

CHAPTER 295

EDUCATION - PUBLIC SCHOOLS

HOUSE BILL 94-1298

BY REPRESENTATIVES Agler, Lawrence, Adkins, Kerns, Reeves, Sullivan, and Reeser;
also SENATORS Mutzebaugh and Meiklejohn.

AN ACT

CONCERNING THE AUTHORIZATION OF BONDED INDEBTEDNESS THROUGH THE CREATION OF CAPITAL IMPROVEMENT ZONES WITHIN A SCHOOL DISTRICT.

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

SECTION 1. Title 22, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW ARTICLE to read:

**ARTICLE 43.5
School District Capital Improvement Zones**

22-43.5-101. Definitions. AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "BOARD OF EDUCATION" OR "BOARD" MEANS THE GOVERNING BODY AUTHORIZED BY LAW TO ADMINISTER THE AFFAIRS OF ANY SCHOOL DISTRICT AND ANY CAPITAL IMPROVEMENT ZONE LOCATED WITHIN THE BOUNDARIES OF SUCH SCHOOL DISTRICT.

(2) "ELIGIBLE ELECTOR" MEANS A PERSON WHO IS REGISTERED TO VOTE FOR STATE OFFICERS AT GENERAL ELECTIONS IN THIS STATE AND WHO HAS RESIDED IN THE SCHOOL ELECTION PRECINCT TWENTY-FIVE DAYS IMMEDIATELY PRECEDING THE ELECTION AT WHICH THE ELECTOR INTENDS TO VOTE.

(3) "PLANNING COMMITTEE" MEANS THE CAPITAL IMPROVEMENT ZONE COMMITTEE AUTHORIZED TO STUDY THE ORGANIZATION OF A CAPITAL IMPROVEMENT ZONE.

(4) "PLAN OF ORGANIZATION" MEANS THE PLAN OF ORGANIZATION FOR A CAPITAL

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

IMPROVEMENT ZONE DEVELOPED PURSUANT TO THIS ARTICLE.

(5) "SCHOOL DISTRICT" OR "DISTRICT" MEANS A SCHOOL DISTRICT ORGANIZED AND EXISTING PURSUANT TO LAW.

(6) "SCHOOL DISTRICT CAPITAL IMPROVEMENT ZONE" OR "CAPITAL IMPROVEMENT ZONE" MEANS AN AREA WHICH MAY BE CREATED WITHIN THE BOUNDARIES OF A SCHOOL DISTRICT IN THIS STATE FOR THE PURPOSE OF CONTRACTING BONDED INDEBTEDNESS AS PROVIDED IN THIS ARTICLE.

22-43.5-102. Capital improvement zones - criteria. (1) A SCHOOL DISTRICT CAPITAL IMPROVEMENT ZONE MAY BE CREATED IN A SCHOOL DISTRICT PURSUANT TO THIS ARTICLE IN ORDER TO CONTRACT BONDED INDEBTEDNESS FOR THE PURPOSES DESCRIBED IN SECTION 22-42-102 (2) PROVIDED ALL OF THE FOLLOWING CRITERIA EXIST:

(a) A PROPOSITION BY BALLOT FOR CONTRACTING BONDED INDEBTEDNESS FOR THE PURPOSES DESCRIBED IN SECTION 22-42-102 (2) WAS REJECTED BY THE ELIGIBLE ELECTORS OF THE SCHOOL DISTRICT AT THE PRECEDING ELECTION;

(b) THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE PROPOSED CAPITAL IMPROVEMENT ZONE IS NOT LESS THAN ONE-SIXTH OF THE VALUATION FOR ASSESSMENT OF ALL TAXABLE PROPERTY LOCATED WITHIN THE BOUNDARIES OF THE SCHOOL DISTRICT;

(c) THE PUPIL ENROLLMENT OR FUNDED PUPIL COUNT, WHICHEVER IS APPLICABLE, OF THE DISTRICT HAS INCREASED AT THE RATE SPECIFIED IN SECTION 22-53-116;

(d) MORE THAN FIVE THOUSAND PUPILS ENROLLED IN THE SCHOOL DISTRICT OR AT LEAST TEN PERCENT OF THE PUPILS ENROLLED IN THE SCHOOL DISTRICT, WHICHEVER IS LESS, RESIDE WITHIN THE PROPOSED CAPITAL IMPROVEMENT ZONE;

(e) THE AREA OF THE PROPOSED CAPITAL IMPROVEMENT ZONE IS SITUATED WITHIN THE BOUNDARIES OF ONE SCHOOL DISTRICT ONLY; AND

(f) THE AREA OF THE PROPOSED CAPITAL IMPROVEMENT ZONE DOES NOT OVERLAP ANY AREA OF ANY OTHER CAPITAL IMPROVEMENT ZONE.

22-43.5-103. Organization contents. THE ORGANIZATION OF A CAPITAL IMPROVEMENT ZONE SHALL BE INITIATED NOT LATER THAN TWO YEARS AFTER THE EVENT DESCRIBED IN SECTION 22-43.5-102 (1) (a) WHEN THE BOARD OF EDUCATION FOR THE SCHOOL DISTRICT IN WHICH THE PROPOSED CAPITAL IMPROVEMENT ZONE IS TO BE LOCATED, BY RESOLUTION, REQUESTS THE APPOINTMENT OF A CAPITAL IMPROVEMENT ZONE PLANNING COMMITTEE.

22-43.5-104. Capital improvement zone planning committee. (1) UPON DETERMINATION THAT THE CONDITION DESCRIBED IN SECTION 22-43.5-103 EXISTS, THE BOARD OF EDUCATION FOR THE SCHOOL DISTRICT IN WHICH THE PROPOSED CAPITAL IMPROVEMENT ZONE IS TO BE LOCATED MAY CALL FOR THE APPOINTMENT OF A CAPITAL IMPROVEMENT ZONE PLANNING COMMITTEE WITHIN THIRTY DAYS AFTER ADOPTION OF THE RESOLUTION OF THE BOARD OF EDUCATION. SUCH A PLANNING

COMMITTEE SHALL BE APPOINTED AND HOLD ITS FIRST MEETING WITHIN THIRTY DAYS AFTER NOTIFICATION BY THE BOARD OF EDUCATION.

(2) THE PLANNING COMMITTEE SHALL CONSIST OF TWO MEMBERS APPOINTED BY THE BOARD OF EDUCATION AND FIVE MEMBERS APPOINTED BY THE SCHOOL DISTRICT ADVISORY ACCOUNTABILITY COMMITTEE WHO ARE RESIDENTS AND ELIGIBLE ELECTORS OF THE SCHOOL DISTRICT.

22-43.5-105. Planning committee duties. (1) THE PLANNING COMMITTEE SHALL:

(a) ASCERTAIN FROM THE TAX ROLLS OF THE COUNTY IN WHICH THE PROPOSED CAPITAL IMPROVEMENT ZONE IS TO BE LOCATED, FROM THE LAST OFFICIAL REGISTRATION LIST AND FROM SUCH OTHER EVIDENCE WHICH MAY BE ADDUCED, THE TOTAL NUMBER OF ELIGIBLE ELECTORS OF THE PROPOSED CAPITAL IMPROVEMENT ZONE AND THE TOTAL VALUATION FOR ASSESSMENT OF THE REAL AND PERSONAL PROPERTY IN THE PROPOSED CAPITAL IMPROVEMENT ZONE;

(b) REVIEW WHETHER THE QUESTION OF CONTRACTING BONDED INDEBTEDNESS SHOULD BE SUBMITTED TO THE ELIGIBLE ELECTORS OF THE PROPOSED CAPITAL IMPROVEMENT ZONE FOR ONE OR MORE OF THE PURPOSES DESCRIBED IN SECTION 22-42-102 (2) (a);

(c) DEVELOP A PLAN OF ORGANIZATION FOR THE CAPITAL IMPROVEMENT ZONE, INCLUDING CONSIDERATION OF ALL OF THE FOLLOWING:

(I) THE NEEDS WITHIN THE CAPITAL IMPROVEMENT ZONE AND THE FIVE-YEAR PROJECTIONS OF NECESSARY OPERATIONAL AND CAPITAL EXPENDITURES FOR THE CAPITAL IMPROVEMENT ZONE;

(II) THE NEEDS OF THE AREA OUTSIDE OF THE CAPITAL IMPROVEMENT ZONE AND THE EFFECT THAT THE FORMATION OF THE CAPITAL IMPROVEMENT ZONE WILL HAVE ON THE ABILITY OF THE SCHOOL DISTRICT TO MEET ITS CAPITAL IMPROVEMENT NEEDS IN THE AREA OUTSIDE OF THE CAPITAL IMPROVEMENT ZONE; AND

(III) ANY POLICIES OF THE SCHOOL DISTRICT AND THE BOARD OF EDUCATION CONCERNING THE ESTABLISHMENT OF CAPITAL IMPROVEMENT ZONES WITHIN THE DISTRICT ADOPTED BEFORE SUBMISSION OF THE PLAN OF ORGANIZATION;

(d) SOLICIT AND CONSIDER SUGGESTIONS FROM THE BOARD OF EDUCATION CONCERNING THE PLAN OF ORGANIZATION, INCLUDING CAPITAL IMPROVEMENTS TO BE ACQUIRED, CONSTRUCTED, AND INSTALLED, THE ESTIMATED COST OF THE PROPOSED IMPROVEMENTS, AND THE AMOUNT OF BONDED INDEBTEDNESS TO BE CONTRACTED FOR SUCH CAPITAL IMPROVEMENTS;

(e) FILE WITH THE COUNTY CLERK AND RECORDER OF THE COUNTY OR COUNTIES AFFECTED BY THE PROPOSED PLAN OF ORGANIZATION A MAP INDICATING AND A DESCRIPTION OF THE BOUNDARIES OF THE PROPOSED CAPITAL IMPROVEMENT ZONE;

(f) CALL FOR AND MAKE ARRANGEMENTS FOR AN ELECTION TO VOTE ON THE PLAN OF ORGANIZATION AND ON THE CONTRACTING OF BONDED INDEBTEDNESS AS PROVIDED IN SECTION 22-43.5-110; AND

(g) PERFORM ALL OTHER ACTS SPECIFICALLY REQUIRED OF THE PLANNING COMMITTEE BY THIS ARTICLE.

22-43.5-106. Requirements for plan of organization. (1) THE PLAN OF ORGANIZATION SHALL STATE:

(a) THE NAME OF THE PROPOSED CAPITAL IMPROVEMENT ZONE, THAT SHALL INCLUDE THE NAME OF THE SCHOOL DISTRICT IN WHICH THE CAPITAL IMPROVEMENT ZONE IS PROPOSED, A DESCRIPTIVE NAME OR NUMBER, AND THE WORDS "CAPITAL IMPROVEMENT ZONE";

(b) A GENERAL DESCRIPTION OF THE IMPROVEMENTS TO BE ACQUIRED, CONSTRUCTED, OR INSTALLED WITHIN AND FOR THE CAPITAL IMPROVEMENT ZONE;

(c) THE ESTIMATED COST OF THE PROPOSED IMPROVEMENTS;

(d) THE AMOUNT OF THE BONDED INDEBTEDNESS PROPOSED TO BE CONTRACTED FOR CAPITAL IMPROVEMENTS WITHIN THE CAPITAL IMPROVEMENT ZONE;

(e) A GENERAL DESCRIPTION OF THE BOUNDARIES OF OR THE TERRITORY TO BE INCLUDED IN THE CAPITAL IMPROVEMENT ZONE WITH SUCH CERTAINTY THAT ENABLES A PROPERTY OWNER TO DETERMINE WHETHER OR NOT THE OWNER'S PROPERTY IS WITHIN THE CAPITAL IMPROVEMENT ZONE;

(f) THE ESTIMATED MILL LEVY PROPOSED TO BE IMPOSED ON TAXABLE PROPERTY WITHIN THE CAPITAL IMPROVEMENT ZONE'S BOUNDARIES, THE ESTIMATED PROPERTY TAX REVENUES, AND ANY OTHER REVENUES FOR THE CAPITAL IMPROVEMENT ZONE'S FIRST BUDGET YEAR;

(g) THAT ANY PROPERTY TAX OR OTHER REVENUES AVAILABLE TO THE SCHOOL DISTRICT WITHIN THE CAPITAL IMPROVEMENT ZONE PURSUANT TO THIS ARTICLE SHALL BE USED FOR CAPITAL IMPROVEMENTS AS DESCRIBED IN SECTION 22-42-102 (2) THAT ARE LOCATED WITHIN AND PRINCIPALLY BENEFIT THE RESIDENTS WITHIN SUCH CAPITAL IMPROVEMENT ZONE;

(h) THAT REVENUES RAISED WITHIN THE CAPITAL IMPROVEMENT ZONE MAY NOT BE USED FOR OPERATING EXPENSES OF THE SCHOOL DISTRICT IN WHICH THE CAPITAL IMPROVEMENT ZONE IS PROPOSED OR FOR CONTROLLED MAINTENANCE OF IMPROVEMENTS WITHIN THE CAPITAL IMPROVEMENT ZONE UNLESS THE CONTROLLED MAINTENANCE IS FOR SUBSTANTIAL RENOVATION AND REPAIR OF MAJOR FACILITIES WITHIN SUCH CAPITAL IMPROVEMENT ZONE; AND

(i) A REQUEST FOR THE ORGANIZATION OF THE CAPITAL IMPROVEMENT ZONE.

(2) THE BOARD OF A CAPITAL IMPROVEMENT ZONE SHALL AMEND, BY RESOLUTION, THE PLAN OF ORGANIZATION BEFORE ANY SUBSEQUENT ELECTION TO CONTRACT BONDED INDEBTEDNESS PURSUANT TO SECTION 22-43.5-112.

22-43.5-107. Hearing - plan of organization. (1) WHEN THE PLANNING COMMITTEE AGREES ON A PLAN OF ORGANIZATION, THE PLAN, AN ATTACHED MAP, AND A DESCRIPTION OF THE BOUNDARIES OF THE PROPOSED CAPITAL IMPROVEMENT

ZONE SHALL BE FILED WITH THE BOARD OF EDUCATION.

(2) IMMEDIATELY AFTER THE FILING OF SUCH PLAN OF ORGANIZATION:

(a) THE BOARD OF EDUCATION MAY FIX BY ORDER A PLACE AND TIME OF NOT LESS THAN TWENTY DAYS NOR MORE THAN FORTY DAYS AFTER THE PLAN OF ORGANIZATION IS FILED FOR A HEARING ON THE PLAN OF ORGANIZATION.

(b) THE SECRETARY OF THE BOARD OF EDUCATION SHALL CAUSE NOTICE TO BE MADE OF THE PENDENCY OF THE PLAN OF ORGANIZATION, OF THE PURPOSES AND BOUNDARIES OF THE PROPOSED CAPITAL IMPROVEMENT ZONE, AND OF THE TIME AND PLACE OF THE HEARING. NOTICE SHALL BE GIVEN BY PUBLICATION IN A NEWSPAPER OF GENERAL CIRCULATION IN THE AREA AFFECTED BY THE PROPOSED CAPITAL IMPROVEMENT ZONE AND BY POSTING A COPY OF THE NOTICE UPON EACH PUBLIC SCHOOL BUILDING IN WHICH CLASSES WERE HELD DURING ANY PART OF THE PRECEDING TWELVE MONTHS AND WHICH IS LOCATED WITHIN THE BOUNDARIES OF THE PROPOSED CAPITAL IMPROVEMENT ZONE. IF THERE IS NO NEWSPAPER OF GENERAL CIRCULATION IN THE AREA AFFECTED BY THE PLAN, POSTING OF THE NOTICE IS SUFFICIENT.

(3) THE NOTICE OF HEARING ON THE PLAN OF ORGANIZATION SHALL STATE:

(a) THAT ALL THE PROPERTY IN THE CAPITAL IMPROVEMENT ZONE MAY BE SUBJECT TO THE LIEN OF THE INDEBTEDNESS; AND

(b) THE AMOUNT OF ANY PROPOSED INDEBTEDNESS.

(4) THE BOARD OF EDUCATION SHALL HOLD ONE OR MORE HEARINGS, AS DETERMINED BY THE BOARD, TO ENABLE THE TAXPAYERS AND RESIDENTS OF THE SCHOOL DISTRICT IN AND OUT OF THE PROPOSED CAPITAL IMPROVEMENT ZONE TO RECEIVE ADEQUATE INFORMATION AND DETAIL OF THE PLAN BEING CONSIDERED. ANY RESIDENT OR TAXPAYER WITHIN THE SCHOOL DISTRICT MAY APPEAR AT THE HEARINGS AND COMMENT ON THE PLAN.

22-43.5-108. Dismissal - plan of organization. (1) (a) THE BOARD OF EDUCATION MAY SUMMARILY DISMISS ANY PLAN OR REVISED PLAN OF ORGANIZATION WITH OR WITHOUT CAUSE; HOWEVER, THE BOARD OF EDUCATION SHALL DISMISS THE PLAN OF ORGANIZATION IF ANY OF THE FOLLOWING CONDITIONS EXIST:

(I) THE COST OF THE IMPROVEMENT IS EXCESSIVE IN COMPARISON TO THE VALUE OF THE PROPERTY IN THE CAPITAL IMPROVEMENT ZONE;

(II) THE PROPOSED IMPROVEMENT DOES NOT CONFER A GENERAL BENEFIT TO THE CAPITAL IMPROVEMENT ZONE; OR

(III) THE ORGANIZATION OF THE CAPITAL IMPROVEMENT ZONE CAUSES A SUBSTANTIAL NEGATIVE IMPACT UPON THE SCHOOL DISTRICT.

(b) THE BOARD OF EDUCATION MAY VERIFY PETITION SIGNATURES IN CONJUNCTION WITH THE COUNTY CLERK AND RECORDER OR THE SECRETARY OF STATE. THE FINDING OF THE BOARD OF EDUCATION UPON THE QUESTION OF THE GENUINENESS OF THE

SIGNATURES AND ALL MATTERS OF FACT INCIDENT TO THE DETERMINATION ARE FINAL AND CONCLUSIVE ON ALL PARTIES IN INTEREST, WHETHER THEY APPEAR OR NOT.

(c) THIS SECTION DOES NOT PREVENT THE FILING OF SUBSEQUENT PLANS OF ORGANIZATION FOR SIMILAR IMPROVEMENTS OR FOR A SIMILAR CAPITAL IMPROVEMENT ZONE AT ANY TIME AFTER THE DATE OF THE ORDER DISMISSING THE PROCEEDING. THE RIGHT TO RENEW THE PROCEEDING IS HEREBY EXPRESSLY GRANTED AND AUTHORIZED.

22-43.5-109. Plan of organization - changes. AFTER A HEARING IS HELD PURSUANT TO SECTION 22-43.5-107, THE BOARD OF EDUCATION MAY SUGGEST TO THE PLANNING COMMITTEE THAT CHANGES BE MADE IN THE PLAN OF ORGANIZATION. IF THE PLANNING COMMITTEE MAKES A CHANGE IN THE PLAN OF ORGANIZATION FOLLOWING A HEARING, IT SHALL SUBMIT A REVISED PLAN OF ORGANIZATION TO THE BOARD OF EDUCATION.

22-43.5-110. Election - declaration of organization. (1) PROMPTLY AFTER A HEARING IS HELD PURSUANT TO SECTION 22-43.5-107 AND IF THE BOARD OF EDUCATION APPROVES ANY REVISED PLAN FOR THE ORGANIZATION OF A CAPITAL IMPROVEMENT ZONE, THE BOARD OF EDUCATION, BY ORDER DULY ENTERED OF RECORD, MAY DIRECT THAT THE QUESTION OF THE ORGANIZATION OF THE CAPITAL IMPROVEMENT ZONE AND THE CONTRACTING OF BONDED INDEBTEDNESS BE SUBMITTED TO THE ELIGIBLE ELECTORS OF THE PROPOSED CAPITAL IMPROVEMENT ZONE AT THE NEXT ELECTION AT WHICH SUCH QUESTION MAY BE SUBMITTED TO THE ELIGIBLE ELECTORS.

(2) AT THE ELECTION, ELIGIBLE ELECTORS SHALL VOTE FOR OR AGAINST ALL OF THE FOLLOWING:

(a) THE BOARD OF EDUCATION'S PLAN FOR ORGANIZATION OF THE CAPITAL IMPROVEMENT ZONE;

(b) THE PROPOSITION OF CONTRACTING A CERTAIN AMOUNT OF BONDED INDEBTEDNESS NOT TO EXCEED THE MAXIMUM AMOUNT ALLOWED UNDER SECTION 22-43.5-113;

(c) THE AMOUNT OF ANY REVENUES TO BE RAISED; AND

(d) THE METHODS TO BE USED TO RAISE REVENUES.

(3) IF A MAJORITY OF THE VOTES CAST AT THE ELECTION ARE IN FAVOR OF THE ORGANIZATION OF THE CAPITAL IMPROVEMENT ZONE AND THE ISSUANCE OF BONDS AND IF THE BOARD OF EDUCATION DETERMINES THE ELECTION WAS HELD IN ACCORDANCE WITH ARTICLE 42 OF THIS TITLE AND ANY OTHER LAWS APPLICABLE TO THE ELECTION, THE BOARD OF EDUCATION SHALL:

(a) DECLARE THE CAPITAL IMPROVEMENT ZONE ORGANIZED;

(b) GIVE THE CAPITAL IMPROVEMENT ZONE THE NAME DESIGNATED IN THE PLAN OF ORGANIZATION, BY WHICH IT SHALL THEREAFTER BE KNOWN IN ALL PROCEEDINGS; AND

(c) IMPOSE ANY REVENUE-RAISING MEASURE AUTHORIZED PURSUANT TO THIS ELECTION BEGINNING ON THE FIRST DAY OF THE THIRD MONTH FOLLOWING THE ELECTION.

22-43.5-111. Organization validity. IF A CAPITAL IMPROVEMENT ZONE IS CREATED BY ELECTION PURSUANT TO SECTION 22-43.5-110, THE ELECTION FINALLY AND CONCLUSIVELY ESTABLISHES THE REGULAR ORGANIZATION OF THE CAPITAL IMPROVEMENT ZONE AGAINST ALL PERSONS UNLESS AN ACTION ATTACKING THE VALIDITY OF THE ORGANIZATION IS COMMENCED IN A COURT OF COMPETENT JURISDICTION WITHIN THIRTY DAYS AFTER THE ELECTION. AFTER THAT DATE, ANY SUCH ACTION IS BARRED. THE ORGANIZATION OF THE CAPITAL IMPROVEMENT ZONE SHALL NOT BE DIRECTLY OR COLLATERALLY QUESTIONED IN ANY SUIT, ACTION, OR PROCEEDING.

22-43.5-112. Bonded indebtedness - subsequent elections - refunding bonds.

(1) AFTER THE CREATION BY ELECTION AND ACCEPTANCE OF THE PROPOSITION FOR CONTRACTING BONDED INDEBTEDNESS PURSUANT TO THIS ARTICLE AND A RESOLUTION BY THE BOARD OF THE CAPITAL IMPROVEMENT ZONE AMENDING THE PLAN OF ORGANIZATION PURSUANT TO SECTION 22-43.5-106 (2), A CAPITAL IMPROVEMENT ZONE MAY CONDUCT SUBSEQUENT ELECTIONS TO CONTRACT ADDITIONAL BONDED INDEBTEDNESS UP TO THE MAXIMUM AMOUNT ALLOWED UNDER SECTION 22-43.5-113 OR MAY INCREASE THE AMOUNT OF ANY OTHER REVENUE-RAISING MEASURE IN THE MANNER PROVIDED BY ARTICLE 42 OF THIS TITLE.

(2) A CAPITAL IMPROVEMENT ZONE MAY ISSUE REFUNDING BONDS PURSUANT TO ARTICLE 43 OF THIS TITLE AND THE "PUBLIC SECURITIES REFUNDING ACT", ARTICLE 56 OF TITLE 11, C.R.S., AS APPLICABLE.

22-43.5-113. Bonded indebtedness - limitation - separate lien. (1) THE TOTAL PRINCIPAL AMOUNT OF OUTSTANDING BONDED INDEBTEDNESS OF A CAPITAL IMPROVEMENT ZONE SHALL:

(a) NOT EXCEED THE LESSER OF TWO HUNDRED MILLION DOLLARS OR, WHEN ADDED TO THE EXISTING BONDED INDEBTEDNESS OF THE PROPERTY IN THE CAPITAL IMPROVEMENT ZONE, TWENTY-FIVE PERCENT OF THE VALUATION FOR ASSESSMENT OF THE TAXABLE PROPERTY IN THE CAPITAL IMPROVEMENT ZONE, AS CERTIFIED BY THE ASSESSOR;

(b) CONSTITUTE A SEPARATE LIEN FOR SUCH INDEBTEDNESS, APPLICABLE ONLY TO THE TAXABLE PROPERTY OF THE CAPITAL IMPROVEMENT ZONE FOR WHICH A SEPARATE LEVY ON SUCH PROPERTY SHALL BE MADE PURSUANT TO SECTION 22-40-102 (5) (c) TO THE EXTENT ANY OTHER REVENUE RAISED IS INSUFFICIENT TO PAY PRINCIPAL AND INTEREST ON SUCH BONDED INDEBTEDNESS.

(2) THE LIEN PROVIDED IN SUBSECTION (1) OF THIS SECTION IS SEPARATE FROM ANY LIEN OF INDEBTEDNESS AND LEVY THEREFOR ON TAXABLE PROPERTY OF THE CAPITAL IMPROVEMENT ZONE ARISING FROM ANY BONDED INDEBTEDNESS INCURRED PURSUANT TO ARTICLE 42 OF THIS TITLE EITHER BEFORE OR AFTER THE ORGANIZATION OF THE CAPITAL IMPROVEMENT ZONE.

22-43.5-114. Indebtedness - liability. (1) INDEBTEDNESS OF A CAPITAL

IMPROVEMENT ZONE THAT IS INCURRED PURSUANT TO THIS ARTICLE SHALL:

(a) BE SPECIAL LIMITED OBLIGATIONS OF THE CAPITAL IMPROVEMENT ZONE;

(b) NOT CONSTITUTE MULTIPLE FISCAL YEAR DIRECT OR INDIRECT DEBT OR ANY OTHER DEBT OR INDEBTEDNESS OF THE SCHOOL DISTRICT IN WHICH THE CAPITAL IMPROVEMENT ZONE IS LOCATED WITHIN THE MEANING OF ANY PROVISIONS OR LIMITATION OF THE LAWS OF THIS STATE OR OF THE STATE CONSTITUTION;

(c) NOT GIVE RISE TO A PECUNIARY LIABILITY OF THE SCHOOL DISTRICT OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE SCHOOL DISTRICT;

(d) NOTWITHSTANDING PARAGRAPHS (a) TO (c) OF THIS SUBSECTION (1), CONSTITUTE SCHOOL DISTRICT DEBT FOR PURPOSES OF COMPUTING ANY LIMITATION ON BONDED INDEBTEDNESS PURSUANT TO SECTION 22-42-104 OR SECTION 22-43.5-113.

(2) EACH BOND ISSUED PURSUANT TO THIS ARTICLE SHALL RECITE IN SUBSTANCE THAT THE BOND, INCLUDING INTEREST ON THE BOND, IS PAYABLE BY THE CAPITAL IMPROVEMENT ZONE AND IS NOT A DEBT OF THE SCHOOL DISTRICT IN WHICH THE CAPITAL IMPROVEMENT ZONE IS LOCATED.

22-43.5-115. Board of directors - duties. (1) THE BOARD OF EDUCATION FOR THE SCHOOL DISTRICT IN WHICH THE CAPITAL IMPROVEMENT ZONE IS LOCATED IS THE BOARD OF DIRECTORS OF THE CAPITAL IMPROVEMENT ZONE. THE PRESIDING OFFICER OF THE SCHOOL BOARD IS THE PRESIDING OFFICER, THE SECRETARY OF THE SCHOOL BOARD IS THE SECRETARY, AND THE TREASURER OF THE SCHOOL BOARD IS THE TREASURER OF THE CAPITAL IMPROVEMENT ZONE. THE SECRETARY AND THE TREASURER MAY BE THE SAME PERSON.

(2) THE BOARD SHALL ADOPT A SEAL. THE SECRETARY SHALL KEEP A RECORD OF ALL BOARD PROCEEDINGS, MINUTES OF ALL MEETINGS, CERTIFICATES, CONTRACTS, AND ALL CORPORATE ACTS IN A BOUND BOOK THAT IS OPEN TO INSPECTION TO ALL OWNERS OF PROPERTY AND ELIGIBLE ELECTORS IN THE CAPITAL IMPROVEMENT ZONE AND TO ALL OTHER INTERESTED PARTIES. THE TREASURER SHALL KEEP PERMANENT RECORDS CONTAINING ACCURATE ACCOUNTS OF ALL MONEY RECEIVED BY AND DISBURSED FOR AND ON BEHALF OF THE CAPITAL IMPROVEMENT ZONE.

22-43.5-116. Meetings. ON NOTICE TO EACH MEMBER OF THE BOARD, THE BOARD SHALL HOLD MEETINGS THAT ARE OPEN TO THE PUBLIC AND THAT ARE HELD IN A PLACE DESIGNATED BY THE BOARD AS OFTEN AS THE NEEDS OF THE CAPITAL IMPROVEMENT ZONE REQUIRE. A QUORUM OF THE BOARD IS A QUORUM AT ANY MEETING, AND THE ACT OF A MAJORITY OF A QUORUM IS THE ACT OF THE BOARD.

22-43.5-117. Bonds - Colorado income tax exemption. (1) WHEN APPROVED AT AN ELECTION HELD PURSUANT TO SECTION 22-43.5-110 AND AS THE PROCEEDS OF THE BONDS ARE NEEDED FOR THE PURPOSES SPECIFIED IN THE NOTICE OF THE BOND ELECTION, THE BOARD OF THE CAPITAL IMPROVEMENT ZONE, FROM TIME TO TIME, SHALL ISSUE BONDS OF THE CAPITAL IMPROVEMENT ZONE SATISFYING THE TERMS, CONDITIONS, AND REQUIREMENTS PROVIDED IN ANY RESOLUTION ADOPTED BY THE BOARD OF THE CAPITAL IMPROVEMENT ZONE AUTHORIZING THE ISSUANCE OF THE

BONDS OR AS PROVIDED IN ANY TRUST INDENTURE ENTERED INTO BETWEEN THE BOARD AND ANY COMMERCIAL BANK OR TRUST COMPANY HAVING FULL TRUST POWERS THAT ARE NOT INCONSISTENT WITH THE PROVISIONS OF THIS ARTICLE. SUCH TERMS, CONDITIONS, AND REQUIREMENTS MAY INCLUDE THE FOLLOWING:

(a) THE EXECUTION AND DELIVERY OF THE BONDS BY THE CAPITAL IMPROVEMENT ZONE AND THE TIMES OF THE EXECUTION AND DELIVERY;

(b) THE FORM AND DENOMINATIONS OF THE BONDS, INCLUDING THE TERMS AND MATURITIES;

(c) WHETHER THE BONDS ARE SUBJECT TO OPTIONAL OR MANDATORY REDEMPTION BEFORE MATURITY WITH OR WITHOUT A PREMIUM AND, IF THEY ARE SUBJECT TO REDEMPTION, THE TERMS OF THE REDEMPTION;

(d) WHETHER THE BONDS ARE IN FULLY REGISTERED FORM OR BEARER FORM REGISTERABLE AS TO PRINCIPAL OR INTEREST, OR BOTH;

(e) WHETHER THE BONDS MAY BEAR CONVERSION PRIVILEGES AND, IF SO, SUCH CONVERSION PRIVILEGES;

(f) WHETHER THE BONDS ARE PAYABLE IN INSTALLMENTS AND, IF SO, THE TIMES OF THE INSTALLMENT PAYMENTS; EXCEPT THAT THE PERIOD OF TIME DURING WHICH SUCH PAYMENTS MAY BE MADE SHALL NOT EXCEED TWENTY YEARS FROM THE DATE OF ISSUANCE;

(g) THE PLACE OR PLACES WITHIN OR WITHOUT THE STATE AT WHICH THE BONDS MAY BE PAID;

(h) THE INTEREST RATE OR RATES THAT THE BONDS BEAR PER ANNUM AND THAT THE RATE OR RATES MAY BE FIXED OR MAY VARY ACCORDING TO INDEX, PROCEDURE, FORMULA, OR SUCH OTHER METHOD AS DETERMINED BY THE CAPITAL IMPROVEMENT ZONE OR ITS AGENTS, WITHOUT REGARD TO ANY INTEREST RATE LIMITATION SPECIFIED BY THE LAWS OF THIS STATE;

(i) WHETHER THE BONDS ARE SUBJECT TO PURCHASE AT THE OPTION OF THE HOLDER OR THE CAPITAL IMPROVEMENT ZONE;

(j) THE MANNER OF EVIDENCING THE BONDS;

(k) WHETHER THE BONDS MAY BE EXECUTED BY THE OFFICERS OF THE CAPITAL IMPROVEMENT ZONE, INCLUDING THE USE OF ONE OR MORE FACSIMILE SIGNATURES IF AT LEAST ONE MANUAL SIGNATURE OF AN OFFICER OF THE CAPITAL IMPROVEMENT ZONE, OR OF ANY AGENT AUTHENTICATING THE SIGNATURE, APPEARS ON THE BONDS;

(l) WHETHER THE BONDS ARE IN THE FORM OF COUPON BONDS THAT HAVE ATTACHED INTEREST COUPONS BEARING A MANUAL OR FACSIMILE SIGNATURE OF AN OFFICER OF THE CAPITAL IMPROVEMENT ZONE;

(m) WHETHER ANY REVENUE-RAISING MEASURE IMPOSED PURSUANT TO SECTION 22-43.5-110 (2) SHALL BE PLEDGED TO SECURE THE BONDS.

(2) INTEREST EARNED ON BONDS ISSUED PURSUANT TO THIS ARTICLE ARE EXEMPT FROM COLORADO INCOME TAX.

22-43.5-118. Sale at less than par - discount. IF IT IS FOUND TO BE IN THE BEST INTEREST OF THE CAPITAL IMPROVEMENT ZONE, THE BOARD OF THE CAPITAL IMPROVEMENT ZONE MAY ISSUE SUCH BONDS AND ACCEPT THE BONDS FOR LESS THAN THEIR FACE VALUE; BUT THE BONDS SHALL BE SOLD AT A PRICE SO THAT THE NET EFFECTIVE INTEREST RATE FOR THE ISSUE OF BONDS DOES NOT EXCEED THE MAXIMUM NET EFFECTIVE INTEREST RATE APPROVED BY THE VOTERS IN THE ELECTION AUTHORIZING SUCH BONDS.

22-43.5-119. Board to certify needed revenues. (1) IF THE BOARD OF THE CAPITAL IMPROVEMENT ZONE HAS ISSUED BONDS UNDER THIS ARTICLE, IT SHALL CERTIFY TO THE BOARD OF COUNTY COMMISSIONERS PURSUANT TO SECTION 22-40-102 (5) (c):

(a) THE AMOUNT NEEDED FOR THE CAPITAL IMPROVEMENT ZONE'S SEPARATE ACCOUNT WITHIN THE BOND REDEMPTION FUND OF THE SCHOOL DISTRICT IN WHICH THE CAPITAL IMPROVEMENT ZONE IS SITUATED TO PAY ALL INSTALLMENTS OF PRINCIPAL AND INTEREST OF THE BONDS THAT ACCORDING TO THEIR TERMS HAVE ALREADY BECOME DUE AND PAYABLE OR SHALL BECOME DUE AND PAYABLE DURING THE NEXT ENSUING FISCAL YEAR, OR BOTH; AND

(b) AN ADDITIONAL AMOUNT, IF ANY, AS THE BOARD OF THE CAPITAL IMPROVEMENT ZONE DETERMINES IS DESIRABLE TO RAISE FROM THE TAXABLE PROPERTY OF THE CAPITAL IMPROVEMENT ZONE FOR THE PURPOSE OF REDEEMING, DURING THE ENSUING FISCAL YEAR, ANY OF THE BONDS THAT ARE REDEEMABLE BUT NOT DUE.

(2) THE BOARD OF A CAPITAL IMPROVEMENT ZONE HAS THE AUTHORITY TO INCLUDE IN EACH AMOUNT CERTIFIED FOR THE CAPITAL IMPROVEMENT ZONE'S SEPARATE ACCOUNT IN THE BOND REDEMPTION FUND AN AMOUNT TO CREATE A RESERVE FOR THE REDEMPTION OF BONDS IN FUTURE YEARS BEFORE THEIR MATURITIES OR FOR THE PURCHASING AT A DISCOUNT AND THE CANCELLATION OF ANY BOND ON WHICH THE INTEREST IS BEING PAID FROM THE CURRENT CAPITAL IMPROVEMENT ZONE SEPARATE ACCOUNT; BUT THE RESERVE SHALL BE RESTRICTED TO A SEPARATE SUBSIDIARY ACCOUNT FOR THE CAPITAL IMPROVEMENT ZONE IN THE BOND REDEMPTION FUND. A TOTAL OF NOT MORE THAN ONE MILL ON THE THEN CURRENT VALUATION FOR ASSESSMENT MAY BE CARRIED IN THE RESERVE AT ANY ONE TIME TO BE AVAILABLE FOR PRIOR REDEMPTION PURPOSES. FOR THE PURPOSES OF THIS SECTION, "PRIOR REDEMPTION PURPOSES" MEANS THE USE OF FUNDS FOR REDEEMING BONDS THAT ARE REDEEMABLE BUT NOT DUE.

22-43.5-120. Tax levy to pay principal and interest. (1) IF ANY CAPITAL IMPROVEMENT ZONE HAS ISSUED BONDS UNDER THIS ARTICLE, THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY IN WHICH THE CAPITAL IMPROVEMENT ZONE IS LOCATED SHALL LEVY A TAX, AT THE TIME OF LEVYING OTHER SCHOOL DISTRICT TAXES AND FOR THE PURPOSE OF PAYING BONDS NOT YET DUE AS PROVIDED IN SECTION 22-43.5-119, ON ALL THE TAXABLE PROPERTY OF THE CAPITAL IMPROVEMENT ZONE AT A RATE SUFFICIENT TO PRODUCE AN AMOUNT EQUAL TO THE DIFFERENCE BETWEEN THE AMOUNT THAT HAS BEEN CERTIFIED BY THE BOARD OF THE

CAPITAL IMPROVEMENT ZONE AND THE SUM OF ANY OTHER REVENUES COLLECTED PURSUANT TO SECTION 22-43.5-110 (2) FOR THE PRECEDING TWELVE MONTHS.

(2) IF THE BOARD OF THE CAPITAL IMPROVEMENT ZONE FAILS TO CERTIFY THE AMOUNT REQUIRED BY SUBSECTION (1) OF THIS SECTION TO THE BOARD OF COUNTY COMMISSIONERS AS REQUIRED BY SECTION 22-43.5-119, THE BOARD OF COUNTY COMMISSIONERS, NEVERTHELESS, SHALL LEVY UPON THE APPROPRIATE TAXABLE PROPERTY OF THE CAPITAL IMPROVEMENT ZONE A TAX IN ADDITION TO THE TAXES LEVIED FOR OTHER PURPOSES IN AN AMOUNT EQUAL TO THE DIFFERENCE BETWEEN THE AMOUNT NECESSARY TO PAY ALL INSTALLMENTS OF PRINCIPAL AND INTEREST OF THE BONDS THAT SHALL BECOME DUE DURING THE NEXT ENSUING CALENDAR YEAR OR, IF THE BONDS DO NOT BECOME DUE AND PAYABLE IN SERIES AT DIFFERENT TIMES, THE AMOUNT NECESSARY TO PAY ALL INSTALLMENTS OF INTEREST THEN TO BECOME DUE AND THE AFORESAID PORTION OF PRINCIPAL LESS AN AMOUNT EQUAL TO ANY OTHER REVENUES COLLECTED PURSUANT TO SECTION 22-43.5-110 (2) FOR THE PRECEDING TWELVE MONTHS.

(3) THE AMOUNT CERTIFIED PURSUANT TO SECTION 22-43.5-119 AND THE RATE OF THE TAX LEVY ON PROPERTY REQUIRED BY THIS SECTION SHALL BE SUFFICIENT TO COVER ANY DEFICIENCY THAT MAY OCCUR BY REASON OF DELINQUENT PAYMENT OF TAXES.

(4) THE COUNTY TREASURER SHALL NOT COLLECT ANY FEE ON THE MONEYS RECEIVED BY VIRTUE OF A TAX LEVIED OR OTHER REVENUES COLLECTED PURSUANT TO THIS ARTICLE OR COLLECT ANY FEE ON ANY MONEYS RECEIVED FROM ANY OTHER SOURCE TO PAY BONDS OR INTEREST ON THE BONDS. THE COUNTY TREASURER MAY COLLECT A FEE, AS PROVIDED IN SECTION 30-1-102 (1) (q), C.R.S., FOR SERVICES RENDERED BY VIRTUE OF THAT OFFICE HAVING BEEN DESIGNATED AS THE PLACE OF PAYMENT OR OPTIONAL PLACE OF PAYMENT FOR BONDS ISSUED UNDER THIS ARTICLE, BUT THIS FEE SHALL BE COLLECTED ONLY IF THE COUNTY TREASURER HAS A FINANCIAL INSTITUTION PERFORM SUCH SERVICES REGARDING THE BONDS AND SHALL BE IN AN AMOUNT EQUAL TO THE FEE CHARGED THE COUNTY TREASURER BY THE FINANCIAL INSTITUTION.

22-43.5-121. Bond fund - separate capital improvement zone account - payment and redemption. (1) A SEPARATE ACCOUNT SHALL BE CREATED WITHIN THE BOND REDEMPTION FUND OF THE SCHOOL DISTRICT IN WHICH THE CAPITAL IMPROVEMENT ZONE IS LOCATED AND SHALL BE DESIGNATED BY THE NAME OF THE CAPITAL IMPROVEMENT ZONE. THIS SEPARATE ACCOUNT SHALL CONTAIN ALL REVENUES RAISED PURSUANT TO THE LIEN PROVIDED IN SECTION 22-43.5-113 (1) AND ANY OTHER REVENUES COLLECTED PURSUANT TO SECTION 22-43.5-110 (2).

(2) THE PROPERTY TAX REVENUES RAISED PURSUANT TO THIS ARTICLE SHALL BE COLLECTED IN THE SAME MANNER AS OTHER SCHOOL DISTRICT TAXES, AND ANY OTHER REVENUES COLLECTED SHALL BE COLLECTED IN THE SAME MANNER AS OTHER COUNTY TAXES OR FEES. WHEN COLLECTED, THE COUNTY TREASURER SHALL PLACE THE TAXES AND FEES PURSUANT TO SECTION 22-40-102 (5) (c), IN THE SEPARATE ACCOUNT WITHIN THE BOND REDEMPTION FUND OF THE SCHOOL DISTRICT CREATED IN SUBSECTION (1) OF THIS SECTION. THE MONEYS IN THIS ACCOUNT SHALL BE USED ONLY FOR PAYMENT OF THE PRINCIPAL OF, INTEREST UPON, AND FOR THE REDEMPTION OF BONDS ISSUED BY THE CAPITAL IMPROVEMENT ZONE, UPON ORDERS SIGNED AND

COUNTERSIGNED IN THE MANNER PROVIDED BY LAW FOR THE EXECUTION OF OTHER SCHOOL DISTRICT ORDERS; BUT THE BOARD OF THE CAPITAL IMPROVEMENT ZONE MAY WITHDRAW ANY OR ALL OF THE MONEYS CREDITED TO THE ACCOUNT THAT ARE TEMPORARILY NOT NEEDED TO SATISFY THE OBLIGATIONS OF THE CAPITAL IMPROVEMENT ZONE'S BONDED INDEBTEDNESS FOR THE PURPOSE OF DEPOSITING OR INVESTING THE MONEYS IN THE MANNER PRESCRIBED BY LAW.

22-43.5-122. Bonds - payment. (1) THE BOARD OF A CAPITAL IMPROVEMENT ZONE MAY DESIGNATE THE OFFICE OF THE COUNTY TREASURER OF THE COUNTY IN WHICH THE CAPITAL IMPROVEMENT ZONE IS LOCATED AS THE PLACE OF PAYMENT OR OPTIONAL PLACE OF PAYMENT OF THE PRINCIPAL OF OR INTEREST ON ANY BONDS ISSUED BY ANY SUCH CAPITAL IMPROVEMENT ZONE OR MAY DESIGNATE ANY COMMERCIAL BANK OR TRUST COMPANY AS THE PLACE OF PAYMENT OR OPTIONAL PLACE OF PAYMENT OF THE PRINCIPAL OF OR INTEREST ON ANY BONDS ISSUED BY ANY SUCH CAPITAL IMPROVEMENT ZONE. THE COMMERCIAL BANK OR TRUST COMPANY SO DESIGNATED MAY BE LOCATED EITHER WITHIN OR WITHOUT THIS STATE.

(2) THE BOARD OF THE CAPITAL IMPROVEMENT ZONE SHALL CAUSE SUFFICIENT MONEYS FROM THE PROPERTY TAX LEVY, OTHER REVENUE-RAISING MEASURE, OR REFUNDING ESCROW ACCOUNT TO BE PLACED FROM TIME TO TIME AT THE PLACE OF PAYMENT OR OPTIONAL PLACE OF PAYMENT DESIGNATED ON THE BONDS IN AN AMOUNT TO SATISFY THE PRINCIPAL AND INTEREST OBLIGATIONS OF THE BONDS AS THE SAME MAY BECOME DUE AND PAYABLE FROM TIME TO TIME. THE TREASURER OF THE CAPITAL IMPROVEMENT ZONE SHALL PAY OR CAUSE TO BE PAID THE OBLIGATIONS OF THE BONDS AS THE BONDS MAY BECOME DUE AND PAYABLE, UPON PRESENTATION OF THE BONDS AND COUPONS RESPECTIVELY EVIDENCING SUCH OBLIGATIONS, FROM ANY MONEYS TO THE CREDIT OF THE APPROPRIATE ACCOUNT AVAILABLE FOR THAT PURPOSE.

22-43.5-123. Bond registration. (1) IF A CAPITAL IMPROVEMENT ZONE ISSUES BONDS UNDER THIS ARTICLE, THE BOARD OF THE CAPITAL IMPROVEMENT ZONE MAY MAKE AND ENTER IN ITS RECORD A REQUEST THAT THE COUNTY CLERK AND RECORDER OF THE COUNTY IN WHICH THE CAPITAL IMPROVEMENT ZONE IS SITUATED REGISTER THE BONDS ON A COLLECTIVE, NOT AN INDIVIDUAL, BASIS IN A BOOK TO BE KEPT BY THE COUNTY CLERK AND RECORDER FOR THAT PURPOSE. WHEN REGISTERED, THE LEGALITY THEREOF SHALL NOT BE OPEN TO CONTEST BY THE SCHOOL DISTRICT, CAPITAL IMPROVEMENT ZONE, OR ANY PERSON FOR ANY REASON.

(2) A CERTIFIED COPY OF THE ORDER OF THE BOARD THAT IS MADE AND ENTERED OF RECORD SHALL BE FURNISHED TO THE COUNTY CLERK AND RECORDER BY THE BOARD OF THE CAPITAL IMPROVEMENT ZONE, AND THE COUNTY CLERK AND RECORDER SHALL REGISTER THE BONDS ON A COLLECTIVE BASIS, NOTING THE NAME OF THE CAPITAL IMPROVEMENT ZONE AND THE AMOUNT, THE DATE OF ISSUANCE AND MATURITY, AND THE RATE OF INTEREST OF THE BONDS. THE COUNTY CLERK AND RECORDER ARE NOT REQUIRED TO MAKE A SEPARATE ENTRY IN THE BOOK OR COMPLETE OR PROCESS A REGISTRATION FORM FOR EACH SUCH BOND OF SUCH ISSUE OR OTHERWISE REGISTER EACH SUCH BOND OF SUCH ISSUE ON AN INDIVIDUAL BASIS. THE COUNTY CLERK AND RECORDER SHALL RECEIVE A FEE OF TWENTY-FIVE DOLLARS FOR REGISTERING EACH SUCH ISSUE.

22-43.5-124. Bond sale - public disclosure of terms of sale. (1) WHEN BONDS

ARE SOLD, THE BOARD OF THE CAPITAL IMPROVEMENT ZONE SELLING THE BONDS SHALL CAUSE TO BE PREPARED AND FILED WITH THE DEPARTMENT OF EDUCATION, WITHIN TEN DAYS AFTER THE SALE, A REPORT SETTING FORTH A DESCRIPTION OF THE BOND ISSUE, THE APPLICABLE INTEREST RATE INCLUDING THE NET EFFECTIVE INTEREST RATE, OTHER TERMS OF THE SALE, AND APPLICABLE STATISTICAL, COMPARATIVE BOND MARKET DATA, RATINGS, AND INDICES RELATIVE TO PREVAILING MARKET CONDITIONS BEFORE AND AT THE TIME OF THE SALE AND EXPLAINING THE REASONS WHY IT WAS NECESSARY, IF IT WAS, THAT THE BONDS BE SOLD AT A NEGOTIATED SALE INSTEAD OF BY PUBLIC COMPETITIVE BIDDING. THE DEPARTMENT OF EDUCATION MAY REQUEST ADDITIONAL INFORMATION FROM THE CAPITAL IMPROVEMENT ZONE OR FROM THE PURCHASER OF THE BONDS REGARDING TERMS OF THE SALE.

(2) ONE OR MORE COPIES OF THIS REPORT SHALL BE RETAINED ON FILE AT THE ADMINISTRATIVE HEADQUARTERS OF THE SCHOOL DISTRICT WITHIN WHICH THE CAPITAL IMPROVEMENT ZONE IS SITUATED, AND A COPY OF THE REPORT SHALL BE MADE AVAILABLE UPON WRITTEN REQUEST TO ANY OFFICER OR REPRESENTATIVE OF ANY ORGANIZATION OF COLORADO SCHOOL DISTRICTS.

22-43.5-125. School district jurisdiction. THIS ARTICLE DOES NOT AFFECT OR IMPAIR THE CONTROL AND JURISDICTION THAT A SCHOOL DISTRICT HAS OVER ALL PROPERTY WITHIN ITS BOUNDARIES. POWERS GRANTED BY THIS ARTICLE ARE SUBJECT TO SUCH CONTROL AND JURISDICTION.

22-43.5-126. Termination - vesting of improvements. THE BOARD OF A CAPITAL IMPROVEMENT ZONE, BY RESOLUTION, MAY PROVIDE FOR THE TERMINATION OF THE CAPITAL IMPROVEMENT ZONE UPON THE COMPLETION OF PAYMENT OF INTEREST UPON AND THE REDEMPTION OF ALL BONDS ISSUED BY THE CAPITAL IMPROVEMENT ZONE. ON TERMINATION, ALL CAPITAL IMPROVEMENTS FUNDED FROM THE CONTRACTING OF BONDED INDEBTEDNESS BY THE CAPITAL IMPROVEMENT ZONE VESTS IN THE SCHOOL DISTRICT IN WHICH THE CAPITAL IMPROVEMENT ZONE IS LOCATED.

SECTION 2. 22-40-102 (5), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

22-40-102. Certification - tax revenues. (5) (c) WHEN A SCHOOL DISTRICT CAPITAL IMPROVEMENT ZONE HAS BEEN ORGANIZED WITHIN THE BOUNDARIES OF A SCHOOL DISTRICT PURSUANT TO ARTICLE 43.5 OF THIS TITLE AND HAS INCURRED BONDED INDEBTEDNESS OR IS OTHERWISE LIABLE FOR THE PAYMENT THEREOF AND THE OBLIGATIONS OF SUCH BONDED INDEBTEDNESS HAVE NOT BEEN SATISFIED, THE BOARD OF THE CAPITAL IMPROVEMENT ZONE SHALL CERTIFY TO THE BOARD OF COUNTY COMMISSIONERS THE AMOUNT REQUIRED DURING THE NEXT ENSUING CALENDAR YEAR TO SATISFY SUCH CAPITAL IMPROVEMENT ZONE'S PAYMENTS OF INTEREST AND PRINCIPAL FALLING DUE THEREON. A SEPARATE LEVY THAT IS SUFFICIENT TO RAISE THE AMOUNT SO CERTIFIED LESS THE AMOUNT OF ANY REVENUES COLLECTED PURSUANT TO SECTION 22-43.5-110 (2) SHALL BE MADE AGAINST THE VALUATION FOR ASSESSMENT OF ALL TAXABLE PROPERTY LOCATED WITHIN THE CAPITAL IMPROVEMENT ZONE. THE PROCEEDS OF THE LEVY SHALL BE CREDITED TO THE BOND REDEMPTION FUND OF THE SCHOOL DISTRICT IN WHICH THE CAPITAL IMPROVEMENT ZONE IS LOCATED, AND A SEPARATE ACCOUNT DESIGNATED BY THE NAME OF THE CAPITAL IMPROVEMENT ZONE WITHIN THE BOND REDEMPTION FUND

SHALL BE MAINTAINED TO CLEARLY REFLECT THE AMOUNT RAISED FROM SUCH SEPARATE LEVY. THIS PARAGRAPH (c) SUPPLEMENTS ONLY AND DOES NOT MODIFY SECTION 22-42-122.

SECTION 3. 22-42-101, Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

22-42-101. Definitions. As used in this article, unless the context otherwise requires:

(1.5) "CAPITAL IMPROVEMENT ZONE" MEANS A SCHOOL DISTRICT CAPITAL IMPROVEMENT ZONE ORGANIZED PURSUANT TO ARTICLE 43.5 OF THIS TITLE.

SECTION 4. 22-42-102 (2), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

22-42-102. Bonded indebtedness - elections. (2) (d) ANY SPECIAL ELECTION CALLED PURSUANT TO ARTICLE 43.5 OF THIS TITLE SHALL BE GOVERNED BY THE ELECTION PROVISIONS OF THIS ARTICLE FOR CONTRACTING BONDED INDEBTEDNESS.

SECTION 5. 22-42-122, Colorado Revised Statutes, 1988 Repl. Vol., is amended BY THE ADDITION OF A NEW SUBSECTION to read:

22-42-122. Changes in boundaries - liability. (5) THE TAXABLE PROPERTY LOCATED WITHIN A CAPITAL IMPROVEMENT ZONE OF A SCHOOL DISTRICT SHALL BE LIABLE FOR ITS SHARE OF BONDED INDEBTEDNESS INCURRED PURSUANT TO ARTICLE 43.5 OF THIS TITLE AS WELL AS ANY OTHER BONDED INDEBTEDNESS INCURRED BY THE SCHOOL DISTRICT PURSUANT TO THIS ARTICLE.

SECTION 6. 22-44-105 (1) (c), Colorado Revised Statutes, 1988 Repl. Vol., as amended, is amended to read:

22-44-105. Budget - contents - mandatory. (1) The budget shall be presented in the format established by the state board of education by rule and regulation. In establishing the format, the state board shall consult annually with the advisory committee specified in paragraph (d) of this subsection (1) and shall adhere to the following guidelines:

(c) The budget shall be presented in a format that itemizes expenditures of the district by fund and by pupil. The budget shall:

- (I) Describe the expenditure;
- (II) Show the amount budgeted for the current fiscal year;
- (III) SHOW the amount estimated to be expended for the current fiscal year; ~~and~~
- (IV) SHOW the amount budgeted for the ensuing fiscal year; AND
- (V) SPECIFY THE PROPOSED EXPENDITURES AND ANTICIPATED REVENUES ARISING FROM THE CONTRACTING OF BONDED INDEBTEDNESS BY A CAPITAL IMPROVEMENT

ZONE LOCATED WITHIN THE SCHOOL DISTRICT PURSUANT TO ARTICLE 43.5 OF THIS TITLE.

SECTION 7. Effective date. This act shall take effect January 1, 1995.

SECTION 8. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 31, 1994