

Second Regular Session  
Sixty-eighth General Assembly  
STATE OF COLORADO

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 12-0277.01 Gregg Fraser x4325

**SENATE BILL 12-101**

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**SENATE SPONSORSHIP**

**Nicholson,**

**HOUSE SPONSORSHIP**

**Bradford,**

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**Senate Committees**

Local Government  
Appropriations

**House Committees**

Local Government  
Appropriations

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**A BILL FOR AN ACT**

101 **CONCERNING THE AUTHORITY OF A LOCAL IMPROVEMENT DISTRICT,**  
102 **AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

**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://www.leg.state.co.us/billsummaries>.)*

The bill modifies certain provisions of the law governing county and city and county local improvement districts (districts) to make the provisions consistent with the law governing improvement districts. **Section 1** of the bill allows a district in which a sales tax is levied to include noncontiguous areas.

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

SENATE  
3rd Reading Unamended  
April 26, 2012

SENATE  
Amended 2nd Reading  
April 24, 2012

**Section 2** allows a district to use sales tax revenues for the organization, promotion, marketing, and management of public events. It further specifies procedures for a property owner to petition to be included in or excluded from a district.

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

2 **SECTION 1.** In Colorado Revised Statutes, 30-20-602, **amend**  
3 (2) as follows:

4 **30-20-602. Definitions.** As used in this part 6, unless the context  
5 otherwise requires:

6 (2) "District" means the geographical division of the county or  
7 counties within which any local improvements are made or proposed,  
8 when so declared by resolution of the board. ~~Except for a district in the~~  
9 ~~unincorporated area of a county in which a sales tax is levied pursuant to~~  
10 ~~section 30-20-604.5,~~ There may be noncontiguous parts or sections of a  
11 county included in one district; ~~but~~ EXCEPT THAT, IN A DISTRICT IN WHICH  
12 A SALES TAX IS LEVIED, A NONCONTIGUOUS PART OR SECTION MAY ONLY  
13 BE INCLUDED IF THE OWNERS OF ANY PROPERTY WITHIN SUCH PART OR  
14 SECTION PETITIONED TO BE INCLUDED IN THE DISTRICT. No district shall  
15 include territory that is included in an undissolved district that was  
16 formed for the same type of improvement. Notwithstanding any other  
17 provision of this part 6 and except in the case of a district formed prior to  
18 December 31, 2002, by a city that has been authorized to become a city  
19 and county pursuant to an amendment to the state constitution that has  
20 been approved by the registered electors of the state of Colorado, no  
21 district in which a sales tax is levied pursuant to section 30-20-604.5 shall  
22 be formed that includes territory within a municipality, and any such  
23 district shall be as compact as possible. Except as provided in section

1 30-20-603 (11.5) (b) (I), no district that crosses county boundaries may  
2 be formed by intergovernmental agreement or otherwise.

3 **SECTION 2.** In Colorado Revised Statutes, 30-20-603, **amend**  
4 (1) (c); and **add** (2.5) as follows:

5 **30-20-603. Improvements and funding authorized - how**  
6 **instituted - conditions.** (1) (c) If any improvement or transportation  
7 services authorized by this subsection (1) are funded by sales tax, the tax  
8 may also be used for the operation and maintenance of such improvement  
9 or services, ~~and~~ for the production and distribution of informational  
10 products and materials, AND FOR THE ORGANIZATION, PROMOTION,  
11 MARKETING, AND MANAGEMENT OF PUBLIC EVENTS.

12 (2.5) (a) THE BOUNDARIES OF ANY DISTRICT ORGANIZED UNDER  
13 THE PROVISIONS OF THIS PART 6 MAY BE CHANGED IN THE MANNER  
14 PRESCRIBED IN THIS SUBSECTION (2.5); EXCEPT THAT THE CHANGE OF  
15 BOUNDARIES OF THE DISTRICT SHALL NOT IMPAIR OR AFFECT THE  
16 DISTRICT'S ORGANIZATION OR RIGHTS IN OR TO PROPERTY OR ANY OF THE  
17 DISTRICT'S RIGHTS OR PRIVILEGES WHATSOEVER, NOR SHALL THE CHANGE  
18 AFFECT OR IMPAIR OR DISCHARGE ANY CONTRACT, OBLIGATION, LIEN, OR  
19 CHARGE FOR OR UPON WHICH THE DISTRICT MIGHT BE LIABLE OR  
20 CHARGEABLE HAD ANY SUCH CHANGE OF BOUNDARIES NOT BEEN MADE.  
21 THE OWNERS OF PROPERTY PROPOSED TO BE INCLUDED OR EXCLUDED MAY  
22 FILE A PETITION WITH THE BOARD, IN WRITING, REQUESTING THAT SUCH  
23 PROPERTY BE INCLUDED IN OR EXCLUDED FROM THE DISTRICT. THE  
24 PETITION SHALL DESCRIBE THE PROPERTY OWNED BY THE PETITIONERS  
25 AND SHALL BE VERIFIED. THE PETITION SHALL BE ACCOMPANIED BY A  
26 DEPOSIT OF MONEYS SUFFICIENT TO PAY ALL COSTS OF THE INCLUSION OR  
27 EXCLUSION PROCEEDINGS. THE COUNTY CLERK AND RECORDER SHALL

1 CAUSE NOTICE OF THE FILING OF SUCH PETITION TO BE GIVEN AND  
2 PUBLISHED, WHICH NOTICE SHALL STATE THE FILING OF SUCH PETITION,  
3 THE NAMES OF THE PETITIONERS, DESCRIPTIONS OF THE PROPERTY SOUGHT  
4 TO BE INCLUDED OR EXCLUDED, AND THE REQUEST OF SAID PETITIONERS.

5 (b) THE NOTICE OF THE FILING OF A PETITION REQUIRED BY  
6 PARAGRAPH (a) OF THIS SUBSECTION (2.5) SHALL INFORM ALL PERSONS  
7 HAVING OBJECTIONS TO APPEAR AT THE TIME AND PLACE STATED IN SAID  
8 NOTICE AND SHOW CAUSE WHY THE PETITION SHOULD NOT BE GRANTED.  
9 THE BOARD, AT THE TIME AND PLACE MENTIONED IN THE NOTICE OR AT  
10 ANY TIME TO WHICH THE HEARING MAY BE ADJOURNED, SHALL PROCEED  
11 TO HEAR THE PETITION AND ALL OBJECTIONS THERETO THAT MAY BE  
12 PRESENTED BY ANY PERSON SHOWING CAUSE WHY SAID PETITION SHOULD  
13 NOT BE GRANTED. THE FAILURE OF ANY INTERESTED PERSON TO SHOW  
14 CAUSE SHALL BE DEEMED AS AN ASSENT ON THE PERSON'S PART TO THE  
15 INCLUSION OR EXCLUSION OF SUCH PROPERTY AS REQUESTED IN THE  
16 PETITION.

17 (c) THE BOARD SHALL TAKE INTO CONSIDERATION AND MAKE A  
18 FINDING REGARDING ALL OF THE FOLLOWING FACTORS WHEN  
19 DETERMINING WHETHER TO GRANT OR DENY THE PETITION:

20 (I) THE BEST INTERESTS OF ALL OF THE FOLLOWING:

21 (A) THE PROPERTY TO BE INCLUDED OR EXCLUDED IN THE LOCAL  
22 IMPROVEMENT DISTRICT;

23 (B) THE LOCAL IMPROVEMENT DISTRICT FOR WHICH THE CHANGE  
24 OF BOUNDARIES IS PROPOSED;

25 (C) THE COUNTY OR COUNTIES IN WHICH THE LOCAL  
26 IMPROVEMENT DISTRICT IS LOCATED;

27 (II) THE RELATIVE COST AND BENEFIT TO THE PROPERTY TO BE

1 INCLUDED IN OR EXCLUDED FROM THE DISTRICT;

2 (III) THE ABILITY OF THE LOCAL IMPROVEMENT DISTRICT TO  
3 PROVIDE ECONOMICAL AND SUFFICIENT IMPROVEMENTS OR SERVICES TO  
4 BOTH THE PROPERTY TO BE INCLUDED OR EXCLUDED AND ALL OF THE  
5 PROPERTIES WITHIN THE DISTRICT'S BOUNDARIES.

6 (d) IF THE CHANGE OF BOUNDARIES OF THE DISTRICT DOES NOT  
7 ADVERSELY AFFECT THE DISTRICT AND IF THE PETITION IS GRANTED, THE  
8 BOARD SHALL ADOPT AN ORDINANCE CHANGING THE BOUNDARIES OF THE  
9 DISTRICT ACCORDINGLY AND FILE A CERTIFIED COPY OF THE ORDINANCE  
10 WITH THE COUNTY CLERK AND RECORDER OF THE COUNTY IN WHICH THE  
11 PROPERTY IS LOCATED. THEREUPON, SAID PROPERTY IS INCLUDED IN OR  
12 EXCLUDED FROM THE DISTRICT AS APPLICABLE.

13 (e) ALL PROPERTY INCLUDED IN OR EXCLUDED FROM A DISTRICT IS  
14 SUBJECT TO THE LEVY OF TAXES, ASSESSMENTS, OR BOTH, FOR THE  
15 PAYMENT OF THE PROPERTY'S PROPORTIONATE SHARE OF ANY  
16 INDEBTEDNESS OF THE DISTRICT OUTSTANDING AT THE TIME OF THE  
17 PROPERTY'S INCLUSION OR EXCLUSION.

18 **SECTION 3. Appropriation.** (1) In addition to any other  
19 appropriation, there is hereby appropriated, out of any moneys in the  
20 general fund not otherwise appropriated, to the department of revenue, for  
21 the fiscal year beginning July 1, 2012, the sum of \$24,366, or so much  
22 thereof as may be necessary, to be allocated for the implementation of this  
23 act as follows:

24 (a) \$2,166 to the taxation business group, taxpayer service  
25 division for personal services; and

26 (b) \$22,200 for the purchase of computer center services.

27 (2) In addition to any other appropriation, there is hereby

1 appropriated to the governor - lieutenant governor - state planning and  
2 budgeting, for the fiscal year beginning July 1, 2012, the sum of \$22,200,  
3 or so much thereof as may be necessary, for allocation to the office of  
4 information technology, for the provision of computer center services for  
5 the department of revenue related to the implementation of this act. Said  
6 sum is from reappropriated funds received from the department of  
7 revenue out of the appropriation made in paragraph (b) of subsection (1)  
8 of this section.

9           **SECTION 4. Act subject to petition - effective date.** This act  
10 takes effect at 12:01 a.m. on the day following the expiration of the  
11 ninety-day period after final adjournment of the general assembly (August  
12 8, 2012, if adjournment sine die is on May 9, 2012); except that, if a  
13 referendum petition is filed pursuant to section 1 (3) of article V of the  
14 state constitution against this act or an item, section, or part of this act  
15 within such period, then the act, item, section, or part will not take effect  
16 unless approved by the people at the general election to be held in  
17 November 2012 and, in such case, will take effect on the date of the  
18 official declaration of the vote thereon by the governor.