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An Act

HOUSE BILL 10-1362

BY REPRESENTATIVE(S) Vigil, Kerr J., Pace, Schafer S., Hullinghorst;
also SENATOR(S) Schwartz.

CONCERNING THE INACTIVE STATUS OF A SPECIAL DISTRICT.

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

SECTION 1. 32-1-103, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

32-1-103. Definitions. As used in this article, unless the context otherwise requires:

(9.3) "INACTIVE SPECIAL DISTRICT" MEANS A SPECIAL DISTRICT IN A PREDEVELOPMENT STAGE THAT HAS NO RESIDENTS OTHER THAN THOSE WHO LIVED WITHIN THE DISTRICT BOUNDARIES PRIOR TO THE FORMATION OF THE DISTRICT, NO BUSINESS OR COMMERCIAL VENTURES OR FACILITIES WITHIN ITS BOUNDARIES, HAS NOT ISSUED ANY GENERAL OBLIGATION OR REVENUE DEBT AND DOES NOT HAVE ANY FINANCIAL OBLIGATIONS OUTSTANDING OR CONTRACTS IN EFFECT THAT REQUIRE PERFORMANCE BY THE DISTRICT DURING THE TIME THE DISTRICT IS INACTIVE, HAS NOT IMPOSED A MILL LEVY FOR TAX COLLECTION IN THAT FISCAL YEAR, ANTICIPATES NO RECEIPT OF REVENUE AND HAS NO PLANNED EXPENDITURES, EXCEPT FOR STATUTORY

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

COMPLIANCE, IN THAT FISCAL YEAR, HAS NO OPERATION OR MAINTENANCE RESPONSIBILITY FOR ANY FACILITIES, HAS INITIALLY FILED A NOTICE OF INACTIVE STATUS PURSUANT TO SECTION 32-1-104 (3), AND, EACH YEAR THEREAFTER, HAS FILED A NOTICE OF CONTINUING INACTIVE STATUS PURSUANT TO SECTION 32-1-104 (4).

SECTION 2. 32-1-104, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

32-1-104. Establishment of a special districts file. (3) (a) THE BOARD OF DIRECTORS OF AN INACTIVE SPECIAL DISTRICT MAY ADOPT A RESOLUTION THAT DESCRIBES AND AFFIRMS ITS QUALIFICATIONS FOR ITS INACTIVE STATUS AND MAY DIRECT THAT A NOTICE OF INACTIVE STATUS BE FILED WITH THE BOARD OF COUNTY COMMISSIONERS AND THE CITY COUNCIL OF EACH COUNTY AND CITY THAT APPROVED ITS SERVICE PLAN PURSUANT TO SECTION 32-1-204 OR 32-1-204.5; THE TREASURER, ASSESSOR, AND THE CLERK AND RECORDER OF THE COUNTY OR COUNTIES IN WHICH THE INACTIVE SPECIAL DISTRICT IS LOCATED; THE DISTRICT COURT HAVING JURISDICTION OVER THE FORMATION OF THE SPECIAL DISTRICT; THE STATE AUDITOR; AND THE DIVISION OF LOCAL GOVERNMENT. THE NOTICE OF INACTIVE STATUS SHALL BE FILED ON OR BEFORE DECEMBER 15 OF THE YEAR IN WHICH THE BOARD ADOPTS A RESOLUTION OF INACTIVE STATUS. AT THE TIME OF FILING THE NOTICE OF INACTIVE STATUS, THE DISTRICT SHALL BE IN COMPLIANCE WITH EACH OF THE REQUIREMENTS SPECIFIED IN SUBSECTION (5) OF THIS SECTION.

(b) WHEN THE BOARD OF DIRECTORS OF A DISTRICT ON INACTIVE STATUS DETERMINES THAT THE DISTRICT SHALL RETURN TO ACTIVE STATUS, THE BOARD SHALL ADOPT A RESOLUTION THAT DECLARES THE DISTRICT'S RETURN TO ACTIVE STATUS AND AUTHORIZES THE FILING OF A NOTICE OF THE DISTRICT'S DETERMINATION TO RETURN TO ACTIVE STATUS WITH THE SAME SUCH ENTITIES THAT RECEIVED THE NOTICE OF INACTIVE STATUS UNDER PARAGRAPH (a) OF THIS SUBSECTION (3). THE DISTRICT'S BOARD OF DIRECTORS SHALL CAUSE THE DISTRICT TO BE BROUGHT INTO COMPLIANCE FOR THE REMAINDER OF THE FISCAL YEAR IN WHICH THE DISTRICT RETURNS TO ACTIVE STATUS WITH ALL LEGAL REQUIREMENTS SPECIFIED IN THIS SECTION FOR WHICH THE DISTRICT HAS OTHERWISE BEEN EXEMPT WHILE ON INACTIVE STATUS. THE DISTRICT SHALL BE IN COMPLIANCE WITH SUCH REQUIREMENTS WITHIN NINETY DAYS OF DELIVERY OF NOTICE OF THE BOARD'S DETERMINATION TO RETURN TO ACTIVE STATUS PURSUANT TO THIS

PARAGRAPH (b). THE NOTICES DELIVERED PURSUANT TO THIS SUBSECTION (3) SHALL BE BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, EXCEPT WHERE ELECTRONIC FILING IS REQUIRED BY THE RECEIVING ENTITY.

(c) THE NOTICE OF INACTIVE STATUS, NOTICE OF CONTINUING INACTIVE STATUS, AND NOTICE OF RETURN TO ACTIVE STATUS SHALL BE STANDARD FORMS DEVELOPED BY THE DIVISION AND SHALL BE MADE AVAILABLE ON THE DIVISION'S WEB SITE.

(4) THE SPECIAL DISTRICT SHALL BE ON INACTIVE STATUS DURING THE PERIOD COMMENCING WITH THE FILING OF ITS NOTICE OF INACTIVE STATUS PURSUANT TO PARAGRAPH (a) OF SUBSECTION (3) OF THIS SECTION UNTIL SUCH TIME AS IT HAS ISSUED A NOTICE OF ITS DETERMINATION TO RETURN TO ACTIVE STATUS PURSUANT TO PARAGRAPH (b) OF SUBSECTION (3) OF THIS SECTION. DURING THE PERIOD THAT A DISTRICT IS ON INACTIVE STATUS, IT SHALL NOT ISSUE ANY DEBT, IMPOSE A MILL LEVY, OR CONDUCT ANY OTHER OFFICIAL BUSINESS OTHER THAN TO CONDUCT ELECTIONS AND TO UNDERTAKE PROCEDURES NECESSARY TO IMPLEMENT THE DISTRICT'S INTENTION TO RETURN TO ACTIVE STATUS. INACTIVE SPECIAL DISTRICTS SHALL FILE WITH THE STATE AUDITOR AND THE DIVISION ON OR BEFORE DECEMBER 15 OF EACH YEAR IN WHICH THE DISTRICT IS ON INACTIVE STATUS A NOTICE THAT IT IS CONTINUING IN SUCH STATUS FOR THE NEXT FISCAL YEAR.

(5) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, INACTIVE SPECIAL DISTRICTS SHALL BE EXEMPT FROM COMPLIANCE WITH THE PROVISIONS OF SUBSECTION (2) OF THIS SECTION; SECTIONS 32-1-306, 32-1-809, AND 32-1-903; PARTS 1, 2, AND 6 OF ARTICLE 1 OF TITLE 29, C.R.S.; AND PART 1 OF ARTICLE 1 AND PART 1 OF ARTICLE 5 OF TITLE 39, C.R.S.

SECTION 3. Act subject to petition - effective date. This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 11, 2010, if adjournment sine die is on May 12, 2010); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part shall not take effect unless

approved by the people at the general election to be held in November 2010 and shall take effect on the date of the official declaration of the vote thereon by the governor.

Terrance D. Carroll
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Brandon C. Shaffer
PRESIDENT OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Karen Goldman
SECRETARY OF
THE SENATE

APPROVED _____

Bill Ritter, Jr.
GOVERNOR OF THE STATE OF COLORADO