

**Second Regular Session  
Sixty-sixth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 08-0876.01 Thomas Morris

**HOUSE BILL 08-1350**

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**HOUSE SPONSORSHIP**

**Madden,**

**SENATE SPONSORSHIP**

**Romer,**

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**House Committees**

Transportation & Energy

**Senate Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING THE FACILITATION OF THE FINANCING OF RENEWABLE**  
102             **ENERGY.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)*

Facilitates the financing of renewable energy projects by local governments and the clean energy development authority. Updates the authority's ability to issue bonds for such projects. Authorizes the removal for cause of members of the board of directors of the authority.

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

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.

1           **SECTION 1.** 40-9.7-102 (2), Colorado Revised Statutes, is  
2 amended to read:

3           **40-9.7-102. Legislative declaration.** (2) The general assembly  
4 further finds and declares that the purpose of this article is to create the  
5 Colorado clean energy development authority and to endow the authority  
6 with powers sufficient to enable it to:

7           (a) Facilitate the production and consumption of clean energy; ~~and~~

8           (b) Increase the transmission and use of clean energy by financing  
9 and refinancing projects located within or outside the state for the  
10 production, transportation, transmission, and storage of clean energy,  
11 including pipelines, and related supporting infrastructure and interests  
12 therein; AND

13           (c) FACILITATE THE EFFICIENT USE OF ENERGY.

14           **SECTION 2.** 40-9.7-103, Colorado Revised Statutes, is amended  
15 **BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to**  
16 **read:**

17           **40-9.7-103. Definitions.** As used in this article, unless the context  
18 otherwise requires:

19           

20           (5.5) "ENERGY EFFICIENCY IMPROVEMENT" MEANS AN  
21 INSTALLATION OR MODIFICATION THAT IS DESIGNED TO REDUCE ENERGY  
22 CONSUMPTION IN RESIDENTIAL OR COMMERCIAL BUILDINGS AND INCLUDES  
23 ANY OTHER MODIFICATION, INSTALLATION, OR REMODELING AUTHORIZED  
24 AS A UTILITY COST-SAVINGS MEASURE BY THE BOARD.

25           (13.5) "RENEWABLE ENERGY IMPROVEMENT" MEANS ANY  
26 FIXTURE, PRODUCT, SYSTEM, DEVICE, OR INTERACTING GROUP OF DEVICES  
27 INSTALLED UPON OR SERVING ANY RESIDENTIAL OR COMMERCIAL

1 BUILDING THAT PRODUCES ENERGY FROM RENEWABLE RESOURCES,  
2 INCLUDING, BUT NOT LIMITED TO, PHOTOVOLTAIC SYSTEMS, SOLAR  
3 THERMAL SYSTEMS, SMALL WIND SYSTEMS, BIOMASS SYSTEMS, OR  
4 GEOTHERMAL SYSTEMS, AS MAY BE AUTHORIZED BY THE BOARD.

5 **SECTION 3.** 40-9.7-103 (10), Colorado Revised Statutes, is  
6 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

7 **40-9.7-103. Definitions.** As used in this article, unless the context  
8 otherwise requires:

9 (10) (c) "PROJECT" ALSO MEANS ANY RENEWABLE ENERGY  
10 IMPROVEMENT OR ENERGY EFFICIENCY IMPROVEMENT.

11 **SECTION 4.** 29-3-103 (10) (k) and (10) (l), Colorado Revised  
12 Statutes, are amended, and the said 29-3-103 (10) is further amended BY  
13 THE ADDITION OF A NEW PARAGRAPH, to read:

14 **29-3-103. Definitions.** As used in this article, unless the context  
15 otherwise requires:

16 (10) "Project" means any land, building, or other improvement  
17 and all real or personal properties, and any undivided or other interest in  
18 any of the foregoing, except inventories and raw materials, whether or not  
19 in existence, suitable or used for or in connection with any of the  
20 following:

21 (k) Research, product-testing, and administrative facilities; ~~and~~

22 (l) Facilities for private and not-for-profit institutions of higher  
23 education; AND

24 (m) CAPITAL IMPROVEMENTS TO EXISTING RESIDENTIAL,  
25 COMMERCIAL, OR INDUSTRIAL STRUCTURES TO RETROFIT SUCH  
26 STRUCTURES FOR SIGNIFICANT ENERGY SAVINGS OR INSTALLATION OF  
27 SOLAR OR OTHER ALTERNATIVE ELECTRICAL ENERGY-PRODUCING

1 IMPROVEMENTS.

2 **SECTION 5.** 30-11-107 (1) (ii), Colorado Revised Statutes, is  
3 amended to read:

4 **30-11-107. Powers of the board.** (1) The board of county  
5 commissioners of each county has power at any meeting:

6 (ii) To provide in the county budget for programs that support  
7 education and outreach on environmental sustainability AND FOR  
8 FINANCING CAPITAL IMPROVEMENTS FOR ENERGY EFFICIENCY RETROFITS  
9 AND THE INSTALLATION OF RENEWABLE ENERGY FIXTURES, AS DEFINED IN  
10 SECTION 30-11-107.3, FOR PRIVATE RESIDENCES AND COMMERCIAL  
11 PROPERTY within the county but THAT do not exempt the county from the  
12 requirements of any other statute.

13 **SECTION 6.** The introductory portion to 40-9.7-108 (1),  
14 Colorado Revised Statutes, is amended to read:

15 **40-9.7-108. Colorado clean energy development authority**  
16 **fund - creation - authorization of projects.** (1) The AUTHORITY SHALL  
17 CREATE A Colorado clean energy development authority fund ~~is hereby~~  
18 ~~created in the state treasury~~ IN A FINANCIAL INSTITUTION WITHIN OR  
19 ~~OUTSIDE THE STATE.~~ The following moneys, together with any other  
20 moneys appropriated by the general assembly, shall be credited to the  
21 fund subject to agreements with the holders of bonds, financing  
22 agreements, contracts, agreements, or other obligations of the authority  
23 authorized by this article:

24 **SECTION 7.** Part 6 of article 20 of title 30, Colorado Revised  
25 Statutes, is amended BY THE ADDITION OF A NEW SECTION to  
26 read:

27 **30-20-601.5. Legislative declaration - inclusion of energy**

1 **efficiency and renewable energy production projects in local**  
2 **improvement districts.** (1) THE GENERAL ASSEMBLY FINDS,

3 DETERMINES, AND DECLARES THAT:

4 (a) THE PRODUCTION AND EFFICIENT USE OF ENERGY WILL  
5 CONTINUE TO PLAY A CENTRAL ROLE IN THE FUTURE OF THIS STATE AND  
6 THE NATION AS A WHOLE; AND

7 (b) THE DEVELOPMENT, PRODUCTION, AND EFFICIENT USE OF  
8 RENEWABLE ENERGY WILL ADVANCE THE SECURITY, ECONOMIC  
9 WELL-BEING, AND PUBLIC AND ENVIRONMENTAL HEALTH OF THIS STATE,  
10 AS WELL AS CONTRIBUTING TO THE ENERGY INDEPENDENCE OF OUR  
11 NATION.

12 (2) THE GENERAL ASSEMBLY FURTHER FINDS, DETERMINES, AND  
13 DECLARES THAT THE INCLUSION OF ENERGY EFFICIENCY AND RENEWABLE  
14 ENERGY PRODUCTION PROJECTS FOR RESIDENTIAL AND COMMERCIAL USE  
15 IN LOCAL IMPROVEMENT DISTRICTS, AND POWERS CONFERRED UNDER THIS  
16 PART 6, AS WELL AS THE EXPENDITURES OF PUBLIC MONEYS MADE  
17 PURSUANT TO THIS ARTICLE, WILL SERVE A VALID PUBLIC PURPOSE AND  
18 THAT THE ENACTMENT OF THIS PART 6 IS EXPRESSLY DECLARED TO BE IN  
19 THE PUBLIC INTEREST.

20 **SECTION 8.** 30-20-602, Colorado Revised Statutes, is amended  
21 BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to  
22 read:

23 **30-20-602. Definitions.** As used in this part 6, unless the context  
24 otherwise requires:

25 (2.8) "ENERGY EFFICIENCY IMPROVEMENT" MEANS AN  
26 INSTALLATION OR MODIFICATION THAT IS DESIGNED TO REDUCE ENERGY  
27 CONSUMPTION IN RESIDENTIAL OR COMMERCIAL BUILDINGS AND

1 INCLUDES, BUT IS NOT LIMITED TO, THE FOLLOWING:

2 (a) INSULATION IN WALLS, ROOFS, FLOORS, AND FOUNDATIONS AND  
3 IN HEATING AND COOLING DISTRIBUTION SYSTEMS;

4 (b) STORM WINDOWS AND DOORS, MULTIGLAZED WINDOWS AND  
5 DOORS, HEAT-ABSORBING OR HEAT-REFLECTIVE GLAZED AND COATED  
6 WINDOW AND DOOR SYSTEMS, ADDITIONAL GLAZING, REDUCTIONS IN  
7 GLASS AREA, AND OTHER WINDOW AND DOOR SYSTEM MODIFICATIONS  
8 THAT REDUCE ENERGY CONSUMPTION;

9 (c) AUTOMATIC ENERGY CONTROL SYSTEMS;

10 (d) HEATING, VENTILATING, OR AIR CONDITIONING AND  
11 DISTRIBUTION SYSTEM MODIFICATIONS OR REPLACEMENTS IN BUILDINGS  
12 OR CENTRAL PLANTS;

13 (e) CAULKING AND WEATHERSTRIPPING;

14 (f) REPLACEMENT OR MODIFICATION OF LIGHTING FIXTURES TO  
15 INCREASE THE ENERGY EFFICIENCY OF THE SYSTEM WITHOUT INCREASING  
16 THE OVERALL ILLUMINATION OF A RESIDENTIAL OR COMMERCIAL BUILDING  
17 UNLESS SUCH INCREASE IN ILLUMINATION IS NECESSARY TO CONFORM TO  
18 THE APPLICABLE BUILDING CODE FOR THE PROPOSED LIGHTING SYSTEM;

19 (g) ENERGY RECOVERY SYSTEMS;

20 (h) DAYLIGHTING SYSTEMS; AND

21 (i) ANY OTHER MODIFICATION, INSTALLATION, OR REMODELING  
22 APPROVED AS A UTILITY COST-SAVINGS MEASURE BY THE BOARD.

23 (4.7) "RENEWABLE ENERGY IMPROVEMENT" MEANS A FIXTURE,  
24 PRODUCT, SYSTEM, DEVICE, OR INTERACTING GROUP OF DEVICES  
25 INSTALLED UPON OR SERVING ANY RESIDENTIAL AND COMMERCIAL  
26 BUILDING THAT PRODUCES ENERGY FROM RENEWABLE RESOURCES,  
27 INCLUDING, BUT NOT LIMITED TO, PHOTOVOLTAIC SYSTEMS, SOLAR

1 THERMAL SYSTEMS, SMALL WIND SYSTEMS, BIOMASS SYSTEMS, OR  
2 GEOTHERMAL SYSTEMS, AS MAY BE INCLUDED IN THE APPROVAL OF THE  
3 DISTRICT BY THE BOARD.

4 **SECTION 9.** 30-20-603 (1), Colorado Revised Statutes, is  
5 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

6 **30-20-603. Improvements authorized - how instituted -**  
7 **conditions.** (1) (e) THE IMPROVEMENTS AUTHORIZED BY THIS PART 6  
8 MAY INCLUDE, WHERE SPECIFIED OR GENERALLY PROVIDED FOR IN THE  
9 RESOLUTION OF THE BOARD APPROVING THE DISTRICT, ANY RENEWABLE  
10 ENERGY IMPROVEMENT OR ENERGY EFFICIENCY IMPROVEMENT TO ANY  
11 RESIDENTIAL OR COMMERCIAL PROPERTY WITHIN THE DISTRICT.

12 **SECTION 10.** 30-20-603, Colorado Revised Statutes, is amended  
13 BY THE ADDITION OF A NEW SUBSECTION to read:

14 **30-20-603. Improvements authorized - how instituted -**  
15 **conditions.** (11.5) ANY OTHER PROVISION OF THIS PART 6  
16 NOTWITHSTANDING, THE BOARD MAY INITIATE AN IMPROVEMENT DISTRICT  
17 FOR THE PURPOSE OF ENCOURAGING, ACCOMMODATING, AND FINANCING  
18 IMPROVEMENTS OF A CHARACTER AUTHORIZED BY PARAGRAPH (e) OF  
19 SUBSECTION (1) OF THIS SECTION. ANY SUCH DISTRICT SHALL INCLUDE  
20 ONLY PROPERTY FOR WHICH THE OWNER HAS EXECUTED A CONTRACT OR  
21 AGREEMENT CONSENTING TO THE INCLUSION OF SUCH PROPERTY WITHIN  
22 THE DISTRICT, AND SUCH CONSENT MAY OCCUR SUBSEQUENT TO THE  
23 ADOPTION OF THE RESOLUTION OF THE BOARD FORMING THE DISTRICT.  
24 THE INCLUSION OF SUCH PROPERTY WITHIN THE DISTRICT SUBSEQUENT TO  
25 THE ADOPTION OF THE RESOLUTION OF THE BOARD FORMING THE DISTRICT  
26 MAY BE MADE BY THE ADOPTION OF A SUPPLEMENTAL OR AMENDING  
27 RESOLUTION OF THE BOARD. FOR DISTRICTS FORMED FOR THE PURPOSE OF

1 ENCOURAGING, ACCOMMODATING, AND FINANCING RENEWABLE ENERGY  
2 IMPROVEMENTS OR ENERGY EFFICIENCY IMPROVEMENTS, THE PROVISIONS  
3 OF SUBSECTIONS (4) AND (5) OF THIS SECTION CONCERNING COMPETITIVE  
4 BIDDING AND PRELIMINARY PLANS AND SPECIFICATIONS, OF SECTION  
5 30-20-601 CONCERNING CONSTRUCTION UNDER THE DIRECTION OF  
6 COUNTY OFFICERS, OF SECTION 30-20-622 CONCERNING CONTRACTS FOR  
7 CONSTRUCTION, AND OF SECTION 30-20-623 CONCERNING CONTRACT  
8 PROVISIONS SHALL NOT APPLY. FOR SUCH DISTRICTS, THE OWNER OF  
9 PROPERTY WITHIN A DISTRICT MAY ARRANGE IMPROVEMENTS THAT  
10 QUALIFY PURSUANT TO THE RESOLUTION OF THE BOARD AUTHORIZING  
11 IMPROVEMENTS FOR THE DISTRICT AND MAY OBTAIN FINANCING FOR SAID  
12 IMPROVEMENTS FROM THE DISTRICT THROUGH THE PROCESS SET FORTH IN  
13 THE RESOLUTION FORMING THE DISTRICT.

14 **SECTION 11.** 30-20-604, Colorado Revised Statutes, is amended  
15 BY THE ADDITION OF A NEW SUBSECTION to read:

16 **30-20-604. Cost assessed in accordance with benefits.** (4) ANY  
17 DISTRICT FORMED FOR THE PURPOSE OF ENCOURAGING, ACCOMMODATING,  
18 AND FINANCING IMPROVEMENTS AS AUTHORIZED IN SECTION 30-20-603  
19 (11.5) SHALL ASSESS THE COSTS OF THE IMPROVEMENTS TO EACH  
20 PROPERTY WHOSE OWNER HAS ENTERED INTO A CONTRACT OR AGREEMENT  
21 FOR THE IMPROVEMENTS. THE CONTRACTS AND AGREEMENTS ENTERED  
22 INTO WITH THE OWNER OF PROPERTY, AS AUTHORIZED BY THE BOARD,  
23 SHALL BE CONCLUSIVE REGARDING THE SPECIAL BENEFIT TO THE  
24 PROPERTY AND THE AMOUNT THAT MAY BE ASSESSED AGAINST THE  
25 PROPERTY.

26 **SECTION 12.** 30-20-606, Colorado Revised Statutes, is amended  
27 BY THE ADDITION OF A NEW SUBSECTION to read:

1           **30-20-606. Determination of special benefits - factors**  
2 **considered.** (2) AS USED IN CONNECTION WITH ANY DISTRICT FORMED  
3 FOR THE PURPOSE OF ENCOURAGING, ACCOMMODATING, AND FINANCING  
4 IMPROVEMENTS AS AUTHORIZED IN SECTION 30-20-603 (11.5), THE TERM  
5 "BENEFIT" SHALL INCLUDE, BUT NOT BE LIMITED TO, ANY ACKNOWLEDGED  
6 VALUE SET FORTH IN THE CONTRACTS AND AGREEMENTS ENTERED INTO BY  
7 THE OWNER OF THE ASSESSED PROPERTY.

8           **SECTION 13.** 30-20-608, Colorado Revised Statutes, is amended  
9 BY THE ADDITION OF A NEW SUBSECTION to read:

10           **30-20-608. Notice of apportionment.** (2) ANY DISTRICT FORMED  
11 FOR THE PURPOSE OF ENCOURAGING, ACCOMMODATING, AND FINANCING  
12 IMPROVEMENTS AS AUTHORIZED IN SECTION 30-20-603 (11.5) SHALL NOT  
13 BE REQUIRED TO PROVIDE A NOTICE OF APPORTIONMENT BY PUBLICATION;  
14 RATHER, SUCH NOTICE, IF ANY, MAY BE PROVIDED IN THE TIME AND  
15 MANNER SET FORTH IN THE CONTRACT OR AGREEMENT ENTERED INTO FOR  
16 EACH PROPERTY INCLUDED IN THE DISTRICT.

17           **SECTION 14.** 30-20-610, Colorado Revised Statutes, is amended  
18 BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to  
19 read:

20           **30-20-610. Assessment constitutes a lien - filing with county**  
21 **clerk and recorder - corrections.** (4) TO PROVIDE FOR UNANTICIPATED  
22 INCREASES IN THE COSTS OF IMPROVEMENTS, THE AMOUNT OF ANY  
23 ASSESSMENT IMPOSED BEFORE THE COMPLETION OF THE RELATED  
24 IMPROVEMENTS MAY BE INCREASED TO A TOTAL AMOUNT NOT IN EXCESS  
25 OF THE SPECIAL BENEFIT CONFERRED UPON THE AFFECTED PROPERTY IF,  
26 NOT MORE THAN NINETY DAYS FOLLOWING THE COMPLETION OF SUCH  
27 IMPROVEMENTS, THE BOARD GIVES NOTICE OF ITS INTENT TO CONSIDER

1 THE AMENDMENT OF SUCH ASSESSMENT, STATING THE TIME AND PLACE  
2 THAT A PUBLIC HEARING SHALL BE HELD THEREON, AND HOLDS SUCH  
3 PUBLIC HEARING, IN THE SAME MANNER AS PROVIDED FOR HEARINGS HELD  
4 PURSUANT TO SECTIONS 30-20-608 AND 30-20-609. AT THE CONCLUSION  
5 OF SUCH PUBLIC HEARING, THE BOARD MAY DETERMINE WHETHER TO  
6 AMEND ONE OR MORE ASSESSMENTS WITHIN A DISTRICT. ANY SUCH  
7 AMENDMENT SHALL TAKE EFFECT AS OF THE DATE OF THE ORIGINAL  
8 ASSESSMENT.

9 (5) IF, AS THE RESULT OF ANY SUBDIVISION, RESUBDIVISION,  
10 VACATION OF RIGHT-OF-WAY, OR OTHER ACTION TAKEN SUBSEQUENT TO  
11 THE ADOPTION OF THE ASSESSMENT RESOLUTION, ANY NEW LOT OR  
12 PARCEL IS CREATED WITHIN A DISTRICT, THE BOARD MAY, WITHOUT A  
13 PUBLIC HEARING AND WITH THE CONSENT OF THE OWNER OF THE NEW LOT  
14 OR PARCEL, MODIFY THE ASSESSMENT RESOLUTION TO REAPPORTION ALL  
15 OR ANY PART OF THE TOTAL AMOUNT ASSESSED IN THE DISTRICT TO SUCH  
16 NEW LOT OR PARCEL.

17 **SECTION 15.** 30-20-612, Colorado Revised Statutes, is amended  
18 to read:

19 **30-20-612. When assessments payable - installments.** All  
20 special assessments for local improvements shall be due and payable  
21 within thirty days after the effective date of the assessing resolution  
22 without demand, but all such assessments may be paid, at the election of  
23 the owner, in installments with interest as provided in section 30-20-614.  
24 ALL SPECIAL ASSESSMENTS FOR LOCAL IMPROVEMENTS AUTHORIZED IN  
25 SECTION 30-20-603 (11.5) MAY BE DUE AND PAYABLE AT SUCH  
26 ALTERNATE TIME OR TIMES AS SET FORTH IN THE ASSESSING RESOLUTION.

27 **SECTION 16.** 30-20-613, Colorado Revised Statutes, is amended

1 to read:

2           **30-20-613. Effect of payment in installments.** Failure to pay the  
3 whole assessment within said period of thirty days shall be conclusively  
4 considered and held to be an election on the part of all persons interested,  
5 whether under disability or otherwise, to pay in such installments. All  
6 persons so electing to pay in installments shall be conclusively held and  
7 considered as consenting to said improvements. Such election shall be  
8 conclusively held and considered as a waiver of any right to question the  
9 power or jurisdiction of the county to construct the improvements, the  
10 quality of the work, the regularity or sufficiency of the proceedings, the  
11 validity or the correctness of the assessments, or the validity of the lien  
12 thereof; EXCEPT THAT, WITH RESPECT TO LOCAL IMPROVEMENTS  
13 AUTHORIZED IN SECTION 30-20-603 (11.5), THE OWNER FOR EACH  
14 PROPERTY INCLUDED IN THE DISTRICT SHALL RETAIN ALL RIGHTS  
15 OTHERWISE EXISTING BY CONTRACT OR BY LAW AGAINST PARTIES OTHER  
16 THAN THE COUNTY WITH RESPECT TO THE FINANCED ENERGY EFFICIENCY  
17 IMPROVEMENT OR RENEWABLE ENERGY IMPROVEMENT.

18           **SECTION 17.** 30-20-614, Colorado Revised Statutes, is amended  
19 to read:

20           **30-20-614. How installments paid - interest.** In case of such  
21 election to pay in installments, the assessments shall be payable in two or  
22 more installments of principal, the first of which installments shall be  
23 payable as prescribed by the board in not more than five years and the last  
24 in not more than twenty years, with interest in all cases on the unpaid  
25 principal. The number and amounts of payment of installments, the  
26 period of payment, and the rate and times of payment of interest shall be  
27 determined by the board and set forth in the assessing resolution. The

1 times of payment of installments shall be the same as the times of  
2 payment for installments of property taxes as specified in section  
3 39-10-104.5 (2), C.R.S.; EXCEPT THAT ALL SPECIAL ASSESSMENTS FOR  
4 LOCAL IMPROVEMENTS AUTHORIZED IN SECTION 30-20-603 (11.5) MAY BE  
5 PAYABLE AT SUCH ALTERNATE TIMES AS PROVIDED BY THE BOARD IN THE  
6 ASSESSING RESOLUTION AND THE BOARD MAY ENTER INTO AGREEMENTS  
7 WITH THIRD PARTIES TO ASSIST THE TREASURER WITH THE  
8 ADMINISTRATION AND COLLECTION OF SUCH INSTALLMENTS.

9 **SECTION 18.** 30-20-619 (1) and (2), Colorado Revised Statutes,  
10 are amended, and the said 30-20-619 is further amended BY THE  
11 ADDITION OF A NEW SUBSECTION, to read:

12 **30-20-619. Issuing bonds - property specially benefited.**

13 (1) For the purpose of paying all or such portion of the cost of any  
14 improvement constructed or acquired under the provisions of this part 6  
15 as may be assessed against the property specially benefited and not paid  
16 by the sales tax authorized by section 30-20-604.5 or by the county,  
17 special assessment bonds of the county may be issued, of such date, in  
18 such form, and on such terms, including, without limitation, provisions  
19 for their sale, payment, and redemption, as may be prescribed by the  
20 board, bearing the name of the street or district improved and payable in  
21 a sufficient period of years after SUCH date to cover the period of payment  
22 provided, and in convenient denominations. All such bonds shall be  
23 issued upon estimates approved by the board, and the county treasurer  
24 shall preserve a record of the same in a suitable book kept for that  
25 purpose. All such bonds shall be subscribed by the ~~chairman~~ CHAIR of the  
26 board, countersigned by the county treasurer, with the county seal thereto  
27 affixed, and attested by the county clerk and recorder. Such bonds shall

1 be payable out of the moneys collected on account of the assessments  
2 made for said improvements, FROM RESERVE ACCOUNTS, IF ANY,  
3 ESTABLISHED TO SECURE THE PAYMENT OF SUCH BONDS, AND FROM ANY  
4 OTHER LEGALLY AVAILABLE MONEYS. All moneys collected from such  
5 assessments for any improvement shall be applied to the payment of the  
6 bonds issued, until payment in full is made of all the bonds, both principal  
7 and interest, OR TO FUND OR REPLENISH RESERVE ACCOUNTS, IF ANY,  
8 ESTABLISHED TO SECURE THE PAYMENT OF SUCH BONDS. The bonds may  
9 be sold, under such terms and conditions as are established by the board,  
10 in such amounts as will be sufficient to pay for the cost of the  
11 improvements.

12 (2) Whenever three-fourths of the bonds issued pursuant to  
13 subsection (1) of this section for an improvement constructed under ~~the~~  
14 ~~provisions of this part 6~~ have been paid and cancelled and for any reason  
15 ~~the~~ ANY remaining assessments are not paid in time to pay the remaining  
16 bonds for the district and the interest due thereon, the county ~~shall~~ MAY  
17 pay, ~~if so provided in the resolution authorizing issuance of the bonds~~  
18 FROM LEGALLY AVAILABLE MONEYS, the bonds when due and the interest  
19 due thereon and ~~shall~~ MAY reimburse itself by collecting the unpaid  
20 assessments due the district.

21 (8) NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART 6,  
22 ANY DISTRICT FORMED FOR THE PURPOSE OF ENCOURAGING,  
23 ACCOMMODATING, AND FINANCING IMPROVEMENTS AS AUTHORIZED IN  
24 SECTION 30-20-603 (11.5) MAY BE AUTHORIZED TO ISSUE ONE OR MORE  
25 SERIES OF BONDS, AND BONDS OF ANY SUCH DISTRICT MAY BE PAYABLE  
26 FROM THE ASSESSMENTS LEVIED PURSUANT TO ONE OR MORE ASSESSMENT  
27 RESOLUTIONS.

1           **SECTION 19.** 31-15-711 (1), Colorado Revised Statutes, is  
2 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

3           **31-15-711. Other public improvements.** (1) The governing  
4 body of each municipality has the power:

5           (j) TO PROVIDE IN THE MUNICIPAL BUDGET FOR PROGRAMS THAT  
6 SUPPORT EDUCATION AND OUTREACH ON ENVIRONMENTAL  
7 SUSTAINABILITY AND FOR FINANCING CAPITAL IMPROVEMENTS FOR  
8 ENERGY EFFICIENCY RETROFITS AND THE INSTALLATION OF RENEWABLE  
9 ENERGY FIXTURES, AS DEFINED IN SECTION 30-11-107.3, FOR PRIVATE  
10 RESIDENCES AND COMMERCIAL PROPERTY WITHIN THE MUNICIPALITY BUT  
11 THAT DO NOT EXEMPT THE MUNICIPALITY FROM THE REQUIREMENTS OF  
12 ANY OTHER STATUTE.

13           **SECTION 20.** Part 5 of article 25 of title 31, Colorado Revised  
14 Statutes, is amended BY THE ADDITION OF A NEW SECTION to  
15 read:

16           **31-25-500.2. Legislative declaration - energy efficiency and**  
17 **renewable energy production projects.** (1) THE GENERAL ASSEMBLY  
18 FINDS, DETERMINES, AND DECLARES THAT:

19           (a) THE PRODUCTION AND EFFICIENT USE OF ENERGY WILL  
20 CONTINUE TO PLAY A CENTRAL ROLE IN THE FUTURE OF THIS STATE AND  
21 THE NATION AS A WHOLE; AND

22           (b) THE DEVELOPMENT, PRODUCTION, AND EFFICIENT USE OF  
23 RENEWABLE ENERGY WILL ADVANCE THE SECURITY, ECONOMIC  
24 WELL-BEING, AND PUBLIC AND ENVIRONMENTAL HEALTH OF THIS STATE,  
25 AS WELL AS CONTRIBUTING TO THE ENERGY INDEPENDENCE OF OUR  
26 NATION.

27           (2) THE GENERAL ASSEMBLY FURTHER FINDS, DETERMINES, AND

1       DECLARES THAT THE INCLUSION OF ENERGY EFFICIENCY AND RENEWABLE  
2       ENERGY PRODUCTION PROJECTS FOR RESIDENTIAL AND COMMERCIAL USE  
3       IN SPECIAL IMPROVEMENT DISTRICTS, AND POWERS CONFERRED UNDER  
4       THIS PART 5, AS WELL AS THE EXPENDITURES OF PUBLIC MONEYS MADE  
5       PURSUANT TO THIS PART 5, WILL SERVE A VALID PUBLIC PURPOSE AND  
6       THAT THE ENACTMENT OF THIS PART 5 IS EXPRESSLY DECLARED TO BE IN  
7       THE PUBLIC INTEREST.

8               **SECTION 21.** 31-25-501, Colorado Revised Statutes, is amended  
9       BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to  
10      read:

11              **31-25-501. Definitions.** As used in this part 5, unless the context  
12      otherwise requires:

13              (1.9)   "ENERGY EFFICIENCY IMPROVEMENT" MEANS AN  
14      INSTALLATION OR MODIFICATION THAT IS DESIGNED TO REDUCE ENERGY  
15      CONSUMPTION IN RESIDENTIAL OR COMMERCIAL BUILDINGS AND  
16      INCLUDES, BUT IS NOT LIMITED TO, THE FOLLOWING:

17              (a) INSULATION IN WALLS, ROOFS, FLOORS, AND FOUNDATIONS AND  
18      IN HEATING AND COOLING DISTRIBUTION SYSTEMS;

19              (b) STORM WINDOWS AND DOORS, MULTIGLAZED WINDOWS AND  
20      DOORS, HEAT-ABSORBING OR HEAT-REFLECTIVE GLAZED AND COATED  
21      WINDOW AND DOOR SYSTEMS, ADDITIONAL GLAZING, REDUCTIONS IN  
22      GLASS AREA, AND OTHER WINDOW AND DOOR SYSTEM MODIFICATIONS  
23      THAT REDUCE ENERGY CONSUMPTION;

24              (c) AUTOMATIC ENERGY CONTROL SYSTEMS;

25              (d) HEATING, VENTILATING, OR AIR CONDITIONING AND  
26      DISTRIBUTION SYSTEM MODIFICATIONS OR REPLACEMENTS IN BUILDINGS  
27      OR CENTRAL PLANTS;

- 1 (e) CAULKING AND WEATHERSTRIPPING;
- 2 (f) REPLACEMENT OR MODIFICATION OF LIGHTING FIXTURES TO
- 3 INCREASE THE ENERGY EFFICIENCY OF THE SYSTEM WITHOUT INCREASING
- 4 THE OVERALL ILLUMINATION OF A RESIDENTIAL OR COMMERCIAL BUILDING
- 5 UNLESS SUCH INCREASE IN ILLUMINATION IS NECESSARY TO CONFORM TO
- 6 THE APPLICABLE BUILDING CODE FOR THE PROPOSED LIGHTING SYSTEM;
- 7 (g) ENERGY RECOVERY SYSTEMS;
- 8 (h) DAYLIGHTING SYSTEMS; AND
- 9 (i) ANY OTHER MODIFICATION, INSTALLATION, OR REMODELING
- 10 APPROVED AS A UTILITY COST-SAVINGS MEASURE BY THE GOVERNING
- 11 BODY.

12 (4) "RENEWABLE ENERGY IMPROVEMENT" MEANS A FIXTURE,  
13 PRODUCT, SYSTEM, DEVICE, OR INTERACTING GROUP OF DEVICES  
14 INSTALLED UPON OR SERVING ANY RESIDENTIAL OR COMMERCIAL  
15 BUILDING THAT PRODUCES ENERGY FROM RENEWABLE RESOURCES,  
16 INCLUDING, BUT NOT LIMITED TO, PHOTOVOLTAIC SYSTEMS, SOLAR  
17 THERMAL SYSTEMS, SMALL WIND SYSTEMS, BIOMASS SYSTEMS, OR  
18 GEOTHERMAL SYSTEMS, AS MAY BE AUTHORIZED BY THE GOVERNING  
19 BODY.

20 **SECTION 22.** 31-25-502, Colorado Revised Statutes, is amended  
21 to read:

22 **31-25-502. Powers to make local improvements.** (1) A district  
23 may be formed in accordance with the requirements of this part 5 for the  
24 purpose of constructing, installing, or acquiring any public improvement  
25 so long as the municipality that forms the district is authorized to provide  
26 such improvement under the municipality's home rule charter or  
27 ordinance passed pursuant to such charter, if any, or the laws of this state.

1 Public improvements shall not include any facility identified in section  
2 30-20-101 (8) or (9), C.R.S.

3 (2) THE IMPROVEMENTS AUTHORIZED BY THIS PART 5 MAY  
4 INCLUDE, WHERE SO SPECIFIED OR GENERALLY PROVIDED FOR IN THE  
5 ORDINANCE OF THE GOVERNING BODY FORMING THE DISTRICT, ANY  
6 RENEWABLE ENERGY IMPROVEMENT OR ENERGY EFFICIENCY  
7 IMPROVEMENT TO ANY RESIDENTIAL OR COMMERCIAL PROPERTY WITHIN  
8 THE DISTRICT.

9 (3) It is lawful for any municipality to construct any of the local  
10 improvements mentioned in this part 5 and to assess the cost thereof,  
11 wholly or in part, upon the property especially benefited by such  
12 improvements. The improvements shall be authorized by ordinance duly  
13 adopted and shall be constructed under the direction of the municipal  
14 engineer or other officer having similar duties or under the direction of  
15 the governing body in accordance with plans and specifications adopted  
16 by the governing body; EXCEPT THAT FOR DISTRICTS FORMED FOR THE  
17 PURPOSE OF ENCOURAGING, ACCOMMODATING, AND FINANCING  
18 RENEWABLE ENERGY IMPROVEMENTS OR ENERGY EFFICIENCY  
19 IMPROVEMENTS, THE OWNER OF PROPERTY WITHIN A DISTRICT MAY  
20 ARRANGE IMPROVEMENTS THAT QUALIFY PURSUANT TO THE ORDINANCE  
21 OF THE GOVERNING BODY AUTHORIZING IMPROVEMENTS FOR THE DISTRICT  
22 AND MAY OBTAIN FINANCING FOR SAID IMPROVEMENTS FROM THE  
23 DISTRICT THROUGH THE PROCESS SET FORTH IN THE ORDINANCE FORMING  
24 THE DISTRICT.

25 **SECTION 23.** 31-25-503 (9), Colorado Revised Statutes, is  
26 amended to read:

27 **31-25-503. What improvements may be made - conditions.**

1 (9) (a) Any other provision of this part 5 to the contrary notwithstanding,  
2 the governing body may create a district for the purpose of acquiring  
3 existing improvements of a character authorized by this part 5, in which  
4 case, the provisions of this part 5 concerning construction of  
5 improvements by the municipality, competitive bidding, and preliminary  
6 plans and specifications shall not apply.

7 (b) ANY OTHER PROVISION OF THIS PART 5 NOTWITHSTANDING, THE  
8 GOVERNING BODY MAY CREATE AN IMPROVEMENT DISTRICT FOR THE  
9 PURPOSE OF ENCOURAGING, ACCOMMODATING, AND FINANCING  
10 RENEWABLE ENERGY IMPROVEMENTS AND ENERGY EFFICIENCY  
11 IMPROVEMENTS OF A CHARACTER AUTHORIZED BY SECTION 31-25-502 (2).  
12 ANY SUCH DISTRICT SHALL INCLUDE ONLY PROPERTY FOR WHICH THE  
13 OWNER HAS EXECUTED A CONTRACT OR AGREEMENT CONSENTING TO THE  
14 INCLUSION OF SUCH PROPERTY WITHIN THE DISTRICT, AND SUCH CONSENT  
15 MAY OCCUR SUBSEQUENT TO THE ADOPTION OF THE ORDINANCE OF THE  
16 GOVERNING BODY FORMING THE DISTRICT. THE INCLUSION OF SUCH  
17 PROPERTY WITHIN THE DISTRICT SUBSEQUENT TO THE ADOPTION OF THE  
18 ORDINANCE OF THE GOVERNING BODY FORMING THE DISTRICT MAY BE  
19 MADE BY THE ADOPTION OF A SUPPLEMENTAL OR AMENDING ORDINANCE  
20 OR RESOLUTION OF THE GOVERNING BODY. FOR DISTRICTS FORMED FOR  
21 THE PURPOSE OF ENCOURAGING, ACCOMMODATING, AND FINANCING  
22 RENEWABLE ENERGY IMPROVEMENTS OR ENERGY EFFICIENCY  
23 IMPROVEMENTS, THE PROVISIONS OF SUBSECTIONS (2) AND (3) OF THIS  
24 SECTION CONCERNING PRELIMINARY ORDERS, COMPETITIVE BIDDING, AND  
25 PRELIMINARY PLANS AND SPECIFICATIONS, OF SECTION 31-25-516  
26 CONCERNING CONTRACTS FOR CONSTRUCTION, AND OF SECTION 31-25-518  
27 CONCERNING CONTRACT PROVISIONS SHALL NOT APPLY.

1           **SECTION 24.** 31-25-507, Colorado Revised Statutes, is amended  
2 BY THE ADDITION OF A NEW SUBSECTION to read:

3           **31-25-507. Determination of special benefits - factors**  
4 **considered.** (2) AS USED IN CONNECTION WITH ANY DISTRICT FORMED  
5 FOR THE PURPOSE OF ENCOURAGING, ACCOMMODATING, AND FINANCING  
6 IMPROVEMENTS AS AUTHORIZED IN SECTION 31-25-502 (2), THE TERM  
7 "BENEFIT" SHALL INCLUDE, BUT NOT BE LIMITED TO, ANY ACKNOWLEDGED  
8 VALUE SET FORTH IN THE CONTRACTS AND AGREEMENTS ENTERED INTO BY  
9 THE OWNER OF THE ASSESSED PROPERTY.

10           **SECTION 25.** 31-25-513, Colorado Revised Statutes, is amended  
11 BY THE ADDITION OF A NEW SUBSECTION to read:

12           **31-25-513. Cost assessed in accordance with benefits.** (4) ANY  
13 DISTRICT FORMED FOR THE PURPOSE OF ENCOURAGING, ACCOMMODATING,  
14 AND FINANCING IMPROVEMENTS AS AUTHORIZED IN SECTION 31-25-502 (2)  
15 SHALL ASSESS THE COSTS OF THE IMPROVEMENTS TO EACH PROPERTY  
16 WHOSE OWNER HAS ENTERED INTO A CONTRACT OR AGREEMENT FOR THE  
17 IMPROVEMENTS. THE CONTRACTS AND AGREEMENTS ENTERED INTO WITH  
18 THE OWNER OF PROPERTY, AS AUTHORIZED BY THE GOVERNING BODY,  
19 SHALL BE CONCLUSIVE REGARDING THE SPECIAL BENEFIT TO THE  
20 PROPERTY AND THE AMOUNT THAT MAY BE ASSESSED AGAINST THE  
21 PROPERTY.

22           **SECTION 26.** 31-25-520, Colorado Revised Statutes, is amended  
23 to read:

24           **31-25-520. Notice of hearing on assessments.** (1) The clerk  
25 shall give notice that the assessment roll has been completed and of a  
26 hearing on the assessment roll by publication in an issue of a newspaper  
27 of general circulation in the municipality, the publication to be at least

1 fifteen days prior to the date of hearing. The same notice of the hearing  
2 shall be mailed by first-class mail to each property owner to be assessed  
3 for the cost of the improvements who is included within the district. The  
4 mailed notice shall be made on or about the date of the publication of the  
5 notice of hearing. The notices shall specify: The whole cost of the  
6 improvement; the portion, if any, to be paid by such municipality; the  
7 share apportioned to each lot or tract of land; that any complaints or  
8 objections ~~which~~ THAT may be made in writing by the property owners or  
9 any citizen to the governing body, and filed in writing on or prior to the  
10 date of the hearing, will be heard and determined by the governing body  
11 before the passage of any ordinance assessing the cost of said  
12 improvements; and the date when and the place where such complaints  
13 or objections will be heard.

14 (2) ANY DISTRICT FORMED FOR THE PURPOSE OF ENCOURAGING,  
15 ACCOMMODATING, AND FINANCING IMPROVEMENTS AS AUTHORIZED IN  
16 SECTION 31-25-502 (2) SHALL NOT BE REQUIRED TO PROVIDE A NOTICE OF  
17 THE HEARING ON ASSESSMENTS BY PUBLICATION; RATHER, SUCH NOTICE,  
18 IF ANY, MAY BE PROVIDED IN THE TIME AND MANNER SET FORTH IN THE  
19 CONTRACT OR AGREEMENT ENTERED INTO BY THE OWNER FOR EACH  
20 PROPERTY INCLUDED IN THE DISTRICT.

21 **SECTION 27.** 31-25-522, Colorado Revised Statutes, is amended  
22 BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to  
23 read:

24 **31-25-522. Assessment of a lien - filing with county clerk and**  
25 **recorder - corrections.** (4) TO PROVIDE FOR UNANTICIPATED INCREASES  
26 IN THE COSTS OF IMPROVEMENTS, THE AMOUNT OF ANY ASSESSMENT  
27 IMPOSED BEFORE THE COMPLETION OF THE RELATED IMPROVEMENTS MAY

1 BE INCREASED TO A TOTAL AMOUNT NOT IN EXCESS OF THE SPECIAL  
2 BENEFIT CONFERRED UPON THE AFFECTED PROPERTY IF, NOT MORE THAN  
3 NINETY DAYS FOLLOWING THE COMPLETION OF SUCH IMPROVEMENTS, THE  
4 GOVERNING BODY GIVES NOTICE OF ITS INTENT TO CONSIDER THE  
5 AMENDMENT OF SUCH ASSESSMENT, STATING THE TIME AND PLACE THAT  
6 A PUBLIC HEARING SHALL BE HELD THEREON, AND HOLDS SUCH PUBLIC  
7 HEARING, IN THE SAME MANNER AS PROVIDED FOR HEARINGS HELD  
8 PURSUANT TO SECTIONS 31-25-520 AND 31-25-521. AT THE CONCLUSION  
9 OF SUCH PUBLIC HEARING, THE GOVERNING BODY MAY DETERMINE  
10 WHETHER TO AMEND ONE OR MORE ASSESSMENTS WITHIN A DISTRICT.  
11 ANY SUCH AMENDMENT SHALL TAKE EFFECT AS OF THE DATE OF THE  
12 ORIGINAL ASSESSMENT.

13 (5) IF, AS THE RESULT OF ANY SUBDIVISION, RESUBDIVISION,  
14 VACATION OF RIGHT-OF-WAY, OR OTHER ACTION TAKEN SUBSEQUENT TO  
15 THE ADOPTION OF THE ASSESSMENT ORDINANCE, ANY NEW LOT OR PARCEL  
16 IS CREATED WITHIN A DISTRICT, THE GOVERNING BODY MAY, WITHOUT A  
17 PUBLIC HEARING AND WITH THE CONSENT OF THE OWNER OF THE NEW LOT  
18 OR PARCEL, MODIFY THE ASSESSMENT ORDINANCE TO REAPPORTION ALL  
19 OR ANY PART OF THE TOTAL AMOUNT ASSESSED IN THE DISTRICT TO SUCH  
20 NEW LOT OR PARCEL.

21 **SECTION 28.** 31-25-524, Colorado Revised Statutes, is amended  
22 BY THE ADDITION OF A NEW SUBSECTION to read:

23 **31-25-524. Payment - assessment roll returned.** (4) ALL  
24 SPECIAL ASSESSMENTS FOR LOCAL IMPROVEMENTS AUTHORIZED IN  
25 SECTION 31-25-502 (2) MAY BE DUE AND PAYABLE AT SUCH ALTERNATE  
26 TIME OR TIMES AS SET FORTH IN THE ASSESSING ORDINANCE.

27 **SECTION 29.** 31-25-526 (1), Colorado Revised Statutes, is

1 amended to read:

2           **31-25-526. Collection of assessment payments - by municipal**  
3 **treasurer - by county treasurer.** (1) The governing body may, by  
4 ordinance, direct the municipal treasurer to collect any amount payable  
5 as an assessment pursuant to this part 5 OR AUTHORIZE THE MUNICIPAL  
6 TREASURER OR OTHER APPROPRIATE MUNICIPAL OFFICIAL TO ENTER INTO  
7 CONTRACTS WITH THIRD PARTIES FOR ASSISTANCE IN THE ADMINISTRATION  
8 AND COLLECTION OF ASSESSMENTS. If the governing body does not direct,  
9 by ordinance, that assessment payments be collected by the municipal  
10 treasurer, then such payments shall be collected by the county treasurer.

11           **SECTION 30.** 31-25-527, Colorado Revised Statutes, is amended  
12 to read:

13           **31-25-527. When assessments payable - installments.** All  
14 special assessments for local improvements shall be due and payable  
15 within thirty days after the final publication of the assessing ordinance  
16 without demand; but all such assessments may be paid, at the election of  
17 the owner, in installments with interest as provided in section 31-25-528.  
18 ALL SPECIAL ASSESSMENTS FOR LOCAL IMPROVEMENTS AUTHORIZED IN  
19 SECTION 31-25-502 (2) MAY BE DUE AND PAYABLE AT SUCH ALTERNATE  
20 TIME OR TIMES AS SET FORTH IN THE ASSESSING ORDINANCE.

21           **SECTION 31.** 31-25-529, Colorado Revised Statutes, is amended  
22 to read:

23           **31-25-529. Effect of payment in installments.** Failure to pay the  
24 whole assessment within said period of thirty days shall be conclusively  
25 considered to be an election on the part of all persons interested, whether  
26 under disability or otherwise, to pay in installments. All persons so  
27 electing to pay in installments shall be conclusively considered to have

1 consented to said improvements. Such election shall be conclusively  
2 considered to be a waiver of any right to question the power or  
3 jurisdiction of the municipality to construct the improvements, the quality  
4 of the work, the regularity or sufficiency of the proceedings, the validity  
5 or the correctness of the assessments, or the validity of the lien thereof;  
6 EXCEPT THAT WITH RESPECT TO LOCAL IMPROVEMENTS AUTHORIZED IN  
7 SECTION 31-25-502 (2), THE OWNER FOR EACH PROPERTY INCLUDED IN THE  
8 DISTRICT SHALL RETAIN ALL RIGHTS OTHERWISE EXISTING BY CONTRACT  
9 OR BY LAW AGAINST PARTIES OTHER THAN THE COUNTY WITH RESPECT TO  
10 THE FINANCED ENERGY EFFICIENCY IMPROVEMENT OR RENEWABLE  
11 ENERGY IMPROVEMENT.

12 **SECTION 32.** 31-25-534 (1), Colorado Revised Statutes, is  
13 amended, and the said 31-25-534 is further amended BY THE  
14 ADDITION OF A NEW SUBSECTION, to read:

15 **31-25-534. Issuing bonds - property specially benefited.**

16 (1) For the purpose of paying all or such portion of the cost of any  
17 improvement constructed under ~~the provisions of this part 5~~ as may be  
18 assessed against the property specially benefited, special assessment  
19 bonds of the municipality may be issued of such date, in such form, and  
20 on such terms, including, without limitation, provisions for their sale,  
21 payment, and redemption, as may be prescribed by the governing body,  
22 bearing the name of the street, alley, or district improved and payable in  
23 a sufficient period of years after SUCH date to cover the period of payment  
24 provided and in convenient denominations. All such bonds shall be  
25 issued upon estimates approved by the governing body, and the municipal  
26 treasurer shall preserve a record of the same in a suitable book kept for  
27 that purpose. All such bonds shall be subscribed by the mayor,

1       countersigned by the municipal treasurer, with the corporate seal thereto  
2       affixed, and attested by the clerk. Such bonds shall be payable out of the  
3       moneys collected on account of the assessments made for said  
4       improvements, FROM RESERVE ACCOUNTS, IF ANY, ESTABLISHED TO  
5       SECURE PAYMENT OF SUCH BONDS, AND FROM ANY OTHER LEGALLY  
6       AVAILABLE MONEYS. Whenever three-fourths of the bonds for an  
7       improvement constructed under ~~the provisions of this part 5~~ have been  
8       paid and cancelled and for any reason ~~the~~ ANY remaining assessments are  
9       not paid in time to pay the remaining bonds for the district and the interest  
10      due thereon, the municipality ~~shall~~ MAY pay, ~~if so provided in the~~  
11      ~~ordinance authorizing issuance of the bonds~~ FROM LEGALLY AVAILABLE  
12      MONEYS, the bonds when due and the interest due thereon and reimburse  
13      itself by collecting the unpaid assessments due the district. All moneys  
14      collected from such assessments for any improvement shall be applied to  
15      the payment of the bonds issued until payment in full is made of all the  
16      bonds, both principal and interest, OR TO FUND OR REPLENISH RESERVE  
17      ACCOUNTS, IF ANY, ESTABLISHED TO SECURE THE PAYMENT OF SUCH  
18      BONDS. The bonds may be used in payment of the cost of the  
19      improvement as specified; or the governing body, upon advertisement  
20      published at least once in a newspaper of general circulation in such  
21      municipality and in such other newspapers as may be designated by the  
22      governing body, may sell a sufficient number of said bonds to pay such  
23      cost in cash for the best bid submitted in accordance with the terms of the  
24      notice of sale. All bids may be rejected at the discretion of the governing  
25      body. In addition, the bonds may be sold on such terms and conditions  
26      at a private sale if determined by the governing body to be in the best  
27      interests of the municipality.

1           (6) NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART 5,  
2           ANY DISTRICT FORMED FOR THE PURPOSE OF ENCOURAGING,  
3           ACCOMMODATING, AND FINANCING IMPROVEMENTS AS AUTHORIZED IN  
4           SECTION 31-25-502 (2) MAY BE AUTHORIZED TO ISSUE ONE OR MORE  
5           SERIES OF BONDS, AND BONDS OF ANY SUCH DISTRICT MAY BE PAYABLE  
6           FROM THE ASSESSMENTS LEVIED PURSUANT TO ONE OR MORE ASSESSMENT  
7           ORDINANCES.

8           **SECTION 33. Applicability.** This act shall apply to acts  
9           occurring on or after the effective date of this act.

10          **SECTION 34. Safety clause.** The general assembly hereby finds,  
11          determines, and declares that this act is necessary for the immediate  
12          preservation of the public peace, health, and safety.