

CHAPTER 344

GENERAL ASSEMBLY

SENATE BILL 00-210

BY SENATORS Anderson and Powers;
also REPRESENTATIVES George, Coleman, Kaufman, and Plant.

AN ACT

CONCERNING JOINT GOVERNMENTAL AGENCIES.

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

SECTION 1. 2-3-311, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

2-3-311. Interstate cooperation. (4) (a) ANY ORGANIZATION DECLARED TO BE A JOINT GOVERNMENTAL AGENCY OF THIS STATE UNDER SUBSECTION (2) OF THIS SECTION THAT MAINTAINS ITS HEADQUARTERS IN THE STATE OF COLORADO MAY, FROM TIME TO TIME, ISSUE BONDS FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, IMPROVING, AND EQUIPPING BUILDINGS AND FACILITIES OWNED OR TO BE OWNED BY SUCH ORGANIZATION. SUCH BONDS SHALL BE ISSUED PURSUANT TO RESOLUTION OF THE EXECUTIVE COMMITTEE OR GOVERNING BOARD OF THE ORGANIZATION AND SHALL BE PAYABLE SOLELY OUT OF ALL OR A SPECIFIED PORTION OF THE REVENUES AS DESIGNATED BY THE EXECUTIVE COMMITTEE OR GOVERNING BOARD. SUCH BONDS MAY BE FURTHER SECURED BY A PLEDGE OF THE BUILDINGS AND FACILITIES FINANCED WITH THE PROCEEDS OF THE BONDS.

(b) BONDS MAY BE EXECUTED AND DELIVERED BY THE ORGANIZATION AT SUCH TIMES, MAY BE IN SUCH FORM AND DENOMINATIONS AND INCLUDE SUCH TERMS AND MATURITIES, MAY BE SUBJECT TO OPTIONAL OR MANDATORY REDEMPTION PRIOR TO MATURITY WITH OR WITHOUT A PREMIUM, MAY BE IN FULLY REGISTERED FORM REGISTRABLE AS TO PRINCIPAL OR INTEREST OR BOTH, MAY BEAR SUCH CONVERSION PRIVILEGES, MAY BE PAYABLE IN SUCH INSTALLMENTS AND AT SUCH TIMES NOT EXCEEDING FORTY YEARS FROM THE DATE THEREOF, MAY BE PAYABLE AT SUCH PLACE OR PLACES WHETHER WITHIN OR OUTSIDE THE STATE, MAY BEAR INTEREST AT SUCH RATE OR RATES PER ANNUM, WHICH MAY BE FIXED OR VARIABLE ACCORDING TO INDEX, PROCEDURE, OR FORMULA OR AS DETERMINED BY THE ORGANIZATION OR ITS

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

AGENTS, WITHOUT REGARD TO ANY INTEREST RATE LIMITATION APPEARING IN ANY OTHER LAW OF THIS STATE, MAY BE SUBJECT TO PURCHASE AT THE OPTION OF THE HOLDER OR THE ORGANIZATION, MAY BE EVIDENCED IN SUCH MANNER, MAY BE EXECUTED BY SUCH OFFICERS OF THE ORGANIZATION, INCLUDING THE USE OF ONE OR MORE FACSIMILE SIGNATURES SO LONG AS AT LEAST ONE MANUAL SIGNATURE APPEARS ON THE BONDS, WHICH MAY BE EITHER OF AN OFFICER OF THE ORGANIZATION OR OF AN AGENT AUTHENTICATING THE SAME, MAY BE IN THE FORM OF COUPON BONDS THAT HAVE ATTACHED INTEREST COUPONS BEARING A MANUAL OR FACSIMILE SIGNATURE OF AN OFFICER OF THE ORGANIZATION, AND MAY CONTAIN SUCH PROVISIONS NOT INCONSISTENT WITH THE FOREGOING, ALL AS PROVIDED IN THE RESOLUTION OF THE ORGANIZATION UNDER WHICH THE BONDS ARE AUTHORIZED TO BE ISSUED OR AS PROVIDED IN A TRUST INDENTURE BETWEEN THE ORGANIZATION AND ANY COMMERCIAL BANK OR TRUST COMPANY HAVING FULL TRUST POWERS.

(c) THE BONDS MAY BE SOLD AT PUBLIC OR PRIVATE SALE AT SUCH PRICE OR PRICES, IN SUCH MANNER, AND AT SUCH TIMES AS DETERMINED BY THE EXECUTIVE COMMITTEE OR GOVERNING BOARD OF THE ORGANIZATION, AND SUCH EXECUTIVE COMMITTEE OR GOVERNING BOARD MAY PAY ALL FEES, EXPENSES, AND COMMISSIONS THAT IT DEEMS NECESSARY OR ADVANTAGEOUS IN CONNECTION WITH THE SALE OF THE BONDS. THE POWER TO FIX THE DATE OF THE SALE OF THE BONDS, TO RECEIVE BIDS OR PROPOSALS, TO AWARD AND SELL BONDS TO FIX INTEREST RATES, AND TO TAKE ALL OTHER ACTION NECESSARY TO SELL AND DELIVER THE BONDS MAY BE DELEGATED TO AN OFFICER OR AGENT OF THE ORGANIZATION. ANY OUTSTANDING BONDS MAY BE REFUNDED BY THE ORGANIZATION PURSUANT TO RESOLUTION OF THE EXECUTIVE COMMITTEE OR GOVERNING BOARD OF THE ORGANIZATION. ALL BONDS AND ANY INTEREST COUPONS APPLICABLE THERETO ARE DECLARED TO BE NEGOTIABLE INSTRUMENTS.

(d) THE RESOLUTION OR TRUST INDENTURE AUTHORIZING THE ISSUANCE OF BONDS MAY PLEDGE ALL OR A PORTION OF THE REVENUES OF THE ORGANIZATION, MAY CONTAIN SUCH PROVISIONS FOR PROTECTING AND ENFORCING THE RIGHTS AND REMEDIES OF HOLDERS OF ANY OF THE BONDS AS THE ORGANIZATION DEEMS APPROPRIATE, MAY SET FORTH THE RIGHTS AND REMEDIES OF THE HOLDERS OF ANY OF THE BONDS, AND MAY CONTAIN PROVISIONS THAT THE ORGANIZATION DEEMS APPROPRIATE FOR THE SECURITY OF THE HOLDERS OF THE BONDS, INCLUDING, BUT NOT LIMITED TO, PROVISIONS FOR LETTERS OF CREDIT, INSURANCE, STANDBY CREDIT AGREEMENTS, OR OTHER FORMS OF CREDIT INSURING TIMELY PAYMENT OF THE BONDS, INCLUDING THE REDEMPTION PRICE OR THE PURCHASE PRICE.

(e) ANY PLEDGE OF REVENUES OR PROPERTY MADE BY THE ORGANIZATION OR BY ANY PERSON OR GOVERNMENTAL UNIT WITH WHICH THE ORGANIZATION CONTRACTS SHALL BE VALID AND BINDING FROM THE TIME THE PLEDGE IS MADE. THE REVENUES OR PROPERTY SO PLEDGED SHALL IMMEDIATELY BE SUBJECT TO THE LIEN OF SUCH PLEDGE WITHOUT ANY PHYSICAL DELIVERY OR FURTHER ACT AND THE LIEN OF SUCH PLEDGE SHALL BE VALID AND BINDING AGAINST ALL PARTIES HAVING CLAIMS OF ANY KIND IN TORT, CONTRACT, OR OTHERWISE AGAINST THE PLEDGING PARTY, IRRESPECTIVE OF WHETHER SUCH CLAIMING PARTY HAS NOTICE OF SUCH LIEN. THE INSTRUMENT BY WHICH THE PLEDGE IS CREATED NEED NOT BE RECORDED OR FILED.

(f) NEITHER THE MEMBERS OF THE EXECUTIVE COMMITTEE OR GOVERNING BOARD OF THE ORGANIZATION, EMPLOYEES OF THE ORGANIZATION, NOR ANY PERSON

EXECUTING THE BONDS SHALL BE LIABLE PERSONALLY ON THE BONDS OR SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE THEREOF.

(g) THE ORGANIZATION MAY PURCHASE ITS BONDS OUT OF ANY AVAILABLE FUNDS AND MAY HOLD, PLEDGE, CANCEL, OR RESELL SUCH BONDS SUBJECT TO AND IN ACCORDANCE WITH AGREEMENTS WITH THE HOLDERS THEREOF.

(h) ANY BONDS ISSUED BY THE ORGANIZATION AND THE TRANSFER OF AND INCOME FROM ANY BONDS ISSUED BY THE ORGANIZATION SHALL BE EXEMPT FROM ALL TAXATION AND ASSESSMENTS IN THE STATE.

(i) BONDS ISSUED UNDER THIS ARTICLE SHALL BE DEEMED ISSUED ON BEHALF OF THE ORGANIZATION BUT SHALL NOT BE DEEMED TO CONSTITUTE A MULTIPLE-FISCAL YEAR DIRECT OR INDIRECT DISTRICT DEBT OR OTHER FINANCIAL OBLIGATION WHATSOEVER OF THE STATE FOR PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION OR A DEBT, LIABILITY, OBLIGATION, OR PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE ORGANIZATION, BUT SHALL BE PAYABLE SOLELY FROM THE REVENUE OR PROPERTY OF THE ORGANIZATION PLEDGED FOR SUCH PAYMENT. EACH BOND ISSUED ON BEHALF OF THE ORGANIZATION UNDER THIS SUBSECTION (4) SHALL CONTAIN ON ITS FACE A STATEMENT TO THE EFFECT THAT NEITHER THE STATE NOR ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE ORGANIZATION SHALL BE OBLIGATED TO PAY THE SAME OR THE INTEREST THEREON AND THAT NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THIS STATE NOR ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE ORGANIZATION IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OR INTEREST ON SUCH BOND.

(j) NOTHING IN THIS SUBSECTION (4) SHALL BE CONSTRUED TO OBLIGATE THE GENERAL ASSEMBLY TO SUBSCRIBE TO MEMBERSHIP OR PAY MEMBERSHIP FEES TO ANY ORGANIZATION DECLARED TO BE A JOINT GOVERNMENTAL AGENCY OF THE STATE PURSUANT TO SUBSECTION (2) OF THIS SECTION.

SECTION 2. 24-77-102 (16) (b), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

24-77-102. Definitions. As used in this article, unless the context otherwise requires:

(16) (b) "State" does not include:

(III) ANY ORGANIZATION DECLARED TO BE A JOINT GOVERNMENTAL ENTITY UNDER SECTION 2-3-311 (2), C.R.S.

SECTION 3. 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: June 1, 2000