTION, THE
23 SELLER SHALL CALCULATE THE ESTIMATE BASED UPON APPLICATION OF
24 THE FOLLOWING ASSUMPTIONS:

25 (a) THE PURCHASE PRICE IS CONSIDERED TO BE THE VALUE OF THE
26 REAL PROPERTY INCLUDING THE NEWLY CONSTRUCTED RESIDENCE AS
27 REFLECTED IN THE CONTRACT TO PURCHASE THE PROPERTY;

1 (b) THE RATIO OF VALUATION FOR ASSESSMENT IS THE SAME AS
2 THE RESIDENTIAL REAL PROPERTY ASSESSMENT RATIO SET FORTH IN
3 SECTION 39-1-104.2 FOR THE PROPERTY TAX YEAR IN WHICH THE SALE
4 OCCURS; AND

5 (c) THE MILL LEVIES ARE THE SAME AS THOSE LEVIED BY ALL
6 TAXING ENTITIES THAT ARE APPLICABLE TO THE PROPERTY FOR THE
7 PROPERTY TAX YEAR IN WHICH THE SALE OCCURS; EXCEPT THAT, IF THE
8 SELLER HAS ACTUAL KNOWLEDGE THAT THE TOTAL MILL LEVIES WILL
9 CHANGE IN THE NEXT PROPERTY TAX YEAR, THE SELLER SHALL USE THE
10 UPDATED INFORMATION IN MAKING THE CALCULATION.

11 (4) ALONG WITH THE ESTIMATE REQUIRED BY SUBSECTION (2) OF
12 THIS SECTION, THE SELLER SHALL INCLUDE, IN BOLD-FACED TYPE THAT IS
13 CLEARLY LEGIBLE, THE FOLLOWING STATEMENT:

14 **THIS ESTIMATE ONLY PROVIDES AN ILLUSTRATION OF**
15 **THE AMOUNT OF THE NEW PROPERTY TAXES THAT MAY**
16 **BE DUE AND OWING AFTER THE PROPERTY HAS BEEN**
17 **REASSESSED AND, IN SOME INSTANCES, RECLASSIFIED AS**
18 **RESIDENTIAL PROPERTY. THIS ESTIMATE IS NOT A**
19 **STATEMENT OF THE ACTUAL AND FUTURE TAXES THAT**
20 **MAY BE DUE. FIRST YEAR PROPERTY TAXES MAY BE**
21 **BASED ON A PREVIOUS YEAR'S TAX CLASSIFICATION,**
22 **WHICH MAY NOT INCLUDE THE FULL VALUE OF THE**
23 **PROPERTY AND, CONSEQUENTLY, TAXES MAY BE HIGHER**
24 **IN SUBSEQUENT YEARS. A SELLER HAS COMPLIED WITH**
25 **THIS DISCLOSURE STATEMENT AS LONG AS THE**
26 **DISCLOSURE IS BASED UPON A GOOD-FAITH EFFORT TO**
27 **PROVIDE ACCURATE ESTIMATES AND INFORMATION.**

1 (5) A SELLER IS DEEMED TO HAVE COMPLIED WITH THIS SECTION
2 AS LONG AS THE DISCLOSURES REQUIRED BY THIS SECTION ARE BASED
3 UPON A GOOD-FAITH EFFORT TO PROVIDE ACCURATE ESTIMATES AND
4 INFORMATION.

5 **SECTION 8. Act subject to petition - effective date.** This act
6 takes effect at 12:01 a.m. on the day following the expiration of the
7 ninety-day period after final adjournment of the general assembly; except
8 that, if a referendum petition is filed pursuant to section 1 (3) of article V
9 of the state constitution against this act or an item, section, or part of this
10 act within such period, then the act, item, section, or part will not take
11 effect unless approved by the people at the general election to be held in
12 November 2022 and, in such case, will take effect on the date of the
13 official declaration of the vote thereon by the governor.