

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

**INTRODUCED**

LLS NO. 21-0983.01 Bob Lackner x4350

**SENATE BILL 21-262**

---

**SENATE SPONSORSHIP**

**Zenzinger and Gardner,**

**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.

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) 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) THE PUBLIC NOTICE REQUIRED BY SUBSECTION (1) OF THIS  
14 SECTION MUST BE MADE BY ANY TWO OF THE FOLLOWING MEANS:

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

16 (b) MAILING THE NOTICE SEPARATELY TO EACH HOUSEHOLD IN  
17 WHICH ONE OR MORE ELIGIBLE ELECTORS OF THE SPECIAL DISTRICT  
18 RESIDES AS OF THE DATE THAT IS ONE HUNDRED FIFTY DAYS PRIOR TO THE  
19 DATE OF THE REGULAR LOCAL GOVERNMENT ELECTION;

20 (c) INCLUDING THE NOTICE AS A PROMINENT PART OF A  
21 NEWSLETTER, ANNUAL REPORT, BILLING INSERT, BILLING STATEMENT,  
22 LETTER, VOTER INFORMATION CARD OR OTHER NOTICE OF ELECTION, OR  
23 OTHER INFORMATIONAL MAILING SENT BY THE SPECIAL DISTRICT TO THE  
24 ELIGIBLE ELECTORS OF THE SPECIAL DISTRICT;

25 (d) POSTING THE INFORMATION ON THE OFFICIAL WEBSITE OF THE  
26 SPECIAL DISTRICT IF THERE IS A LINK TO THE DISTRICT'S WEBSITE ON THE

1 OFFICIAL WEBSITE OF THE DIVISION OF LOCAL GOVERNMENT WITHIN THE  
2 DEPARTMENT OF LOCAL AFFAIRS; OR

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

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

14 **32-1-104. Establishment of a special districts file.**  
15 (5) Notwithstanding any other provision of law, inactive special districts  
16 ~~shall be~~ ARE exempt from compliance with the provisions of subsection  
17 (2) of this section; sections **32-1-104.5 (3), 32-1-207 (3)(c)**, 32-1-306,  
18 32-1-809, and 32-1-903; parts 1, 2, and 6 of article 1 of title 29; ~~C.R.S.~~;  
19 and part 1 of article 1 and part 1 of article 5 of title 39. ~~C.R.S.~~

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

22 **32-1-104.5. Audit and budget requirements - election results**  
23 **- description on websites.** (3) (a) EXCEPT AS PROVIDED IN SUBSECTION  
24 (3)(d) OF THIS SECTION, WITHIN ONE YEAR OF THE DATE AN ORDER AND  
25 DECREE HAS BEEN ISSUED BY A DISTRICT COURT FOR A NEWLY ORGANIZED  
26 METROPOLITAN DISTRICT, OR BY JANUARY 1, 2023, FOR ANY  
27 METROPOLITAN DISTRICT THAT HAS RECEIVED AN ORDER AND DECREE

1 FROM THE DISTRICT COURT IN CONNECTION WITH ITS ORGANIZATION AFTER  
2 JANUARY 1, 2000, BUT BEFORE JANUARY 1, 2022, THE METROPOLITAN  
3 DISTRICT SHALL ESTABLISH, MAINTAIN, AND, UNLESS OTHERWISE  
4 SPECIFIED, ANNUALLY UPDATE AN OFFICIAL WEBSITE IN A FORM THAT IS  
5 READILY ACCESSIBLE TO THE PUBLIC THAT CONTAINS THE FOLLOWING  
6 INFORMATION:

7 (I) THE NAMES, TERMS, AND CONTACT INFORMATION FOR THE  
8 CURRENT DIRECTORS OF THE BOARD OF THE METROPOLITAN DISTRICT AND  
9 OF THE MANAGER OF THE METROPOLITAN DISTRICT, IF APPLICABLE;

10 (II) THE CURRENT FISCAL YEAR BUDGET OF THE METROPOLITAN  
11 DISTRICT AND, WITHIN THIRTY DAYS OF ADOPTION BY THE BOARD OF THE  
12 METROPOLITAN DISTRICT, ANY AMENDMENTS TO THE BUDGET;

13 (III) THE PRIOR YEAR'S AUDITED FINANCIAL STATEMENTS OF THE  
14 METROPOLITAN DISTRICT, IF APPLICABLE, OR AN APPLICATION FOR  
15 EXEMPTION FROM AN AUDIT PREPARED IN ACCORDANCE WITH THE  
16 "COLORADO LOCAL GOVERNMENT AUDIT LAW", PART 6 OF ARTICLE 1 OF  
17 TITLE 29, WITHIN THIRTY DAYS OF THE FILING OF THE APPLICATION WITH  
18 THE STATE AUDITOR;

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

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

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

1 SECTION 1-13.5-501 (1);

2 (VII) WITHIN THIRTY DAYS OF AN ELECTION, CERTIFIED ELECTION  
3 RESULTS FOR AN ELECTION CONDUCTED WITHIN THE CURRENT FISCAL  
4 YEAR;

5 (VIII) A CURRENT MAP DEPICTING THE BOUNDARIES OF THE  
6 METROPOLITAN DISTRICT AS OF JANUARY 1 OF THE CURRENT FISCAL YEAR;  
7 AND

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

10 (b) METROPOLITAN DISTRICTS SERVING THE SAME COMMUNITY  
11 MAY ESTABLISH AND MAINTAIN A CONSOLIDATED WEBSITE PROVIDED THE  
12 WEBSITE CLEARLY IDENTIFIES EACH METROPOLITAN DISTRICT AND  
13 PROVIDES THE REQUIRED INFORMATION SPECIFIED IN SUBSECTION (3)(a) OF  
14 THIS SECTION FOR EACH METROPOLITAN DISTRICT.

15 (c) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A NOTICE  
16 OF MEETING CONTAINING THE INFORMATION SET FORTH IN SECTION  
17 24-6-402 (2)(c)(III) AND POSTED ON THE METROPOLITAN DISTRICT'S  
18 WEBSITE NO LESS THAN TWENTY-FOUR HOURS PRIOR TO SUCH MEETING  
19 SATISFIES THE REQUIREMENTS OF SECTION 24-6-402 (2)(c)(III).

20 (d) (I) ANY METROPOLITAN DISTRICT ON INACTIVE STATUS  
21 PURSUANT TO SECTION 32-1-104 (3) IS NOT REQUIRED TO ESTABLISH,  
22 MAINTAIN, OR UPDATE AN OFFICIAL WEBSITE DURING INACTIVE STATUS. A  
23 METROPOLITAN DISTRICT RETURNING TO ACTIVE STATUS SHALL COMPLY  
24 WITH THIS SUBSECTION (3) WITHIN NINETY DAYS OF ADOPTION OF A  
25 RESOLUTION RETURNING TO ACTIVE STATUS.

26 (II) ANY METROPOLITAN DISTRICT THAT DOES NOT HAVE THE  
27 POWER TO IMPOSE AN AD VALOREM PROPERTY TAX IS NOT REQUIRED TO

1 ESTABLISH, MAINTAIN, OR UPDATE AN OFFICIAL WEBSITE PURSUANT TO  
2 THIS SUBSECTION (3).

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

5 **32-1-207. Compliance - modification - enforcement.**

6 (3) (c) (I) ~~A board of county commissioners may request any special~~  
7 ~~district located wholly or partially within the county's unincorporated~~  
8 ~~area, and the governing body of any municipality may request any special~~  
9 ~~district located wholly or partially within the municipality's boundaries,~~  
10 ~~to file,~~ ANY SPECIAL DISTRICT CREATED AFTER JULY 1, 2000, SHALL FILE  
11 not more than once a year a special district annual report FOR THE  
12 PRECEDING CALENDAR YEAR. UNLESS THE REQUIREMENT IS WAIVED OR  
13 OTHERWISE REQUESTED BY AN EARLIER DATE BY THE BOARD OF COUNTY  
14 COMMISSIONERS OR THE GOVERNING BODY OF THE MUNICIPALITY IN  
15 WHICH A SPECIAL DISTRICT IS WHOLLY OR PARTIALLY LOCATED,  
16 COMMENCING IN 2023 FOR THE 2022 CALENDAR YEAR, THE ANNUAL  
17 REPORT MUST BE PROVIDED IN ACCORDANCE WITH THIS SUBSECTION (3)(c)  
18 BY SEPTEMBER 1 OF EACH YEAR. The annual report ~~shall~~ MUST be  
19 ELECTRONICALLY filed with the ~~board of county commissioners, any~~  
20 ~~municipality in which the special district is wholly or partially located,~~  
21 GOVERNING BODY THAT APPROVED THE SERVICE PLAN OR, IF THE  
22 JURISDICTION HAS CHANGED DUE TO ANNEXATION INTO A MUNICIPALITY,  
23 THE CURRENT GOVERNING BODY WITH JURISDICTION OVER THE SPECIAL  
24 DISTRICT, the division, and the state auditor, and such report ~~shall~~ MUST  
25 be ~~deposited~~ ELECTRONICALLY FILED with the county clerk and recorder  
26 for public inspection, and a copy of the report ~~shall~~ MUST be made  
27 available by the special district to ~~any interested party pursuant to section~~

1 ~~32-1-204 (1). If a special district files an annual report pursuant to this~~  
2 ~~paragraph (c), ON THE SPECIAL DISTRICT'S WEBSITE PURSUANT TO SECTION~~  
3 ~~32-1-104.5 (3).~~

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

8 (A) BOUNDARY CHANGES MADE;

9 (B) INTERGOVERNMENTAL AGREEMENTS ENTERED INTO OR  
10 TERMINATED WITH OTHER GOVERNMENTAL ENTITIES;

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

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

15 (E) THE STATUS OF THE CONSTRUCTION OF PUBLIC IMPROVEMENTS  
16 BY THE SPECIAL DISTRICT;

17 (F) A LIST OF FACILITIES OR IMPROVEMENTS CONSTRUCTED BY THE  
18 SPECIAL DISTRICT THAT WERE CONVEYED OR DEDICATED TO THE COUNTY  
19 OR MUNICIPALITY;

20 (G) THE ASSESSED VALUATION OF THE SPECIAL DISTRICT;

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

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

26 (J) NOTICE OF ANY UNCURED DEFAULTS EXISTING FOR MORE THAN  
27 NINETY DAYS UNDER ANY DEBT INSTRUMENT OF THE SPECIAL DISTRICT;



1 AND

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

5 (III) SPECIAL DISTRICTS OPERATING UNDER A CONSOLIDATED  
6 SERVICE PLAN OR SERVING THE SAME COMMUNITY MAY FILE A  
7 CONSOLIDATED ANNUAL REPORT SETTING FORTH THE INFORMATION  
8 CONTAINED IN THIS SUBSECTION (3)(c) FOR EACH OF THE SPECIAL  
9 DISTRICTS. The board of county commissioners or the governing body of  
10 the municipality may review the annual reports in a regularly scheduled  
11 public meeting, and such review shall MUST be included as an agenda  
12 item in the public notice for such meeting. A SPECIAL DISTRICT IS NOT  
13 REQUIRED TO FILE AN ANNUAL REPORT FOR ANY YEAR IN WHICH THE  
14 SPECIAL DISTRICT WAS ON INACTIVE STATUS FOR THE ENTIRE YEAR  
15 PURSUANT TO SECTION 32-1-104 (3).

16 ~~(d) Any special district created on or after July 1, 1991, shall~~  
17 ~~annually file the report specified in paragraph (c) of this subsection (3)~~  
18 ~~with the board of county commissioners or the governing body of the~~  
19 ~~municipality that has adopted a resolution of approval of the special~~  
20 ~~district pursuant to section 32-1-204.5 or 32-1-204.7 for five years after~~  
21 ~~its organization and for succeeding annual periods, if so requested by the~~  
22 ~~board of county commissioners or the governing body of the municipality.~~  
23 ~~The annual report shall also be filed with the division and with the state~~  
24 ~~auditor. The state auditor shall review the annual report and report any~~  
25 ~~apparent decrease in the financial ability of the district to discharge its~~  
26 ~~existing or proposed indebtedness in accordance with the service plan to~~  
27 ~~the division. In such event, the division shall confer with the board of the~~

1 special district and the board of county commissioners or the governing  
2 body of the municipality regarding such condition. The division may  
3 establish a standard form for the annual report that the board of a special  
4 district may elect to use.

5 (4) In the case of a health service district, a change in service by  
6 the district ~~shall not be~~ IS NOT deemed material unless the change affects  
7 the license or certificate of compliance issued by the department of public  
8 health and environment. A health service district ~~shall be~~ IS exempt from  
9 ~~paragraphs (b) and (c) of subsection (3)~~ SUBSECTION (3)(b) AND (3)(c) of  
10 this section.

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

13 **32-1-1001. Common powers - definitions.** (1) For and on behalf  
14 of the special district the board has the following powers:

15 (d) (III) ANY CONTRACTS OR AGREEMENTS ENTERED INTO BY THE  
16 SPECIAL DISTRICT WITH A PERSON OR PRIVATE ENTITY FOR THE PERSON OR  
17 PRIVATE ENTITY'S ADVANCE OF FUNDS ON BEHALF OF OR FOR THE BENEFIT  
18 OF THE SPECIAL DISTRICT FOR THE DESIGN OR CONSTRUCTION OF PUBLIC  
19 IMPROVEMENTS THAT IS ANTICIPATED TO RESULT IN A FUTURE  
20 REIMBURSEMENT OF THE PERSON OR PRIVATE ENTITY, OR AFFILIATE OR  
21 ASSIGNEE THEREOF, BY THE SPECIAL DISTRICT FOR THE COSTS ASSOCIATED  
22 WITH THE DESIGN OR CONSTRUCTION REQUIRES, PRIOR TO PAYMENT OR  
23 REIMBURSEMENT OF THE ADVANCE OF FUNDS BY THE SPECIAL DISTRICT, A  
24 WRITTEN CERTIFICATION FROM A PROFESSIONAL ENGINEER REGISTERED IN  
25 THE STATE OF COLORADO CERTIFYING THAT:

26 (A) THE COSTS OF PUBLIC IMPROVEMENTS ARE REASONABLE  
27 COMPARED TO MARKET CONDITIONS THAT EXISTED AT THE TIME OF

1 CONSTRUCTION FOR SIMILAR IMPROVEMENTS IN A SUBSTANTIALLY  
2 SIMILAR AREA AS THE SPECIAL DISTRICT;

3 (B) FOR PUBLIC IMPROVEMENTS THAT ARE TO BE OPERATED AND  
4 MAINTAINED BY A SPECIAL DISTRICT, THE PUBLIC IMPROVEMENTS HAVE  
5 BEEN CONSTRUCTED IN SUBSTANTIAL COMPLIANCE WITH THE  
6 CONSTRUCTION PLANS AND ANY APPLICABLE CONSTRUCTION STANDARDS  
7 AT THE TIME OF CONSTRUCTION; AND

8 (C) THE PUBLIC IMPROVEMENTS ARE FIT FOR THEIR INTENDED  
9 PURPOSE.

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

14 **SECTION 6.** In Colorado Revised Statutes, 32-1-1004, **amend**  
15 (4) as follows:

16 **32-1-1004. Metropolitan districts - additional powers and**  
17 **duties.** (4) A metropolitan district may have and exercise the power of  
18 eminent domain and dominant eminent domain and, in the manner  
19 provided by article 1 of title 38, ~~C.R.S.~~, may take any property necessary  
20 to the exercise of the powers granted, both within and without the special  
21 district, only for the purposes of fire protection, sanitation, street  
22 improvements, television relay and translator facilities, water, or water  
23 and sanitation, except for the acquisition of water rights, and, within the  
24 boundaries of the district, if the district is providing park and recreation  
25 services, only for the purpose of easements and rights-of-way for access  
26 to park and recreational facilities operated by the special district and only  
27 where no other access to such facilities exists or can be acquired by other

1 means. A METROPOLITAN DISTRICT SHALL NOT EXERCISE ITS POWER OF  
2 DOMINANT EMINENT DOMAIN WITHIN A MUNICIPALITY OR THE  
3 UNINCORPORATED AREA OF A COUNTY, OTHER THAN WITHIN THE  
4 BOUNDARIES OF THE JURISDICTION THAT APPROVED ITS SERVICE PLAN,  
5 WITHOUT A WRITTEN RESOLUTION APPROVING THE EXERCISE OF DOMINANT  
6 EMINENT DOMAIN BY THE GOVERNING BODY OF THE MUNICIPALITY IN  
7 CONNECTION WITH PROPERTY THAT IS LOCATED WITHIN AN INCORPORATED  
8 AREA OR BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY IN  
9 CONNECTION WITH PROPERTY THAT IS LOCATED WITHIN AN  
10 UNINCORPORATED AREA.

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

13 **38-35.7-110. Disclosure - estimated future property taxes for**  
14 **newly constructed residences within the boundaries of a metropolitan**  
15 **district - rules - definition.** (1) AS USED IN THIS SECTION, "NEWLY  
16 CONSTRUCTED RESIDENCE" MEANS A RESIDENTIAL IMPROVEMENT AS  
17 DEFINED IN SECTION 39-1-102 (14.3) THAT:

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

20 (b) IS LOCATED WITHIN THE TERRITORIAL BOUNDARIES OF A  
21 METROPOLITAN DISTRICT.

22 (2) ON AND AFTER JANUARY 1, 2022, EACH OWNER OF REAL  
23 PROPERTY THAT SELLS REAL PROPERTY THAT INCLUDES A NEWLY  
24 CONSTRUCTED RESIDENCE, CONCURRENTLY WITH OR PRIOR TO THE  
25 EXECUTION OF A CONTRACT TO SELL THE PROPERTY, SHALL PROVIDE TO  
26 THE PURCHASER OF THE PROPERTY:

27 (a) A PAPER COPY, ELECTRONIC COPY, OR A WEBSITE PAGE LINK TO

1 THE NOTICE TO ELECTORS REQUIRED BY SECTION 32-1-809 (1) AS MOST  
2 RECENTLY PREPARED AND FILED BY THE METROPOLITAN DISTRICT;

3 (b) A PAPER COPY, ELECTRONIC COPY, OR A WEBSITE PAGE LINK TO  
4 THE SERVICE PLAN OR STATEMENT OF PURPOSE OF THE METROPOLITAN  
5 DISTRICT, INCLUDING ANY AMENDMENTS TO THE SERVICE PLAN, AS FILED  
6 WITH THE DIVISION OF LOCAL GOVERNMENT IN THE DEPARTMENT OF  
7 LOCAL AFFAIRS;

8 (c) A STATEMENT IN WRITING DISCLOSING THAT:

9 (I) PURSUANT TO ITS SERVICE PLAN, THE METROPOLITAN DISTRICT  
10 HAS AUTHORITY TO ISSUE UP TO \_\_\_\_ DOLLARS OF DEBT AND, IF  
11 APPLICABLE, THAT THE DEBT OF THE DISTRICT MAY BE REPAID THROUGH  
12 AD VALOREM PROPERTY TAXES, FROM A DEBT SERVICE MILL LEVY ON ALL  
13 TAXABLE PROPERTY OF THE DISTRICT, OR ANY OTHER LEGALLY AVAILABLE  
14 REVENUES OF THE DISTRICT;

15 (II) THE MAXIMUM DEBT SERVICE MILL LEVY THE METROPOLITAN  
16 DISTRICT IS PERMITTED TO IMPOSE UNDER THE SERVICE PLAN IS \_\_\_\_ MILLS  
17 OR, IF NO MAXIMUM DEBT SERVICE MILL LEVY IS SPECIFIED IN THE SERVICE  
18 PLAN, A STATEMENT THAT THERE IS NO MAXIMUM DEBT SERVICE MILL  
19 LEVY. IF APPLICABLE, THE STATEMENT MUST ALSO DISCLOSE WHETHER  
20 THE DEBT SERVICE MILL LEVY CAP MAY BE ADJUSTED DUE TO CHANGES IN  
21 THE CONSTITUTIONAL OR STATUTORY METHOD OF ASSESSING PROPERTY  
22 TAX OR IN THE ASSESSMENT RATIO, OR BY AMENDMENTS TO THE SERVICE  
23 PLAN OR VOTER AUTHORIZATIONS.

24 (III) IN ADDITION TO IMPOSING A DEBT SERVICE MILL LEVY, THE  
25 METROPOLITAN DISTRICT IS ALSO AUTHORIZED TO IMPOSE A SEPARATE  
26 MILL LEVY TO GENERATE REVENUES FOR GENERAL OPERATING EXPENSES.  
27 IF APPLICABLE, THE STATEMENT MUST ALSO DISCLOSE WHETHER THE

1 AMOUNT OF THE GENERAL OPERATING EXPENSES MILL LEVY MAY BE  
2 INCREASED AS NECESSARY, SEPARATE AND APART FROM THE DEBT  
3 SERVICE MILL LEVY CAP. IN THE ALTERNATIVE, IF THE SERVICE PLAN  
4 PROVIDES FOR THE AGGREGATE MILL LEVY CAP FOR DEBT SERVICE AND  
5 GENERAL OPERATING EXPENSES COMBINED, THE STATEMENT MUST  
6 ADDRESS THE APPLICABLE AGGREGATE MILL LEVY CAP.

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

14 (d) (I) AN ESTIMATE OF THE PROPERTY TAXES LEVIED BY THE  
15 METROPOLITAN DISTRICT THAT ARE APPLICABLE TO THE PROPERTY FOR  
16 COLLECTION DURING THE YEAR IN WHICH THE SALE OCCURS, WHICH  
17 ESTIMATE MUST INCLUDE ANY DEBT SERVICE MILL LEVIES THAT ARE  
18 SPECIFIED IN SUBSECTION (2)(c)(II) OF THIS SECTION AND ANY MILL LEVIES  
19 FOR GENERAL OPERATING EXPENSES THAT ARE SPECIFIED IN SUBSECTION  
20 (2)(c)(III) OF THIS SECTION, SHOWN BOTH AS THE TOTAL MILL LEVY AS  
21 WELL AS THE TOTAL DOLLAR AMOUNT THAT COULD BE COLLECTED BASED  
22 UPON THE PURCHASE PRICE OF THE PROPERTY, THE RESIDENTIAL  
23 ASSESSMENT RATE, AND MILL LEVIES THAT ARE IN EFFECT IN THE DISTRICT  
24 AT THE TIME OF THE SALE.

25 (II) A SELLER HAS COMPLIED WITH SUBSECTION (2)(d)(I) OF THIS  
26 SECTION IF THE SELLER PROVIDES TO THE PURCHASER THE MILL LEVY, THE  
27 RESIDENTIAL ASSESSMENT RATIO, AND A FORMULA BY WHICH THE

1 PURCHASER MAY CALCULATE THE ESTIMATED PROPERTY TAXES ON THE  
2 PROPERTY FOR THE CURRENT YEAR.

3 (e) A COPY OF THE MOST CURRENT COUNTY ASSESSOR'S PROPERTY  
4 TAX CERTIFICATE APPLICABLE TO THE PROPERTY AS AN ESTIMATE OF THE  
5 SUM OF ADDITIONAL PROPERTY TAXES LEVIED BY OTHER TAXING ENTITIES  
6 THAT OVERLAP THE PROPERTY IN WHICH THE NEWLY CONSTRUCTED  
7 RESIDENCE IS LOCATED.

8 (3) IN DISCLOSING AN ESTIMATE OF PROPERTY TAXES FOR  
9 PURPOSES OF SATISFYING SUBSECTIONS (2)(d)(I) OF THIS SECTION, THE  
10 SELLER SHALL CALCULATE THE ESTIMATE BASED UPON APPLICATION OF  
11 THE FOLLOWING ASSUMPTIONS:

12 (a) THE PURCHASE PRICE IS CONSIDERED TO BE THE VALUE OF THE  
13 REAL PROPERTY INCLUDING THE NEWLY CONSTRUCTED RESIDENCE AS  
14 REFLECTED IN THE CONTRACT TO PURCHASE THE PROPERTY;

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

19 (c) THE MILL LEVIES ARE THE SAME AS THOSE LEVIED BY ALL  
20 TAXING ENTITIES THAT ARE APPLICABLE TO THE PROPERTY FOR THE  
21 PROPERTY TAX YEAR IN WHICH THE SALE OCCURS; EXCEPT THAT, IF THE  
22 SELLER HAS ACTUAL KNOWLEDGE THAT THE TOTAL MILL LEVIES WILL  
23 CHANGE IN THE NEXT PROPERTY TAX YEAR, THE SELLER SHALL USE THE  
24 UPDATED INFORMATION IN MAKING THE CALCULATION.

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

1           **THIS ESTIMATE ONLY PROVIDES AN ILLUSTRATION OF**  
2           **THE AMOUNT OF THE NEW PROPERTY TAXES THAT MAY**  
3           **BE DUE AND OWING AFTER THE PROPERTY HAS BEEN**  
4           **REASSESSED AND, IN SOME INSTANCES, RECLASSIFIED AS**  
5           **RESIDENTIAL PROPERTY. THIS ESTIMATE IS NOT A**  
6           **STATEMENT OF THE ACTUAL AND FUTURE TAXES THAT**  
7           **MAY BE DUE. FIRST YEAR PROPERTY TAXES MAY BE**  
8           **BASED ON A PREVIOUS YEAR'S TAX CLASSIFICATION,**  
9           **WHICH MAY NOT INCLUDE THE FULL VALUE OF THE**  
10          **PROPERTY AND, CONSEQUENTLY, TAXES MAY BE HIGHER**  
11          **IN SUBSEQUENT YEARS. A SELLER HAS COMPLIED WITH**  
12          **THIS DISCLOSURE STATEMENT AS LONG AS THE**  
13          **DISCLOSURE IS BASED UPON A GOOD-FAITH EFFORT TO**  
14          **PROVIDE ACCURATE ESTIMATES AND INFORMATION.**

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

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