

CHAPTER 202

WATER AND IRRIGATION

SENATE BILL 15-121

BY SENATOR(S) Crowder, Hodge, Sonnenberg;
also REPRESENTATIVE(S) Dore, Becker K., Brown, Fields, Hamner, Kraft-Tharp, Mitsch Bush, Pettersen, Rankin, Rosenthal,
Williams.

AN ACT

CONCERNING THE ELIGIBILITY FOR FINANCING PROVIDED BY THE COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY OF A PUBLIC WATER SYSTEM THAT IS NOT OWNED BY A GOVERNMENTAL AGENCY.

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

SECTION 1. In Colorado Revised Statutes, 37-95-107.8, **amend** (2) (b) (I), (2) (c) introductory portion, (2) (c) (II), (2) (c) (III) , and (3) (a) as follows:

37-95-107.8. Creation and administration of drinking water revolving fund.
(2) (b) Moneys in the drinking water revolving fund shall be spent in a manner consistent with the terms and conditions of any state revolving program fund established by the safe drinking water act and may be used:

(I) To provide assistance to governmental agencies AND PRIVATE NONPROFIT ENTITIES for projects that appear on the drinking water project eligibility list, referred to in this section as "eligible projects"; and

(c) The authority may spend moneys in the drinking water revolving fund for financial assistance to governmental agencies AND PRIVATE NONPROFIT ENTITIES for eligible projects, including expenditures by any of the following means:

(II) Making loans to governmental agencies AND PRIVATE NONPROFIT ENTITIES;

(III) Purchasing or refinancing obligations of governmental agencies AND PRIVATE NONPROFIT ENTITIES if the debt obligations were incurred after October 14, 1993, or for a project to comply with amendments to regulations enacted by the 1986 amendments to the safe drinking water act;

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

(3) (a) (I) The authority may make and contract to make loans to governmental agencies AND PRIVATE NONPROFIT ENTITIES in accordance with and subject to this section to finance the cost of eligible projects that the governmental agency OR PRIVATE NONPROFIT ENTITY may lawfully undertake or acquire under state law and for which the governmental agency OR PRIVATE NONPROFIT ENTITY is entitled by law to borrow money. The authority may make the loans subject to terms and conditions determined by the authority to be consistent with the purposes of the loans, and, to the extent that moneys originating in grants from the federal government are the source of the loans, consistent with the provisions of the safe drinking water act.

(II) Loans by the authority and the terms and conditions of the loans are subject to financial analysis by the division of local government in the department of local affairs. The financial analysis ~~shall~~ MUST include an analysis of the capacity to repay a loan and the need for financial assistance. The loans ~~shall~~ MUST be evidenced by notes, bonds, or other obligations of the borrower that are issued to the authority. In the case of a governmental agency OR PRIVATE NONPROFIT ENTITY, notes and bonds to be issued to the authority ~~shall~~ MUST be authorized and issued pursuant to this paragraph (a).

(III) All notes, bonds, or other obligations evidencing a loan from the authority may be sold at private sale to the authority at any price, whether or not less than par value. The denominations, the times for payment of principal and interest, and the provisions for redemption prior to maturity of such notes, bonds, or other obligations ~~shall be~~ ARE AS AGREED BY the authority and the borrower. ~~agree~~. Each loan to a governmental agency OR PRIVATE NONPROFIT ENTITY and the notes, bonds, or other obligations thereby issued ~~shall~~ MUST bear interest at such rate or rates per annum at or below market interest rate and ~~shall~~ be for such terms not to exceed twenty years after project completion as the authority and the borrower may agree; except that, if the source of the loaned funds is a grant from the United States, the loan term may be extended in accordance with the terms of the safe drinking water act providing for extended loan terms.

SECTION 2. In Colorado Revised Statutes, 25-1.5-201, **amend** (1) introductory portion as follows:

25-1.5-201. Definitions. As used in this part 2, unless the context otherwise requires:

(1) "Public water systems" means systems for the provision to the public of piped water for human consumption, if such system has at least fifteen service connections or regularly serves at least twenty-five individuals. ~~Such~~ THE term includes SYSTEMS THAT ARE OWNED OR OPERATED BY PRIVATE, NONPROFIT ENTITIES, AS WELL AS:

SECTION 3. Act subject to petition - effective date - applicability. (1) 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 5, 2015, if adjournment sine die is on May 6, 2015); 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 2016 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to conduct occurring on or after the applicable effective date of this act.

Approved: May 19, 2015