

CHAPTER 283

GOVERNMENT - SPECIAL DISTRICTS

HOUSE BILL 07-1219

BY REPRESENTATIVE(S) Roberts, Borodkin, Buescher, Frangas, Levy, McFadyen, McGihon, Merrifield, Todd, Fischer, and Labuda;
also SENATOR(S) Boyd, Bacon, Fitz-Gerald, Groff, Hagedorn, Isgar, Romer, Tapia, Tupa, Williams, and Windels.

AN ACT

CONCERNING SPECIAL DISTRICTS THAT PROVIDE HEALTH CARE SERVICES, AND, IN CONNECTION THEREWITH, PROVIDING EXEMPTIONS FROM CERTAIN PROVISIONS OF THE "SPECIAL DISTRICT ACT" FOR THE FORMATION OF SUCH SPECIAL DISTRICTS, ALLOWING HEALTH ASSURANCE DISTRICTS TO BE CREATED IN ANY PART OF THE STATE, AUTHORIZING HEALTH SERVICE AND HEALTH ASSURANCE DISTRICTS TO LEVY A SALES TAX, AND AUTHORIZING COUNTIES TO IMPOSE A SALES TAX FOR THE PURPOSE OF PROVIDING HEALTH CARE SERVICES.

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

SECTION 1. 32-1-103, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

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

(8.5) "HEALTH ASSURANCE DISTRICT" MEANS A SPECIAL DISTRICT THAT IS CREATED TO ORGANIZE, OPERATE, CONTROL, DIRECT, MANAGE, CONTRACT FOR, FURNISH, OR PROVIDE, DIRECTLY OR INDIRECTLY, HEALTH CARE SERVICES TO RESIDENTS OF THE DISTRICT AND FAMILY MEMBERS OF SUCH RESIDENTS WHO ARE IN NEED OF SUCH SERVICES.

SECTION 2. 32-1-202 (1), Colorado Revised Statutes, is amended to read:

32-1-202. Filing of service plan required - report of filing - contents - fee.
(1) (a) Persons proposing the organization of a special district, except for a special district ~~which~~ THAT is contained entirely within the boundaries of a municipality and subject to the provisions of section 32-1-204.5, shall submit a service plan to the board of county commissioners of each county ~~which~~ THAT has territory included

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

within the boundaries of the proposed special district prior to filing a petition for the organization of the proposed special district in any district court. ~~Such~~ THE service plan shall be filed with the county clerk and recorder for the board of county commissioners at least ten days prior to a regular meeting of the board of county commissioners, the division, and the state auditor. Within five days after the filing of any ~~such~~ service plan, the county clerk and recorder, on behalf of the board of county commissioners, shall report to the division ~~of local government in the department of local affairs~~ on forms furnished by ~~said~~ THE division the name and type of the proposed special district for which the service plan has been filed. If required by county policy adopted pursuant to the procedure provided in section 30-28-112, C.R.S., the service plan shall be referred to the planning commission which shall consider and make a recommendation on the service plan to the board of county commissioners within thirty days after ~~said~~ THE plan was filed with the county clerk and recorder. At the next regular meeting of the board of county commissioners ~~which~~ THAT is held at least ten days after the final planning commission action on the service plan, the board of county commissioners shall set a date within thirty days of ~~such~~ THE meeting for a public hearing on the service plan of the proposed special district. The board of county commissioners shall provide written notice of the date, time, and location of ~~such~~ THE hearing to the division. ~~of local government~~. The board OF COUNTY COMMISSIONERS may continue the hearing for a period not to exceed thirty days unless the proponents of the special district and the board agree to continue the hearing for a longer period.

(b) NOTWITHSTANDING THE REQUIREMENTS OF PARAGRAPH (a) OF THIS SUBSECTION (1), THE SERVICE PLAN OF A PROPOSED HEALTH SERVICE DISTRICT OR HEALTH ASSURANCE 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 PROPOSED DISTRICT. THE BOARD OF COUNTY COMMISSIONERS SHALL PROVIDE WRITTEN NOTICE OF THE MEETING PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (1).

SECTION 3. 32-1-202 (2), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

32-1-202. Filing of service plan required - report of filing - contents - fee.

(2) The service plan shall contain the following:

(k) FOR A HEALTH ASSURANCE DISTRICT, ANY ADDITIONAL INFORMATION REQUIRED BY SECTION 32-19-106 (2) THAT IS NOT OTHERWISE REQUIRED BY PARAGRAPHS (a) TO (i) OF THIS SUBSECTION (2).

SECTION 4. 32-1-203 (3.5), Colorado Revised Statutes, is amended to read:

32-1-203. Action on service plan - criteria. (3.5) (a) The board of county commissioners may exclude territory from a proposed special district prior to approval of the service plan submitted by the petitioners of a proposed special district. The petitioners shall have the burden of proving that the exclusion of ~~such~~

THE property is not in the best interests of the proposed special district. Any person owning property in the proposed special district who requests that his OR HER property be excluded from the special district prior to approval of the service plan shall submit ~~such~~ THE request to the board of county commissioners no later than ten days prior to the hearing held under section 32-1-204, but the board of county commissioners shall not be limited in its action with respect to exclusion of territory based upon ~~such~~ THE request. Any request for exclusion shall be acted upon before final action of the county commissioners under section 32-1-205.

(b) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (a) OF THIS SUBSECTION (3.5), IF THE SERVICE PLAN SUBMITTED BY THE PETITIONERS OF A PROPOSED SPECIAL DISTRICT IS FOR A HEALTH SERVICE DISTRICT OR HEALTH ASSURANCE 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 5. 32-1-204 (1) and (2), Colorado Revised Statutes, are amended to read:

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 ~~which~~ THAT has levied an ad valorem tax within the next preceding tax year and ~~which~~ 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 ~~such~~ 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 ~~such~~ 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; ~~Such~~ EXCEPT THAT, IF THE HEARING IS TO REVIEW A SERVICE PLAN FOR A HEALTH SERVICE DISTRICT OR HEALTH ASSURANCE 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) (a) If there is a county planning commission or a regional planning commission in lieu thereof, the service plan submitted by the petitioners for the organization of the proposed special district shall be delivered by the county clerk and recorder to such planning commission. The county planning commission or regional planning commission shall study such service plan and present its recommendations consistent with this part 2 to the board of county commissioners within thirty days following the filing of the service plan with the county clerk and recorder.

(b) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (a) OF THIS SUBSECTION (2), THE SERVICE PLAN OF A PROPOSED HEALTH SERVICE DISTRICT OR HEALTH ASSURANCE 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).

SECTION 6. 32-1-301 (2) (a), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

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:

(X) HEALTH ASSURANCE DISTRICT.

SECTION 7. 32-1-304, Colorado Revised Statutes, is amended to read:

32-1-304. Notice of court hearing. EXCEPT AS OTHERWISE PROVIDED IN SECTION 32-1-304.5, immediately after the filing of a petition, the court wherein ~~such~~ THE petition is filed, by order, shall fix a place and time, not less than twenty days nor more than forty days after the petition is filed, for hearing thereon. Thereupon the clerk of ~~said~~ THE court shall cause notice by publication to be made of the pendency of the petition, the purposes and boundaries of the special district, and the time and place of hearing thereon. The clerk of ~~said~~ THE court shall also forthwith cause a copy of ~~said~~ THE notice to be mailed by United States registered mail to the board of county commissioners of each of the several counties and to each party entitled to notice pursuant to section 32-1-206 (2). ~~Said~~ THE notice shall include a general description of the land contained within the boundaries of the proposed special district and information explaining methods and procedures for the filing of a petition for exclusion of territory pursuant to section 32-1-305 (3).

SECTION 8. Part 3 of article 1 of title 32, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

32-1-304.5. Court hearing not required - health service district - health assurance district. (1) IF THE PETITION FOR ORGANIZATION FILED WITH THE COURT PURSUANT TO SECTION 32-1-301 IS FOR A HEALTH SERVICE DISTRICT OR HEALTH ASSURANCE DISTRICT, THE COURT SHALL NOT HOLD A HEARING OR PROVIDE NOTICE PURSUANT TO SECTION 32-1-304. IN LIEU OF HOLDING A HEARING, THE COURT SHALL REVIEW THE PETITION FOR A HEALTH SERVICE DISTRICT OR HEALTH ASSURANCE DISTRICT AND THE ADDITIONAL INFORMATION SUBMITTED TO THE COURT PURSUANT TO SECTION 32-1-301. IN ADDITION, THE COURT SHALL REVIEW THE FINDINGS OF THE BOARD OF COUNTY COMMISSIONERS PURSUANT TO SECTION 32-1-205 OR THE FINDINGS OF THE COURT PURSUANT TO SECTION 32-1-206, AS APPLICABLE.

(2) THE COURT SHALL COMPLETE THE REVIEW OF INFORMATION REQUIRED PURSUANT TO SUBSECTION (1) OF THIS SECTION WITHIN THIRTY CALENDAR DAYS OF

RECEIPT OF THE PETITION FOR A HEALTH SERVICE DISTRICT OR HEALTH ASSURANCE DISTRICT. WITHIN SUCH PERIOD, THE COURT SHALL DETERMINE WHETHER THE PERSONS PROPOSING THE PETITION HAVE COMPLIED WITH ALL OF THE STATUTORY REQUIREMENTS FOR PROPOSING A SPECIAL DISTRICT AND THAT THE REQUIRED NUMBER OF TAXPAYING ELECTORS OF THE PROPOSED SPECIAL DISTRICT HAVE SIGNED THE PETITION.

(3) IF THE COURT FINDS THAT THE PETITION HAS NOT BEEN SIGNED AND PRESENTED IN CONFORMITY WITH THIS PART 3, THE COURT SHALL EITHER DISMISS SAID PROCEEDINGS AND ADJUDGE THE COSTS AGAINST THE SIGNERS OF THE PETITION IN THE PROPORTION IT DEEMS JUST AND EQUITABLE OR ALLOW THE PETITIONERS AN OPPORTUNITY TO CORRECT ANY TECHNICAL DEFECTS IN THE PETITION AND REFILE THE PETITION WITH THE COURT. NO APPEAL OR OTHER REMEDY SHALL LIE FROM AN ORDER DISMISSING SAID PROCEEDINGS. NOTHING IN THIS SUBSECTION (3) SHALL BE CONSTRUED TO PREVENT THE FILING OF A SUBSEQUENT PETITION FOR SIMILAR IMPROVEMENTS OR FOR A SIMILAR SPECIAL DISTRICT, AND THE RIGHT SO TO RENEW SUCH PROCEEDINGS IS HEREBY EXPRESSLY GRANTED AND AUTHORIZED.

(4) THE COURT SHALL NOT ACCEPT OR ACT UPON PETITIONS FILED BY AN OWNER OF ANY REAL PROPERTY WITHIN A PROPOSED HEALTH SERVICE DISTRICT OR HEALTH ASSURANCE DISTRICT STATING REASONS WHY THE PROPERTY SHOULD NOT BE INCLUDED THEREIN AND REQUESTING THAT THE PROPERTY BE EXCLUDED THEREFROM.

(5) IF THE COURT CONCLUDES THAT A PETITION FOR THE ORGANIZATION OF A HEALTH SERVICE DISTRICT OR HEALTH ASSURANCE DISTRICT HAS BEEN SIGNED AND PRESENTED IN CONFORMITY WITH THIS PART 3 AND THAT THE ALLEGATIONS OF THE PETITION ARE TRUE, THE COURT, BY ORDER DULY ENTERED OF RECORD, SHALL DIRECT THAT THE QUESTION OF THE ORGANIZATION OF THE SPECIAL DISTRICT BE SUBMITTED AT AN ELECTION TO BE HELD FOR THAT PURPOSE IN ACCORDANCE WITH THE PROVISIONS OF ARTICLES 1 TO 13 OF TITLE 1, C.R.S. IN SUCH EVENT, THE PROVISIONS OF SECTION 32-1-305 (5), (6), AND (7) SHALL APPLY TO THE ELECTION.

SECTION 9. 32-1-305 (1), (2), (3), and (4), Colorado Revised Statutes, are amended to read:

32-1-305. Court hearing - election - declaration of organization. (1) EXCEPT AS OTHERWISE PROVIDED IN SECTION 32-1-304.5, on the day fixed for the hearing provided in section 32-1-304 or at an adjournment thereof, the court shall first ascertain, from such evidence which may be adduced, that the required number of taxpaying electors of the proposed special district have signed the petition.

(2) EXCEPT AS OTHERWISE PROVIDED IN SECTION 32-1-304.5, upon said hearing, if the court finds that the petition has not been signed and presented in conformity with this part 3, it shall dismiss said proceedings and adjudge the costs against the signers of the petition in ~~such~~ THE proportion ~~as~~ it deems just and equitable. No appeal or other remedy shall lie from an order dismissing said proceedings. Nothing in this subsection (2) shall be construed to prevent the filing of a subsequent petition for similar improvements or for a similar special district, and the right so to renew such proceedings is hereby expressly granted and authorized.

(3) EXCEPT AS OTHERWISE PROVIDED IN SECTION 32-1-304.5, anytime after the filing of the petition for the organization of a special district but no later than ten days before the day fixed for the hearing thereon, the owner of any real property within the proposed special district may file a petition with the court stating reasons why said property should not be included therein and requesting that said real property be excluded therefrom. ~~Such~~ THE petition shall be duly verified and shall describe the property sought to be excluded. The court shall hear ~~said~~ THE petition and all objections thereto at the time of the hearing on the petition for organization and shall determine whether, in the best public interest, ~~said~~ THE property should be excluded or included in the proposed special district. The court shall exclude property located in any home rule municipality in respect to which a petition for exclusion has been filed by ~~such~~ THE municipality.

(4) EXCEPT AS OTHERWISE PROVIDED IN SECTION 32-1-304.5, upon the hearing, if it appears that a petition for the organization of a special district has been signed and presented in conformity with this part 3 and that the allegations of the petition are true, the court, by order duly entered of record, shall direct that the question of the organization of the special district ~~shall~~ be submitted at an election to be held for that purpose in accordance with the provisions of articles 1 to 13 of title 1, C.R.S.

SECTION 10. 32-1-805 (1), Colorado Revised Statutes, is amended, and the said 32-1-805 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

32-1-805. Time for holding elections. (1) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4) OF THIS SECTION, regular special district elections shall be held on the Tuesday succeeding the first Monday of May in every even-numbered year.

(4) ANY ELECTION FOR THE ORGANIZATION OF A NEW HEALTH ASSURANCE OR HEALTH SERVICE DISTRICT SHALL BE HELD ON THE DATE OF THE GENERAL ELECTION OR ON THE FIRST TUESDAY IN NOVEMBER OF AN ODD-NUMBERED YEAR, AND ANY ELECTION ON THE PROPOSAL OF A HEALTH ASSURANCE OR HEALTH SERVICE DISTRICT SHALL BE CONDUCTED BY THE COUNTY CLERK AND RECORDER IN WHICH THE PROPOSED DISTRICT WILL BE LOCATED AS PART OF A COORDINATED ELECTION IN ACCORDANCE WITH THE PROVISIONS OF SECTION 1-7-116, C.R.S.

SECTION 11. 32-1-1003 (1) (a), Colorado Revised Statutes, is amended, and the said 32-1-1003 (1) is further amended BY THE ADDITIONS OF THE FOLLOWING NEW PARAGRAPHS, to read:

32-1-1003. Health service districts - additional powers. (1) In addition to the powers specified in section 32-1-1001, the board of any health service district has any or all of the following powers for and on behalf of such district:

(a) To establish, maintain, or operate, directly or indirectly through lease to or from other parties or other arrangement, public hospitals, convalescent centers, nursing care facilities, intermediate care facilities, emergency facilities, community clinics, or other facilities ~~licensed or certified pursuant to section 25-1.5-103 (1) (a), C.R.S.~~, providing health and personal care services, INCLUDING BUT NOT LIMITED TO FACILITIES LICENSED OR CERTIFIED PURSUANT TO SECTION 25-1.5-103 (1) (a),

C.R.S., and to organize, own, operate, control, direct, manage, contract for, or furnish ambulance service in said district;

(d) TO CONTRACT WITH OR WORK COOPERATIVELY AND IN CONJUNCTION WITH A HEALTH ASSURANCE DISTRICT OR OTHER EXISTING HEALTH CARE PROVIDER OR SERVICE TO PROVIDE HEALTH CARE SERVICES TO THE RESIDENTS OF SUCH DISTRICT; AND

(e) TO SEEK APPROVAL FROM THE ELIGIBLE ELECTORS IN THE HEALTH SERVICE DISTRICT TO COLLECT, RETAIN, AND SPEND ALL REVENUE GENERATED BY ANY TAX APPROVED BY THE ELIGIBLE ELECTORS IN EXCESS OF THE LIMITATION PROVIDED IN SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION.

SECTION 12. 32-1-1003, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

32-1-1003. Health service districts - additional powers. (5) ANY HEALTH SERVICE DISTRICT THAT IS CREATED PURSUANT TO THIS ARTICLE SHALL HAVE THE POWER, UPON APPROVAL BY THE ELIGIBLE ELECTORS OF THE DISTRICT, TO LEVY AND COLLECT A UNIFORM SALES TAX THROUGHOUT THE ENTIRE GEOGRAPHIC AREA OF THE DISTRICT UPON EVERY TRANSACTION OR OTHER INCIDENT WITH RESPECT TO WHICH A SALES TAX IS LEVIED BY THE STATE PURSUANT TO THE PROVISIONS OF ARTICLE 26 OF TITLE 39, C.R.S., SUBJECT TO THE FOLLOWING PROVISIONS:

(a) FOR PURPOSES OF THIS SUBSECTION (5), "ELIGIBLE ELECTOR" SHALL HAVE THE SAME MEANING AS SET FORTH IN SECTION 32-19-102 (3).

(b) FOR PURPOSES OF COMPLYING WITH THE PROVISIONS OF SECTION 32-1-301 (2) (d.1), THE PETITION FOR ORGANIZATION SHALL SET FORTH THE ESTIMATED SALES TAX REVENUES FOR THE HEALTH SERVICE DISTRICT'S FIRST BUDGET YEAR IF THE DISTRICT WILL SEEK APPROVAL FROM THE ELIGIBLE ELECTORS OF THE DISTRICT TO LEVY A SALES TAX IN ITS FIRST BUDGET YEAR.

(c) ANY SALES TAX AUTHORIZED PURSUANT TO THIS SUBSECTION (5) SHALL BE LEVIED AND COLLECTED AS PROVIDED IN SECTION 32-19-112.

SECTION 13. 32-1-1003.5 (1), (2) (a), and (4), Colorado Revised Statutes, are amended, and the said 32-1-1003.5 (2) is further amended BY THE ADDITION OF THE FOLLOWING NEW PARAGRAPHS, to read:

32-1-1003.5. Health assurance districts - additional powers - legislative declaration - definitions. (1) The general assembly hereby finds, determines, and declares that access to health care services ~~in rural areas~~ is an increasing problem in Colorado AND THAT some ~~rural~~ Coloradans do not have access to a primary care provider. ~~in their town and are forced to travel.~~ It is the intent of the general assembly to ease the strain on ~~rural~~ Coloradan's health care needs by allowing a special district to be created to ~~directly contract with a physician, a nurse practitioner, or a physician's assistant to provide health care services. to rural areas.~~ It is the intention of the general assembly to review the success of such efforts as authorized by subsection (2) of this section to determine the effectiveness of the program.

(2) In addition to the powers specified in section 32-1-1001, the board of any health assurance district has any or all of the following powers for and on behalf of such district:

(a) To organize, operate, control, direct, manage, contract for, ~~or furnish, health care services from a physician, nurse practitioner, or physician's assistant licensed in this state and such health care provider shall be known as a "community contracted health care provider"~~ OR PROVIDE, DIRECTLY OR INDIRECTLY, HEALTH CARE SERVICES TO RESIDENTS OF THE HEALTH ASSURANCE DISTRICT WHO ARE IN NEED OF SUCH SERVICES;

(c) TO CONTRACT WITH OR WORK COOPERATIVELY AND IN CONJUNCTION WITH A HEALTH SERVICE DISTRICT OR OTHER EXISTING HEALTH CARE PROVIDER OR SERVICE TO PROVIDE HEALTH CARE SERVICES TO THE RESIDENTS OF SUCH DISTRICT; AND

(d) TO SEEK APPROVAL FROM THE ELIGIBLE ELECTORS IN THE HEALTH ASSURANCE DISTRICT TO COLLECT, RETAIN, AND SPEND ALL REVENUE GENERATED BY ANY TAX APPROVED BY THE ELIGIBLE ELECTORS IN EXCESS OF THE LIMITATION PROVIDED IN SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION.

(4) ~~This section is repealed, effective July 1, 2008:~~

SECTION 14. 32-1-1003.5, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

32-1-1003.5. Health assurance districts - additional powers - legislative declaration - definitions. (5) ANY HEALTH ASSURANCE DISTRICT THAT IS CREATED PURSUANT TO THIS ARTICLE SHALL HAVE THE POWER, UPON APPROVAL BY THE ELIGIBLE ELECTORS OF THE DISTRICT, TO LEVY AND COLLECT A UNIFORM SALES TAX THROUGHOUT THE ENTIRE GEOGRAPHIC AREA OF THE DISTRICT UPON EVERY TRANSACTION OR OTHER INCIDENT WITH RESPECT TO WHICH A SALES TAX IS LEVIED BY THE STATE PURSUANT TO THE PROVISIONS OF ARTICLE 26 OF TITLE 39, C.R.S., SUBJECT TO THE FOLLOWING PROVISIONS:

(a) FOR PURPOSES OF THIS SUBSECTION (5), "ELIGIBLE ELECTOR" SHALL HAVE THE SAME MEANING AS SET FORTH IN SECTION 32-19-102 (3).

(b) FOR PURPOSES OF COMPLYING WITH THE PROVISIONS OF SECTION 32-1-301 (2) (d.1), THE PETITION FOR ORGANIZATION SHALL SET FORTH THE ESTIMATED SALES TAX REVENUES FOR THE HEALTH ASSURANCE DISTRICT'S FIRST BUDGET YEAR IF THE DISTRICT WILL SEEK APPROVAL FROM THE ELIGIBLE ELECTORS OF THE DISTRICT TO LEVY A SALES TAX IN ITS FIRST BUDGET YEAR.

(c) ANY SALES TAX AUTHORIZED PURSUANT TO THIS SUBSECTION (5) SHALL BE LEVIED AND COLLECTED AS PROVIDED IN SECTION 32-19-112.

SECTION 15. Title 32, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW ARTICLE to read:

ARTICLE 19
Health Assurance and Health Service Districts

32-19-101. Legislative declaration. THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT ACCESS TO HEALTH CARE SERVICES IS AN INCREASING PROBLEM IN COLORADO AND THAT SOME COLORADANS DO NOT HAVE ACCESS TO A PRIMARY CARE PROVIDER. IT IS THE INTENT OF THE GENERAL ASSEMBLY TO EASE THE STRAIN ON COLORADAN'S HEALTH CARE NEEDS BY ALLOWING A SPECIAL DISTRICT TO BE CREATED TO PROVIDE HEALTH CARE SERVICES AND FACILITIES.

32-19-102. Definitions. AS USED IN THIS ARTICLE, 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:

(a) A HEALTH ASSURANCE DISTRICT CREATED PURSUANT TO THIS ARTICLE TO ORGANIZE, OPERATE, CONTROL, DIRECT, MANAGE, CONTRACT FOR, FURNISH, OR PROVIDE, DIRECTLY OR INDIRECTLY, HEALTH CARE SERVICES TO RESIDENTS OF THE DISTRICT WHO ARE IN NEED OF SUCH SERVICES; OR

(b) A HEALTH SERVICE DISTRICT CREATED PURSUANT TO THIS ARTICLE THAT MAY ESTABLISH, MAINTAIN, OR OPERATE, DIRECTLY OR INDIRECTLY THROUGH LEASE TO OR FROM OTHER PARTIES OR OTHER ARRANGEMENT, PUBLIC HOSPITALS, CONVALESCENT CENTERS, NURSING CARE FACILITIES, INTERMEDIATE CARE FACILITIES, EMERGENCY FACILITIES, COMMUNITY CLINICS, OR OTHER FACILITIES PROVIDING HEALTH AND PERSONAL CARE SERVICES AND MAY ORGANIZE, OWN, OPERATE, CONTROL, DIRECT, MANAGE, CONTRACT FOR, OR FURNISH AMBULANCE SERVICE.

(3) "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, C.R.S.

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

32-19-103. Applicability of "Special District Act". (1) EXCEPT AS PROVIDED IN THIS ARTICLE, A DISTRICT CREATED PURSUANT TO THIS ARTICLE SHALL BE GOVERNED BY THE APPLICABLE PROVISIONS OF THE "SPECIAL DISTRICT ACT", ARTICLE 1 OF THIS TITLE, INCLUDING, BUT NOT LIMITED TO:

(a) PART 1 OF ARTICLE 1 OF THIS TITLE CONTAINING GENERAL PROVISIONS;

(b) PARTS 2 AND 3 OF ARTICLE 1 OF THIS TITLE CONCERNING THE ORGANIZATION OF A SPECIAL DISTRICT;

(c) PART 6 OF ARTICLE 1 OF THIS TITLE CONCERNING THE CONSOLIDATION OF

SPECIAL DISTRICTS;

(d) PART 7 OF ARTICLE 1 OF THIS TITLE CONCERNING THE DISSOLUTION OF SPECIAL DISTRICTS;

(e) PART 8 OF ARTICLE 1 OF THIS TITLE CONCERNING ELECTIONS;

(f) PARTS 9, 10, AND 11 OF ARTICLE 1 OF THIS TITLE CONCERNING THE BOARD OF DIRECTORS FOR A SPECIAL DISTRICT AND THE BOARD'S GENERAL AND FINANCIAL POWERS; AND

(g) PARTS 13 AND 14 OF ARTICLE 1 OF THIS TITLE CONCERNING REFUNDING OF BONDS AND SPECIAL DISTRICT INDEBTEDNESS.

(2) THE FOLLOWING PROVISIONS SHALL NOT APPLY TO A DISTRICT CREATED PURSUANT TO THIS ARTICLE:

(a) PARTS 4 AND 5 OF ARTICLE 1 OF THIS TITLE CONCERNING THE INCLUSION AND EXCLUSION OF TERRITORY IN A SPECIAL DISTRICT;

(b) PART 12 OF ARTICLE 1 OF THIS TITLE CONCERNING THE LEVY AND COLLECTION OF AD VALOREM TAXES; AND

(c) PART 16 OF ARTICLE 1 OF THIS TITLE CONCERNING CERTIFICATION AND NOTICE OF SPECIAL DISTRICT TAXES FOR GENERAL OBLIGATION INDEBTEDNESS.

32-19-104. Special districts file - notice of organization or dissolution.

(1) FOR PURPOSES OF COMPLYING WITH SECTION 32-1-104 (2), A DISTRICT CREATED PURSUANT TO THIS ARTICLE SHALL PROVIDE THE REQUIRED NOTICE TO THE DEPARTMENT OF REVENUE INSTEAD OF THE COUNTY ASSESSOR.

(2) FOR PURPOSES OF 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 WITH THE DEPARTMENT OF REVENUE INSTEAD OF NOTIFYING THE COUNTY ASSESSOR OF THE ACTION.

32-19-105. Service area of district - governmental immunity. (1) A DISTRICT SHALL INCLUDE ALL OF THE TERRITORY OF ONE OR MORE 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 SHALL BE A PUBLIC EMPLOYEE FOR PURPOSES OF THE "COLORADO GOVERNMENTAL IMMUNITY ACT", ARTICLE 10 OF TITLE 24, C.R.S.

32-19-106. 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 THE PROVISIONS OF SECTION 32-19-107, 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 THE PROVISIONS OF SECTION 32-1-202 (2), THE SERVICE PLAN FOR THE DISTRICT SHALL CONTAIN THE FOLLOWING INFORMATION:

(a) (I) IF THE PROPOSED DISTRICT IS A HEALTH ASSURANCE DISTRICT, A DESCRIPTION OF THE PROPOSED HEALTH SERVICES TO BE PROVIDED AND THE PERSONS WHO WILL BE ELIGIBLE TO RECEIVE THOSE SERVICES; OR

(II) IF THE PROPOSED DISTRICT IS A HEALTH SERVICE DISTRICT, A DESCRIPTION OF THE PROPOSED FACILITIES TO BE ESTABLISHED, MAINTAINED, OR OPERATED.

(b) IF THE PROPOSED DISTRICT IS A HEALTH ASSURANCE DISTRICT, A DESCRIPTION OF THE PROPOSED HEALTH SERVICES TO BE PROVIDED IN CONJUNCTION WITH A HEALTH SERVICE DISTRICT, IF ANY, AND IF THE PROPOSED DISTRICT IS A HEALTH SERVICE DISTRICT, A DESCRIPTION OF THE PROPOSED HEALTH SERVICES TO BE PROVIDED IN CONJUNCTION WITH A HEALTH ASSURANCE DISTRICT;

(c) QUALITY ASSURANCE MEASURES;

(d) A FINANCIAL PLAN SHOWING HOW THE PROPOSED SERVICES ARE TO BE FINANCED, INCLUDING THE PROPOSED OPERATING REVENUE DERIVED FROM SALES 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 SHALL BE DISPLAYED TOGETHER WITH A SCHEDULE INDICATING THE YEAR IN WHICH THE DEBT IS SCHEDULED TO BE ISSUED. THE BOARD OF DIRECTORS OF THE DISTRICT SHALL NOTIFY 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, OF ANY ALTERATION OR REVISION OF THE PROPOSED SCHEDULE OF DEBT ISSUANCE SET FORTH IN THE PLAN.

(e) A MAP OF THE PROPOSED DISTRICT BOUNDARIES;

(f) 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;

(g) IF APPLICABLE, A GENERAL DESCRIPTION OF THE ESTIMATED COST OF ACQUIRING OR LEASING LAND OR FACILITIES, ACQUIRING ENGINEERING, LEGAL, AND ADMINISTRATIVE SERVICES, 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;

(h) 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, INCLUDING THE FORM CONTRACT TO BE USED, IF AVAILABLE;

(i) INFORMATION, ALONG WITH OTHER EVIDENCE PRESENTED AT THE HEARING PURSUANT TO SECTION 32-1-204, SATISFACTORY TO ESTABLISH THAT EACH OF THE CRITERIA SET FORTH IN SECTION 32-1-203, IF APPLICABLE, IS MET; AND

(j) SUCH ADDITIONAL INFORMATION AS 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, MAY REQUIRE ON WHICH TO BASE ITS FINDINGS PURSUANT TO SECTION 32-1-203.

(3) EXCEPT AS PROVIDED IN SECTION 32-19-107, 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 THE PROVISIONS OF SECTION 32-1-203. THE PROVISIONS OF SECTION 32-1-203 (3.5) (a) SHALL NOT APPLY TO A DISTRICT PROPOSED PURSUANT TO THIS ARTICLE.

32-19-107. Approval by municipality. IF THE BOUNDARIES OF A DISTRICT PROPOSED PURSUANT TO THIS ARTICLE ARE WHOLLY CONTAINED WITHIN THE BOUNDARIES OF A MUNICIPALITY, THE PERSONS PROPOSING THE ORGANIZATION OF THE DISTRICT SHALL COMPLY WITH THE PROVISIONS OF SECTION 32-1-204.5; EXCEPT THAT THE SERVICE PLAN SUBMITTED TO EACH GOVERNING BODY OF EACH MUNICIPALITY SHALL CONTAIN THE INFORMATION REQUIRED BY SECTION 32-19-106 (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.

32-19-108. 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 SHALL CONSTITUTE CONSTRUCTIVE NOTICE TO THE INTERESTED PARTIES IN THE PROPOSED DISTRICT.

(2) THE PROVISIONS OF SECTION 32-1-204 (2) (a) SHALL NOT APPLY TO A DISTRICT PROPOSED PURSUANT TO THIS ARTICLE.

(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 (1.5) 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" SHALL HAVE THE SAME MEANING AS SET FORTH IN SECTION 32-19-102 (4).

(4) UPON FINAL APPROVAL BY THE COURT FOR THE ORGANIZATION OF A DISTRICT PURSUANT TO SECTION 32-1-304.5, THE DISTRICT SHALL CONFORM AS MUCH AS POSSIBLE TO THE APPROVED SERVICE PLAN, AND ANY MATERIAL MODIFICATIONS TO THE PLAN SHALL 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" SHALL HAVE THE SAME MEANING AS SET FORTH IN SECTION 32-19-102 (4).

32-19-109. Organization. (1) EXCEPT AS PROVIDED IN THIS SECTION, THE ORGANIZATION OF A DISTRICT PURSUANT TO THIS ARTICLE SHALL BE GOVERNED BY THE PROVISIONS OF PART 3 OF ARTICLE 1 OF THIS TITLE.

(2) FOR PURPOSES OF COMPLYING WITH THE PROVISIONS OF SECTION 32-1-301 (1), A PETITION FOR THE ORGANIZATION OF A DISTRICT PROPOSED PURSUANT TO THIS ARTICLE SHALL 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 THE PROVISIONS OF SECTION 32-1-301 (2) (d.1), THE PETITION FOR ORGANIZATION SHALL SET FORTH THE ESTIMATED SALES TAX REVENUES FOR THE DISTRICT'S FIRST BUDGET YEAR.

(4) FOR PURPOSES OF COMPLYING WITH THE PROVISIONS OF SECTION 32-1-304.5 (2), THE COURT SHALL DETERMINE WHETHER THE REQUIRED NUMBER OF ELIGIBLE ELECTORS OF THE PROPOSED DISTRICT HAVE SIGNED THE PETITION.

(5) FOR PURPOSES OF THE FILING REQUIREMENTS IN SECTION 32-1-306, INSTEAD OF FILING A MAP OF THE DISTRICT WITH THE COUNTY ASSESSOR, THE DISTRICT SHALL FILE A CERTIFIED COPY OF THE FINDINGS AND ORDER OF THE COURT ORGANIZING THE DISTRICT WITH THE DEPARTMENT OF REVENUE.

32-19-110. Time for holding elections - persons entitled to vote at district elections. (1) FOR A DISTRICT, REGULAR SPECIAL DISTRICT ELECTIONS SHALL BE HELD ON THE DATE OF THE GENERAL ELECTION OR ON THE FIRST TUESDAY IN NOVEMBER OF AN ODD-NUMBERED YEAR, AND ANY ELECTION ON THE PROPOSAL SHALL BE CONDUCTED BY THE COUNTY CLERK AND RECORDER AS PART OF A COORDINATED ELECTION IN ACCORDANCE WITH THE PROVISIONS OF SECTION 1-7-116, C.R.S.

(2) NOTWITHSTANDING THE PROVISIONS OF SECTION 32-1-806, ANY PERSON WHO IS AN ELIGIBLE ELECTOR AS DEFINED IN SECTION 32-19-102 (3) SHALL BE ELIGIBLE TO VOTE IN AN ORGANIZATIONAL ELECTION OR ANY ELECTION CONDUCTED BY THE BOARD OF DIRECTORS FOR A DISTRICT.

32-19-111. Financial powers. ANY DISTRICT CREATED PURSUANT TO THIS ARTICLE SHALL HAVE ALL OF THE FINANCIAL POWERS DESCRIBED IN SECTION 32-1-1101; EXCEPT THAT THE LEVY AND COLLECTION OF AD VALOREM TAXES SHALL BE SUBJECT TO THE PROVISIONS OF SECTION 32-19-115. THE DISTRICT SHALL ALSO HAVE THE POWER, UPON VOTER APPROVAL, TO LEVY AND COLLECT A UNIFORM SALES TAX THROUGHOUT THE ENTIRE GEOGRAPHICAL AREA OF THE DISTRICT UPON EVERY TRANSACTION OR OTHER INCIDENT WITH RESPECT TO WHICH A SALES TAX IS LEVIED

BY THE STATE PURSUANT TO THE PROVISIONS OF ARTICLE 26 OF TITLE 39, C.R.S. ANY SALES TAX AUTHORIZED PURSUANT TO THIS SECTION SHALL BE LEVIED AND COLLECTED AS PROVIDED IN SECTION 32-19-112.

32-19-112. Sales 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, THE DISTRICT SHALL HAVE THE POWER TO LEVY A UNIFORM SALES TAX THROUGHOUT THE ENTIRE GEOGRAPHICAL AREA OF THE DISTRICT UPON EVERY TRANSACTION OR OTHER INCIDENT WITH RESPECT TO WHICH A SALES TAX IS LEVIED BY THE STATE PURSUANT TO THE PROVISIONS OF ARTICLE 26 OF TITLE 39, C.R.S.

(b) THE SALES TAX IMPOSED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (1) IS IN ADDITION TO ANY OTHER SALES TAX IMPOSED PURSUANT TO LAW AND IS EXEMPT FROM THE LIMITATION IMPOSED BY SECTION 29-2-108 (1), C.R.S.

(2)(a) THE COLLECTION, ADMINISTRATION, AND ENFORCEMENT OF THE SALES TAX SHALL BE PERFORMED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE IN THE SAME MANNER AS THAT FOR THE COLLECTION, ADMINISTRATION, AND ENFORCEMENT OF THE STATE SALES TAX IMPOSED PURSUANT TO ARTICLE 26 OF TITLE 39, C.R.S., 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 TAX AS PROVIDED IN SECTION 39-26-105, C.R.S. THE EXECUTIVE DIRECTOR SHALL MAKE MONTHLY DISTRIBUTIONS OF SALES 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 TAX.

(b) (I) A QUALIFIED PURCHASER MAY PROVIDE A DIRECT PAYMENT PERMIT NUMBER ISSUED PURSUANT TO SECTION 39-26-103.5, C.R.S., 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 THE PROVISIONS OF THIS ARTICLE. 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 THE PROVISIONS OF THIS ARTICLE IN THE SAME MANNER AS LIABILITY WOULD BE IMPOSED ON A QUALIFIED PURCHASER FOR STATE SALES TAX PURSUANT TO SECTION 39-26-105 (3), C.R.S.

32-19-113. 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.

32-19-114. Cooperation between districts or other existing providers permitted. A HEALTH ASSURANCE DISTRICT AND A HEALTH SERVICE DISTRICT SHALL EACH HAVE THE AUTHORITY TO CONTRACT WITH OR WORK COOPERATIVELY AND IN CONJUNCTION WITH ANOTHER HEALTH ASSURANCE DISTRICT OR HEALTH SERVICE DISTRICT, OR ANY EXISTING HEALTH CARE PROVIDERS OR SERVICES TO PROVIDE HEALTH CARE SERVICES AND FACILITIES TO THE RESIDENTS OF SUCH DISTRICTS.

32-19-115. Levy and collection of ad valorem taxes. (1) ANY DISTRICT THAT IS CREATED PURSUANT TO THIS ARTICLE SHALL HAVE 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 SUBJECT TO THE FOLLOWING PROVISIONS:

(a) FOR PURPOSES OF THIS SECTION, "ELIGIBLE ELECTOR" SHALL HAVE THE SAME MEANING AS SET FORTH IN SECTION 32-1-103 (5).

(b) THE LEVY AND COLLECTION OF AD VALOREM TAXES SHALL BE SUBJECT TO THE APPLICABLE PROVISIONS OF THE "SPECIAL DISTRICT ACT", ARTICLE 1 OF THIS TITLE.

SECTION 16. Article 2 of title 29, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

29-2-103.8. Sales tax for health care services. (1) IN ADDITION TO ANY SALES TAX IMPOSED PURSUANT TO SECTION 29-2-103, EACH COUNTY IN THE STATE IS AUTHORIZED TO LEVY A COUNTY SALES TAX FOR THE PURPOSE OF PROVIDING, DIRECTLY OR INDIRECTLY, HEALTH CARE SERVICES TO RESIDENTS OF THE COUNTY WHO ARE IN NEED OF HEALTH CARE SERVICES.

(2) (a) ANY COUNTY IN WHICH HEALTH CARE SERVICES ARE PROVIDED MAY ENTER INTO INTERGOVERNMENTAL AGREEMENTS WITH ANY MUNICIPALITY OR OTHER COUNTY OR MAY ENTER INTO CONTRACTUAL AGREEMENTS WITH ANY PRIVATE PROVIDER OR HEALTH SERVICE DISTRICT, AS DEFINED IN SECTION 32-1-103 (9), C.R.S., FOR THE PURPOSE OF PROVIDING HEALTH CARE SERVICES WITHIN THE COUNTY.

(b) ANY COUNTY THAT USES SALES TAX REVENUES IMPOSED PURSUANT TO THIS SECTION FOR THE PROVISION OF HEALTH CARE SERVICES SHALL ESTABLISH STANDARDS FOR SUCH SERVICES.

(3) (a) NO SALES TAX SHALL BE LEVIED PURSUANT TO THE PROVISIONS OF SUBSECTION (1) OF THIS SECTION UNTIL THE PROPOSAL HAS BEEN REFERRED TO AND APPROVED BY THE ELIGIBLE ELECTORS OF THE COUNTY IN ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE. THE BALLOT QUESTION FOR ANY PROPOSAL FOR A SALES TAX INCREASE PURSUANT TO THIS SECTION SHALL CLEARLY STATE THAT THE APPROVAL OF THE SALES TAX MAY RESULT IN A SALES TAX RATE IN EXCESS OF THE CURRENT LIMITATION IMPOSED BY SECTION 29-2-108.

(b) ANY PROPOSAL FOR THE LEVY OF A SALES TAX IN ACCORDANCE WITH PARAGRAPH (a) OF THIS SUBSECTION (3) SHALL ONLY BE SUBMITTED TO THE ELIGIBLE ELECTORS OF THE COUNTY ON THE DATE OF THE STATE GENERAL ELECTION OR ON

THE FIRST TUESDAY IN NOVEMBER OF AN ODD-NUMBERED YEAR, AND ANY ELECTION ON THE PROPOSAL SHALL BE CONDUCTED BY THE COUNTY CLERK AND RECORDER IN ACCORDANCE WITH THE "UNIFORM ELECTION CODE OF 1992", ARTICLES 1 TO 13 OF TITLE 1, C.R.S.

(4) ALL REVENUES COLLECTED FROM A COUNTY SALES TAX IMPOSED PURSUANT TO THIS SECTION SHALL BE CREDITED TO A SPECIAL FUND IN THE COUNTY TREASURY KNOWN AS THE COUNTY HEALTH CARE SERVICES FUND. THE FUND SHALL BE USED ONLY FOR THE PURPOSE OF PROVIDING HEALTH CARE SERVICES IN ACCORDANCE WITH THIS SECTION.

SECTION 17. 29-2-108 (3), Colorado Revised Statutes, is amended to read:

29-2-108. Limitation on amount. (3) A tax imposed pursuant to ~~section 24-90-110.7 (3) (f), 29-1-204.5 (3) (f.1), 29-2-103.7, 29-2-103.9, 30-11-107.5, 30-11-107.7, or 37-50-110, C.R.S.~~ SECTION 24-90-110.7 (3) (f), 29-1-204.5 (3) (f.1), 29-2-103.7, 29-2-103.8, 29-2-103.9, 30-11-107.5, 30-11-107.7, OR 37-50-110, C.R.S., and the additional tax authorized by section 30-20-604.5, C.R.S., if imposed, shall be exempt from the six and ninety one-hundredths percent limitation imposed by subsection (1) of this section.

SECTION 18. 24-34-104 (39) (b) (XIV), Colorado Revised Statutes, is amended to read:

24-34-104. General assembly review of regulatory agencies and functions for termination, continuation, or reestablishment. (39) (b) The following agencies, functions, or both, shall terminate on July 1, 2008:

(XIV) Review of the use of community contracted health care providers pursuant to section 31-15-302 (1), C.R.S., ~~and 32-1-1003.5, C.R.S.~~, by the department of public health and environment in cooperation with the department of regulatory agencies;

SECTION 19. 39-1-110 (3), Colorado Revised Statutes, is amended to read:

39-1-110. Notice - formation of political subdivision - boundary change of special district. (3) The provisions of this section shall not apply to any school district, ~~or~~ junior college district, HEALTH SERVICE DISTRICT CREATED PURSUANT TO SECTION 32-1-1003, C.R.S., OR HEALTH ASSURANCE DISTRICT CREATED PURSUANT TO SECTION 32-1-1003.5, C.R.S.

SECTION 20. Effective date - applicability. This act shall take effect July 1, 2007, and shall apply to service plans and petitions for health service districts and health assurance districts filed on or after said date.

SECTION 21. 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 24, 2007