

## CHAPTER 72

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**GOVERNMENT - SPECIAL DISTRICTS**


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**HOUSE BILL 19-1052**

BY REPRESENTATIVE(S) McCluskie and Rich, Bird, Buckner, Buentello, Cutter, Esgar, Froelich, Gray, Herod, Jackson, Lontine, Melton, Michaelson Jenet, Mullica, Roberts, Valdez D.;  
also SENATOR(S) Rankin and Bridges, Donovan, Fields, Foote, Gonzales, Lee, Moreno, Story, Todd, Winter.

**AN ACT****CONCERNING THE CREATION OF SPECIAL DISTRICTS TO PROVIDE EARLY CHILDHOOD DEVELOPMENT SERVICES.**

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

**SECTION 1.** In Colorado Revised Statutes, 32-1-103, **amend** the introductory portion; and **add** (4.5) as follows:

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

(4.5) "EARLY CHILDHOOD DEVELOPMENT SERVICE DISTRICT" MEANS A SPECIAL DISTRICT CREATED PURSUANT TO ARTICLE 21 OF THIS TITLE 32 TO PROVIDE, DIRECTLY OR INDIRECTLY, EARLY CHILDHOOD DEVELOPMENT SERVICES TO CHILDREN FROM BIRTH THROUGH EIGHT YEARS OF AGE.

**SECTION 2.** In Colorado Revised Statutes, 32-1-202, **amend** (1)(b); and **add** (2)(l) as follows:

**32-1-202. Filing of service plan required - report of filing - contents - fee.**  
(1) (b) Notwithstanding the requirements of ~~paragraph (a) of this subsection (1)~~ SUBSECTION (1)(a) OF THIS SECTION, the service plan of a proposed health service district, ~~or health assurance district,~~ OR EARLY CHILDHOOD DEVELOPMENT SERVICE DISTRICT shall not be referred to the county planning commission for consideration or recommendations. At the next regular meeting of the board of county commissioners that is held at least ten days after the filing of the service plan with the county clerk and recorder, the board of county commissioners shall set a date within thirty days of such filing for a public hearing on the service plan of the

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*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

proposed district. The board of county commissioners shall provide written notice of the meeting pursuant to ~~paragraph (a) of this subsection (1)~~ SUBSECTION (1)(a) OF THIS SECTION.

(2) The service plan shall contain the following:

(1) FOR AN EARLY CHILDHOOD DEVELOPMENT SERVICE DISTRICT, ANY ADDITIONAL INFORMATION REQUIRED BY SECTION 32-21-105 (2) THAT IS NOT OTHERWISE REQUIRED BY SUBSECTIONS (2)(a) TO (2)(i) OF THIS SECTION.

**SECTION 3.** In Colorado Revised Statutes, 32-1-203, **amend** (3.5)(b) as follows:

**32-1-203. Action on service plan - criteria.** (3.5) (b) Notwithstanding ~~the provisions of paragraph (a) of this subsection (3.5)~~ SUBSECTION (3.5)(a) OF THIS SECTION, if the service plan submitted by the petitioners of a proposed special district is for a health service district, ~~or~~ health assurance district, OR EARLY CHILDHOOD DEVELOPMENT SERVICE DISTRICT, the board of county commissioners shall not accept or act upon the request of a person owning property in the proposed special district that his or her property be excluded from the special district.

**SECTION 4.** In Colorado Revised Statutes, 32-1-204, **amend** (1) and (2)(b) as follows:

**32-1-204. Public hearing on service plan - procedures - decision.** (1) The board of county commissioners shall provide written notice of the date, time, and location of the hearing to the petitioners and the governing body of any existing municipality or special district that has levied an ad valorem tax within the next preceding tax year and that has boundaries within a radius of three miles of the proposed special district boundaries, which governmental units shall be interested parties for the purposes of this part 2. The board of county commissioners shall make publication of the date, time, location, and purpose of the hearing, the first of which shall be at least twenty days prior to the hearing date. The board of county commissioners shall include in the notice a general description of the land contained within the boundaries of the proposed special district and information outlining methods and procedures pursuant to section 32-1-203 (3.5) concerning the filing of a petition for exclusion of territory; except that, if the hearing is to review a service plan for a health service district, ~~or~~ health assurance district, OR EARLY CHILDHOOD DEVELOPMENT SERVICE DISTRICT, the notice shall not include information regarding filing a petition for exclusion of territory. The publications shall constitute constructive notice to the residents and property owners within the proposed special district who shall also be interested parties at the hearing.

(2) (b) Notwithstanding ~~the provisions of paragraph (a) of this subsection (2)~~ SUBSECTION (2)(a) OF THIS SECTION, the service plan of a proposed health service district, ~~or~~ health assurance district, OR EARLY CHILDHOOD DEVELOPMENT SERVICE DISTRICT shall not be delivered to the planning commission for study or recommendations unless specifically requested by the petitioners. If the petitioners do not request that the service plan be delivered to the planning commission, the clerk and recorder shall deliver the service plan to the board of county commissioners and the planning commission shall not be required to study the

service plan or to present recommendations to the board of county commissioners pursuant to ~~paragraph (a) of this subsection (2)~~ SUBSECTION (2)(a) OF THIS SECTION.

**SECTION 5.** In Colorado Revised Statutes, 32-1-301, **add** (2)(a)(XI) as follows:

**32-1-301. Petition for organization.** (2) The petition shall set forth:

(a) The type of service to be provided by the proposed special district and the name of the proposed special district, consisting of a chosen name preceding one of the following phrases:

(XI) EARLY CHILDHOOD DEVELOPMENT SERVICE DISTRICT.

**SECTION 6.** In Colorado Revised Statutes, **add** article 21 to title 32 as follows:

**ARTICLE 21**  
**Early Childhood Development Service Districts**

**32-21-101. Definitions.** AS USED IN THIS ARTICLE 21, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "COURT" MEANS THE DISTRICT COURT IN ANY COUNTY IN WHICH THE PETITION FOR ORGANIZATION OF THE DISTRICT WAS ORIGINALLY FILED AND WHICH ENTERED THE ORDER ORGANIZING SAID DISTRICT OR THE DISTRICT COURT TO WHICH THE FILE PERTAINING TO THE DISTRICT HAS BEEN TRANSFERRED PURSUANT TO SECTION 32-1-303 (1)(b).

(2) "DISTRICT" MEANS AN EARLY CHILDHOOD DEVELOPMENT SERVICE DISTRICT CREATED PURSUANT TO THIS ARTICLE 21 TO PROVIDE, DIRECTLY OR INDIRECTLY, EARLY CHILDHOOD DEVELOPMENT SERVICES TO CHILDREN FROM BIRTH THROUGH EIGHT YEARS OF AGE.

(3) "EARLY CHILDHOOD DEVELOPMENT SERVICES" MEANS SERVICES PROVIDED TO CHILDREN FROM BIRTH THROUGH EIGHT YEARS OF AGE, INCLUDING BUT NOT LIMITED TO EARLY CARE AND EDUCATIONAL, HEALTH, MENTAL HEALTH, AND DEVELOPMENTAL SERVICES, INCLUDING PREVENTION AND INTERVENTION.

(4) "ELIGIBLE ELECTOR" MEANS A PERSON WHO, AT THE DESIGNATED TIME OR EVENT, IS REGISTERED TO VOTE PURSUANT TO THE "UNIFORM ELECTION CODE OF 1992", ARTICLES 1 TO 13 OF TITLE 1, AND WHO RESIDES WITHIN THE DISTRICT OR PROPOSED DISTRICT.

(5) "INTERESTED PARTY" MEANS A RESIDENT OR ELIGIBLE ELECTOR OF THE DISTRICT OR A MUNICIPALITY LOCATED IN THE DISTRICT.

**32-21-102. Applicability of Special District Act.** EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE 21, A DISTRICT CREATED PURSUANT TO THIS ARTICLE 21 SHALL BE GOVERNED BY THE APPLICABLE PROVISIONS OF THE "SPECIAL DISTRICT ACT", ARTICLE 1 OF THIS TITLE 32; EXCEPT THAT PARTS 4, 5, 12, 16, 17, AND 18 OF ARTICLE 1 OF THIS TITLE 32 DO NOT APPLY.

**32-21-103. Special districts file - notice of organization or dissolution.** (1) IN ADDITION TO COMPLYING WITH SECTION 32-1-104 (2), A DISTRICT CREATED PURSUANT TO THIS ARTICLE 21 SHALL PROVIDE A COPY OF THE NOTICE REQUIRED BY SECTION 32-1-809 (1) TO THE DEPARTMENT OF REVENUE.

(2) IN ADDITION TO COMPLYING WITH SECTION 32-1-105, THE COUNTY CLERK AND RECORDER SHALL FILE A CERTIFIED COPY OF THE DECREE OR ORDER CONFIRMING THE ORGANIZATION OR DISSOLUTION OF A DISTRICT CREATED PURSUANT TO THIS ARTICLE 21 WITH THE DEPARTMENT OF REVENUE.

**32-21-104. Service area of district - governmental immunity.** (1) A DISTRICT MAY INCLUDE ALL OF THE TERRITORY OF ONE OR MORE SPECIAL DISTRICTS, MUNICIPALITIES, COUNTIES, OR OTHER EXISTING TAXING ENTITIES, AS MAY BE PROPOSED. THE DISTRICT SHALL BE A BODY CORPORATE AND POLITIC AND A POLITICAL SUBDIVISION OF THE STATE.

(2) EACH OF THE DIRECTORS, OFFICERS, AND EMPLOYEES OF THE DISTRICT IS A PUBLIC EMPLOYEE FOR PURPOSES OF THE "COLORADO GOVERNMENTAL IMMUNITY ACT", ARTICLE 10 OF TITLE 24.

**32-21-105. Service plan required - contents - action on plan.** (1) PERSONS PROPOSING THE ORGANIZATION OF A DISTRICT, EXCEPT FOR A DISTRICT THAT IS CONTAINED ENTIRELY WITHIN THE BOUNDARIES OF A MUNICIPALITY AND SUBJECT TO SECTION 32-21-106, SHALL SUBMIT A SERVICE PLAN IN ACCORDANCE WITH THE REQUIREMENTS OF SECTION 32-1-202 (1) AND SHALL PAY ANY FEE REQUIRED PURSUANT TO SECTION 32-1-202 (3).

(2) NOTWITHSTANDING SECTION 32-1-202 (2), THE SERVICE PLAN FOR THE DISTRICT MUST CONTAIN THE FOLLOWING INFORMATION:

(a) A DESCRIPTION OF THE PROPOSED EARLY CHILDHOOD DEVELOPMENT SERVICES TO BE PROVIDED AND THE PERSONS WHO WILL BE ELIGIBLE TO RECEIVE THOSE SERVICES;

(b) QUALITY ASSURANCE MEASURES;

(c) A FINANCIAL PLAN SHOWING HOW THE PROPOSED SERVICES ARE TO BE FINANCED, INCLUDING THE PROPOSED OPERATING REVENUE DERIVED FROM PROPERTY TAXES AND SALES AND USE TAXES FOR THE FIRST BUDGET YEAR OF THE DISTRICT, WHICH SHALL NOT BE MATERIALLY EXCEEDED EXCEPT AS AUTHORIZED PURSUANT TO SECTION 32-1-207. ALL PROPOSED INDEBTEDNESS FOR THE DISTRICT MUST BE DISPLAYED TOGETHER WITH A SCHEDULE INDICATING THE YEAR OR YEARS IN WHICH THE DEBT IS SCHEDULED TO BE ISSUED. THE BOARD OF DIRECTORS OF THE DISTRICT SHALL NOTIFY THE BOARD OF COUNTY COMMISSIONERS OR THE GOVERNING BODY OF THE MUNICIPALITY, WHICHEVER IS APPLICABLE, OF ANY ALTERATION OR REVISION OF THE PROPOSED SCHEDULE OF DEBT ISSUANCE SET FORTH IN THE FINANCIAL PLAN.

(d) A MAP OF THE PROPOSED DISTRICT BOUNDARIES;

(e) IF THE DISTRICT PLANS TO CONSTRUCT FACILITIES, A GENERAL DESCRIPTION

OF THE FACILITIES TO BE CONSTRUCTED AND THE STANDARDS OF SUCH CONSTRUCTION, INCLUDING A STATEMENT OF HOW THE FACILITY AND SERVICE STANDARDS OF THE PROPOSED DISTRICT ARE COMPATIBLE WITH FACILITY AND SERVICE STANDARDS OF ANY COUNTY OR MUNICIPALITY WITHIN WHICH ALL OR ANY PORTION OF THE PROPOSED DISTRICT IS TO BE LOCATED;

(f) IF APPLICABLE, A GENERAL DESCRIPTION OF THE ESTIMATED COST OF ACQUIRING OR LEASING LAND OR FACILITIES; THE ESTIMATED COSTS OF ACQUIRING ENGINEERING, LEGAL, AND ADMINISTRATIVE SERVICES; THE INITIAL PROPOSED INDEBTEDNESS AND ESTIMATED PROPOSED MAXIMUM INTEREST RATES AND DISCOUNTS; AND OTHER MAJOR EXPENSES RELATED TO THE ORGANIZATION AND INITIAL OPERATION OF THE DISTRICT;

(g) A DESCRIPTION OF ANY ARRANGEMENT OR PROPOSED AGREEMENT WITH ANY POLITICAL SUBDIVISION FOR THE PERFORMANCE OF ANY SERVICES BETWEEN THE PROPOSED DISTRICT AND SUCH OTHER POLITICAL SUBDIVISION, AND, IF THE FORM CONTRACT TO BE USED IS AVAILABLE, IT SHALL BE ATTACHED TO THE SERVICE PLAN;

(h) INFORMATION, ALONG WITH OTHER EVIDENCE PRESENTED AT THE HEARING, SATISFACTORY TO ESTABLISH THAT EACH OF THE CRITERIA SET FORTH IN SECTION 32-1-203, IF APPLICABLE, IS MET; AND

(i) SUCH ADDITIONAL INFORMATION AS THE BOARD OF COUNTY COMMISSIONERS OR THE GOVERNING BODY OF THE MUNICIPALITY, WHICHEVER IS APPLICABLE, MAY REQUIRE ON WHICH TO BASE ITS FINDINGS PURSUANT TO SECTION 32-1-203.

(3) EXCEPT AS PROVIDED IN SECTION 32-21-106, THE BOARD OF COUNTY COMMISSIONERS OF EACH COUNTY THAT HAS TERRITORY INCLUDED WITHIN THE PROPOSED DISTRICT SHALL CONSTITUTE THE APPROVING AUTHORITY FOR THE PROPOSED DISTRICT AND SHALL REVIEW ANY SERVICE PLAN FILED BY THE PETITIONERS OF A PROPOSED DISTRICT IN ACCORDANCE WITH SECTION 32-1-203; EXCEPT THAT SECTION 32-1-203 (3.5)(a) DOES NOT APPLY TO A DISTRICT PROPOSED PURSUANT TO THIS ARTICLE 21.

**32-21-106. Approval by municipality.** IF THE BOUNDARIES OF A DISTRICT PROPOSED PURSUANT TO THIS ARTICLE 21 ARE WHOLLY CONTAINED WITHIN THE BOUNDARIES OF A MUNICIPALITY, THE PERSONS PROPOSING THE ORGANIZATION OF THE DISTRICT SHALL COMPLY WITH SECTION 32-1-204.5; EXCEPT THAT THE SERVICE PLAN SUBMITTED TO EACH GOVERNING BODY OF EACH MUNICIPALITY MUST CONTAIN THE INFORMATION REQUIRED BY SECTION 32-21-105 (2). THE GOVERNING BODY SHALL HAVE THE AUTHORITY SET FORTH IN SECTION 32-1-204.5 WITH REGARD TO THE REVIEW OF THE SERVICE PLAN.

**32-21-107. Public hearing on service plan - procedures - decision - judicial review - modifications - enforcement.** (1) FOR PURPOSES OF SECTION 32-1-204(1) AND (1.5), THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY IN WHICH THE DISTRICT WILL BE LOCATED OR THE GOVERNING BODY OF THE MUNICIPALITY IN WHICH THE DISTRICT WILL BE LOCATED, WHICHEVER IS APPLICABLE, SHALL BE DEEMED TO HAVE COMPLIED WITH THE PROVISIONS OF SUCH SECTION IF THE BOARD OR GOVERNING BODY PROVIDES WRITTEN NOTICE OF THE DATE, TIME, AND LOCATION OF THE HEARING TO THE PETITIONERS AND, AT LEAST TWENTY DAYS PRIOR TO THE

HEARING DATE, PUBLISHES NOTICE OF THE DATE, TIME, LOCATION, AND PURPOSE OF THE HEARING. THE PUBLISHED NOTICE CONSTITUTES CONSTRUCTIVE NOTICE TO THE INTERESTED PARTIES IN THE PROPOSED DISTRICT.

(2) SECTION 32-1-204 (2)(a) DOES NOT APPLY TO A DISTRICT PROPOSED PURSUANT TO THIS ARTICLE 21.

(3) THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY IN WHICH THE DISTRICT WILL BE LOCATED OR THE GOVERNING BODY OF THE MUNICIPALITY IN WHICH THE DISTRICT WILL BE LOCATED, WHICHEVER IS APPLICABLE, SHALL CONDUCT THE HEARING PURSUANT TO SECTION 32-1-204 (3) AND MAKE ITS DECISION IN ACCORDANCE WITH THE REQUIREMENTS OF SECTION 32-1-204 (3) AND (4). THE DECISION OF THE BOARD OR GOVERNING BODY, WHICHEVER IS APPLICABLE, IS SUBJECT TO JUDICIAL REVIEW IN ACCORDANCE WITH SECTION 32-1-206; EXCEPT THAT, FOR PURPOSES OF JUDICIAL REVIEW, "INTERESTED PARTY" HAS THE SAME MEANING AS SET FORTH IN SECTION 32-21-101 (5).

(4) UPON FINAL APPROVAL BY THE COURT FOR THE ORGANIZATION OF A DISTRICT PURSUANT TO THIS ARTICLE 21, THE DISTRICT SHALL CONFORM AS MUCH AS POSSIBLE TO THE APPROVED SERVICE PLAN, AND ANY MATERIAL MODIFICATIONS TO THE PLAN MUST BE APPROVED IN ACCORDANCE WITH SECTION 32-1-207 (2). ANY MATERIAL DEPARTURE FROM THE PLAN MAY BE ENJOINED IN ACCORDANCE WITH SECTION 32-1-207 (3); EXCEPT THAT, FOR PURPOSES OF ENFORCEMENT OF THE PLAN, "INTERESTED PARTY" HAS THE SAME MEANING AS SET FORTH IN SECTION 32-21-101 (5).

**32-21-108. Organization.** (1) EXCEPT AS PROVIDED IN THIS SECTION, THE ORGANIZATION OF A DISTRICT PURSUANT TO THIS ARTICLE 21 IS GOVERNED BY PART 3 OF ARTICLE 1 OF THIS TITLE 32.

(2) FOR PURPOSES OF COMPLYING WITH SECTION 32-1-301 (1), A PETITION FOR THE ORGANIZATION OF A DISTRICT PROPOSED PURSUANT TO THIS ARTICLE 21 MUST BE SIGNED BY NOT LESS THAN THIRTY PERCENT OR TWO HUNDRED ELIGIBLE ELECTORS OF THE PROPOSED DISTRICT, WHICHEVER NUMBER IS SMALLER.

(3) FOR PURPOSES OF COMPLYING WITH SECTION 32-1-301 (2)(d.1), THE PETITION FOR ORGANIZATION MUST SET FORTH THE ESTIMATED PROPERTY TAX AND SALES AND USE TAX REVENUES FOR THE DISTRICT'S FIRST BUDGET YEAR.

(4) FOR PURPOSES OF COMPLYING WITH SECTION 32-1-304, WHEN THE COURT WITH WHOM A PETITION FOR ORGANIZATION OF A DISTRICT PROPOSED PURSUANT TO THIS ARTICLE 21 HAS BEEN FILED SETS A HEARING DATE, THE CLERK OF COURT SHALL PUBLISH NOTICE OF THE HEARING AND MAIL THE REQUIRED NOTICE TO THE APPROPRIATE BOARD OF COUNTY COMMISSIONERS OR GOVERNING BODY OF THE MUNICIPALITY, BUT THE CLERK OF COURT SHALL NOT BE REQUIRED TO MAIL NOTICE OF THE HEARING TO ALL INTERESTED PARTIES. THE NOTICE MUST NOT INCLUDE INFORMATION EXPLAINING THE METHODS AND PROCEDURES FOR THE FILING OF A PETITION FOR EXCLUSION OF TERRITORY PURSUANT TO SECTION 32-1-305 (3).

(5) FOR PURPOSES OF COMPLYING WITH SECTION 32-1-305 (1), THE COURT SHALL DETERMINE WHETHER THE REQUIRED NUMBER OF ELIGIBLE ELECTORS OF THE

PROPOSED DISTRICT HAVE SIGNED THE PETITION.

(6) SECTION 32-1-305 (3) DOES NOT APPLY TO A DISTRICT PROPOSED UNDER THIS ARTICLE 21. THE COURT SHALL NOT ACCEPT OR ACT UPON PETITIONS FILED BY AN OWNER OF ANY REAL PROPERTY WITHIN A DISTRICT PROPOSED UNDER THIS ARTICLE 21 STATING REASONS WHY THE PROPERTY SHOULD NOT BE INCLUDED THEREIN AND REQUESTING THAT THE PROPERTY BE EXCLUDED THEREFROM.

(7) IN ADDITION TO COMPLYING WITH THE FILING REQUIREMENTS IN SECTION 32-1-306, THE DISTRICT SHALL FILE A CERTIFIED COPY OF THE FINDINGS AND ORDER OF THE COURT ORGANIZING THE DISTRICT WITH THE DEPARTMENT OF REVENUE.

**32-21-109. Persons entitled to vote at district elections.** NOTWITHSTANDING SECTION 32-1-806, ANY PERSON WHO IS AN ELIGIBLE ELECTOR IS ELIGIBLE TO VOTE IN AN ORGANIZATIONAL ELECTION OR ANY ELECTION CONDUCTED BY THE BOARD OF DIRECTORS FOR A DISTRICT ORGANIZED UNDER THIS ARTICLE 21.

**32-21-110. Financial powers.** ANY DISTRICT CREATED PURSUANT TO THIS ARTICLE 21 SHALL HAVE ALL OF THE FINANCIAL POWERS DESCRIBED IN SECTION 32-1-1101; EXCEPT THAT THE LEVY AND COLLECTION OF AD VALOREM TAXES IS SUBJECT TO SECTION 32-21-114. THE DISTRICT SHALL ALSO HAVE THE POWER, UPON VOTER APPROVAL, TO LEVY AND COLLECT A UNIFORM SALES AND USE TAX THROUGHOUT THE ENTIRE GEOGRAPHICAL AREA OF THE DISTRICT UPON EVERY TRANSACTION OR OTHER INCIDENT WITH RESPECT TO WHICH A SALES AND USE TAX IS LEVIED BY THE STATE PURSUANT TO ARTICLE 26 OF TITLE 39; EXCEPT THAT SUCH SALES AND USE TAX SHALL NOT BE LEVIED ON THE SALE OF CIGARETTES. ANY SALES AND USE TAX AUTHORIZED PURSUANT TO THIS SECTION SHALL BE LEVIED AND COLLECTED AS PROVIDED IN SECTION 32-21-111.

**32-21-111. Sales and use tax imposed - collection - administration of tax.**  
(1) (a) UPON THE APPROVAL OF THE ELIGIBLE ELECTORS IN THE DISTRICT AT AN ELECTION HELD IN ACCORDANCE WITH SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION AND PART 8 OF ARTICLE 1 OF THIS TITLE 32, THE DISTRICT SHALL HAVE THE POWER TO LEVY A UNIFORM SALES AND USE TAX THROUGHOUT THE ENTIRE GEOGRAPHICAL AREA OF THE DISTRICT UPON EVERY TRANSACTION OR OTHER INCIDENT WITH RESPECT TO WHICH A SALES AND USE TAX IS LEVIED BY THE STATE PURSUANT TO ARTICLE 26 OF TITLE 39; EXCEPT THAT SUCH SALES AND USE TAX SHALL NOT BE LEVIED ON THE SALE OF CIGARETTES. A TAX LEVIED BY A DISTRICT IN ACCORDANCE WITH THIS SECTION SHALL TAKE EFFECT ON EITHER JANUARY 1 OR JULY 1 OF THE YEAR SPECIFIED IN THE BALLOT ISSUE SUBMITTED TO THE ELIGIBLE ELECTORS OF THE DISTRICT.

(b) THE SALES AND USE TAX IMPOSED PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION IS IN ADDITION TO ANY OTHER SALES AND USE TAX IMPOSED PURSUANT TO LAW.

(2) (a) THE COLLECTION, ADMINISTRATION, AND ENFORCEMENT OF THE SALES AND USE TAX SHALL BE PERFORMED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE IN THE SAME MANNER AS THE COLLECTION, ADMINISTRATION, AND ENFORCEMENT OF THE STATE SALES AND USE TAX IMPOSED PURSUANT TO ARTICLE 26 OF TITLE 39 INCLUDING, WITHOUT LIMITATION, THE

RETENTION BY A VENDOR OF THE PERCENTAGE OF THE AMOUNT REMITTED TO COVER THE VENDOR'S EXPENSE IN THE COLLECTION AND REMITTANCE OF THE SALES AND USE TAX AS PROVIDED IN SECTION 39-26-105. THE EXECUTIVE DIRECTOR SHALL MAKE MONTHLY DISTRIBUTIONS OF SALES AND USE TAX COLLECTIONS TO THE DISTRICT. THE DISTRICT SHALL PAY THE NET INCREMENTAL COST INCURRED BY THE DEPARTMENT IN THE ADMINISTRATION AND COLLECTION OF THE SALES AND USE TAX.

(b) (I) A QUALIFIED PURCHASER MAY PROVIDE A DIRECT PAYMENT PERMIT NUMBER ISSUED PURSUANT TO SECTION 39-26-103.5 TO A VENDOR OR RETAILER THAT IS LIABLE AND RESPONSIBLE FOR COLLECTING AND REMITTING ANY SALES TAX LEVIED ON A SALE MADE TO THE QUALIFIED PURCHASER PURSUANT TO THIS ARTICLE 21. A VENDOR OR RETAILER THAT HAS RECEIVED A DIRECT PAYMENT PERMIT NUMBER IN GOOD FAITH FROM A QUALIFIED PURCHASER SHALL NOT BE LIABLE OR RESPONSIBLE FOR COLLECTION AND REMITTANCE OF A SALES TAX IMPOSED ON A SALE THAT IS PAID FOR DIRECTLY FROM THE QUALIFIED PURCHASER'S FUNDS AND NOT THE PERSONAL FUNDS OF AN 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 LEVIED ON A SALE MADE TO THE QUALIFIED PURCHASER PURSUANT TO THIS ARTICLE 21 IN THE SAME MANNER AS LIABILITY WOULD BE IMPOSED ON A QUALIFIED PURCHASER FOR STATE SALES TAX PURSUANT TO SECTION 39-26-105.

**32-21-112. District revenues.** ANY REVENUES RAISED OR GENERATED BY THE DISTRICT SHALL BE IN ADDITION TO AND SHALL NOT BE USED TO REPLACE ANY FUNDING THE COUNTIES IN THE DISTRICT WOULD OTHERWISE BE ENTITLED TO RECEIVE FROM THE STATE OR FEDERAL GOVERNMENT.

**32-21-113. Cooperation between districts or other existing providers permitted.** A DISTRICT ORGANIZED UNDER THIS ARTICLE 21 HAS THE AUTHORITY TO CONTRACT WITH OR WORK COOPERATIVELY AND IN CONJUNCTION WITH ANOTHER DISTRICT OR OTHER PUBLIC OR PRIVATE PROVIDER OF EARLY CHILDHOOD DEVELOPMENT SERVICES TO PROVIDE SERVICES AND FACILITIES TO THE RESIDENTS OF SUCH DISTRICTS.

**32-21-114. Levy and collection of ad valorem taxes.** A DISTRICT CREATED PURSUANT TO THIS ARTICLE 21 HAS THE POWER, UPON APPROVAL BY THE ELIGIBLE ELECTORS OF THE DISTRICT, TO LEVY AND COLLECT AD VALOREM TAXES ON AND AGAINST ALL TAXABLE PROPERTY WITHIN THE DISTRICT. A TAX LEVIED BY A DISTRICT IN ACCORDANCE WITH THIS SECTION SHALL TAKE EFFECT ON EITHER JANUARY 1 OR JULY 1 OF THE YEAR SPECIFIED IN THE BALLOT ISSUE SUBMITTED TO THE ELIGIBLE ELECTORS OF THE DISTRICT.

**SECTION 7. Act subject to petition - effective date.** This act takes 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 2, 2019, if adjournment sine die is on May 3, 2019); 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 will not take effect



unless approved by the people at the general election to be held in November 2020 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: April 3, 2019