

Second Regular Session  
Sixty-sixth General Assembly  
STATE OF COLORADO

INTRODUCED

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 (2), Colorado Revised Statutes, is  
15 amended, and the said 40-9.7-103 is further amended BY THE  
16 ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to read:

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

19           (2) "Authority financing agreement" means a loan guaranty  
20 agreement, lease, sublease, rental agreement, agreement to purchase  
21 output or products, guaranty of amounts payable by the user or a  
22 third-party financier for a project located within the state only, or any  
23 combination thereof that does not give the authority ownership of or an  
24 ownership interest in a project and that is entered into between the  
25 authority and a user or third-party financier in connection with the  
26 financing or refinancing of any project pursuant to this article. ~~except that~~  
27 ~~the authority shall not make a direct commercial loan to a user.~~

1           (5.5) "ENERGY EFFICIENCY IMPROVEMENT" MEANS AN  
2 INSTALLATION OR MODIFICATION THAT IS DESIGNED TO REDUCE ENERGY  
3 CONSUMPTION IN RESIDENTIAL OR COMMERCIAL BUILDINGS AND INCLUDES  
4 ANY OTHER MODIFICATION, INSTALLATION, OR REMODELING AUTHORIZED  
5 AS A UTILITY COST-SAVINGS MEASURE BY THE BOARD.

6           (13.5) "RENEWABLE ENERGY IMPROVEMENT" MEANS ANY  
7 FIXTURE, PRODUCT, SYSTEM, DEVICE, OR INTERACTING GROUP OF DEVICES  
8 INSTALLED UPON OR SERVING ANY RESIDENTIAL OR COMMERCIAL  
9 BUILDING THAT PRODUCES ELECTRICITY FROM RENEWABLE RESOURCES,  
10 INCLUDING, BUT NOT LIMITED TO, PHOTOVOLTAIC SYSTEMS, SOLAR  
11 THERMAL SYSTEMS, SMALL WIND SYSTEMS, BIOMASS SYSTEMS, OR  
12 GEOTHERMAL SYSTEMS, AS MAY BE AUTHORIZED BY THE BOARD.

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

15           **40-9.7-103. Definitions.** As used in this article, unless the context  
16 otherwise requires:

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

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

22           **29-3-103. Definitions.** As used in this article, unless the context  
23 otherwise requires:

24           (10) "Project" means any land, building, or other improvement  
25 and all real or personal properties, and any undivided or other interest in  
26 any of the foregoing, except inventories and raw materials, whether or not  
27 in existence, suitable or used for or in connection with any of the

1 following:

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

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

5 (m) CAPITAL IMPROVEMENTS TO EXISTING RESIDENTIAL,  
6 COMMERCIAL, OR INDUSTRIAL STRUCTURES TO RETROFIT SUCH  
7 STRUCTURES FOR SIGNIFICANT ENERGY SAVINGS OR INSTALLATION OF  
8 SOLAR OR OTHER ALTERNATIVE ELECTRICAL ENERGY-PRODUCING  
9 IMPROVEMENTS.

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

12 **30-11-107. Powers of the board.** (1) The board of county  
13 commissioners of each county has power at any meeting:

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

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

23 **40-9.7-108. Colorado clean energy development authority**  
24 **fund - creation - authorization of projects.** (1) The AUTHORITY SHALL  
25 CREATE A Colorado clean energy development authority fund. ~~is hereby~~  
26 ~~created in the state treasury.~~ The following moneys, together with any  
27 other moneys appropriated by the general assembly, shall be credited to

1 the fund subject to agreements with the holders of bonds, financing  
2 agreements, contracts, agreements, or other obligations of the authority  
3 authorized by this article:

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

7 **30-20-601.5. Legislative declaration - inclusion of energy**  
8 **efficiency and renewable energy production projects in local**  
9 **improvement districts.** (1) THE GENERAL ASSEMBLY FINDS,  
10 DETERMINES, AND DECLARES THAT:

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

14 (b) THE DEVELOPMENT, PRODUCTION, AND EFFICIENT USE OF  
15 RENEWABLE ENERGY WILL ADVANCE THE SECURITY, ECONOMIC  
16 WELL-BEING, AND PUBLIC AND ENVIRONMENTAL HEALTH OF THIS STATE,  
17 AS WELL AS CONTRIBUTING TO THE ENERGY INDEPENDENCE OF OUR  
18 NATION.

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

27 **SECTION 8.** 30-20-602, Colorado Revised Statutes, is amended

1 BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to  
2 read:

3 **30-20-602. Definitions.** As used in this part 6, unless the context  
4 otherwise requires:

5 (2.8) "ENERGY EFFICIENCY IMPROVEMENT" MEANS AN  
6 INSTALLATION OR MODIFICATION THAT IS DESIGNED TO REDUCE ENERGY  
7 CONSUMPTION IN RESIDENTIAL OR COMMERCIAL BUILDINGS AND  
8 INCLUDES, BUT IS NOT LIMITED TO, THE FOLLOWING:

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

11 (b) STORM WINDOWS AND DOORS, MULTIGLAZED WINDOWS AND  
12 DOORS, HEAT-ABSORBING OR HEAT-REFLECTIVE GLAZED AND COATED  
13 WINDOW AND DOOR SYSTEMS, ADDITIONAL GLAZING, REDUCTIONS IN  
14 GLASS AREA, AND OTHER WINDOW AND DOOR SYSTEM MODIFICATIONS  
15 THAT REDUCE ENERGY CONSUMPTION;

16 (c) AUTOMATIC ENERGY CONTROL SYSTEMS;

17 (d) HEATING, VENTILATING, OR AIR CONDITIONING AND  
18 DISTRIBUTION SYSTEM MODIFICATIONS OR REPLACEMENTS IN BUILDINGS  
19 OR CENTRAL PLANTS;

20 (e) CAULKING AND WEATHERSTRIPPING;

21 (f) REPLACEMENT OR MODIFICATION OF LIGHTING FIXTURES TO  
22 INCREASE THE ENERGY EFFICIENCY OF THE SYSTEM WITHOUT INCREASING  
23 THE OVERALL ILLUMINATION OF A RESIDENTIAL OR COMMERCIAL BUILDING  
24 UNLESS SUCH INCREASE IN ILLUMINATION IS NECESSARY TO CONFORM TO  
25 THE APPLICABLE BUILDING CODE FOR THE PROPOSED LIGHTING SYSTEM;

26 (g) ENERGY RECOVERY SYSTEMS;

27 (h) DAYLIGHTING SYSTEMS; AND

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

3 (4.7) "RENEWABLE ENERGY IMPROVEMENT" MEANS A FIXTURE,  
4 PRODUCT, SYSTEM, DEVICE, OR INTERACTING GROUP OF DEVICES  
5 INSTALLED UPON OR SERVING ANY RESIDENTIAL AND COMMERCIAL  
6 BUILDING THAT PRODUCES ELECTRICITY FROM RENEWABLE RESOURCES,  
7 INCLUDING, BUT NOT LIMITED TO, PHOTOVOLTAIC SYSTEMS, SOLAR  
8 THERMAL SYSTEMS, SMALL WIND SYSTEMS, BIOMASS SYSTEMS, OR  
9 GEOTHERMAL SYSTEMS, AS MAY BE INCLUDED IN THE APPROVAL OF THE  
10 DISTRICT BY THE BOARD.

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

13 **30-20-603. Improvements authorized - how instituted -**  
14 **conditions.** (1) (e) THE IMPROVEMENTS AUTHORIZED BY THIS PART 6  
15 MAY INCLUDE, WHERE SPECIFIED OR GENERALLY PROVIDED FOR IN THE  
16 RESOLUTION OF THE BOARD APPROVING THE DISTRICT, ANY RENEWABLE  
17 ENERGY IMPROVEMENT OR ENERGY EFFICIENCY IMPROVEMENT TO ANY  
18 RESIDENTIAL OR COMMERCIAL PROPERTY WITHIN THE DISTRICT.

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

21 **30-20-603. Improvements authorized - how instituted -**  
22 **conditions.** (11.5) ANY OTHER PROVISION OF THIS PART 6  
23 NOTWITHSTANDING, THE BOARD MAY INITIATE AN IMPROVEMENT DISTRICT  
24 FOR THE PURPOSE OF ENCOURAGING, ACCOMMODATING, AND FINANCING  
25 IMPROVEMENTS OF A CHARACTER AUTHORIZED BY PARAGRAPH (e) OF  
26 SUBSECTION (1) OF THIS SECTION. ANY SUCH DISTRICT SHALL INCLUDE  
27 ONLY PROPERTY FOR WHICH THE OWNER HAS EXECUTED A CONTRACT OR

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

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

23 **30-20-604. Cost assessed in accordance with benefits.** (4) ANY  
24 DISTRICT FORMED FOR THE PURPOSE OF ENCOURAGING, ACCOMMODATING,  
25 AND FINANCING IMPROVEMENTS AS AUTHORIZED IN SECTION 30-20-603  
26 (11.5) SHALL ASSESS THE COSTS OF THE IMPROVEMENTS TO EACH  
27 PROPERTY WHOSE OWNER HAS ENTERED INTO A CONTRACT OR AGREEMENT

1 FOR THE IMPROVEMENTS. THE CONTRACTS AND AGREEMENTS ENTERED  
2 INTO WITH THE OWNER OF PROPERTY, AS AUTHORIZED BY THE BOARD,  
3 SHALL BE CONCLUSIVE REGARDING THE SPECIAL BENEFIT TO THE  
4 PROPERTY AND THE AMOUNT THAT MAY BE ASSESSED AGAINST THE  
5 PROPERTY.

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

8 **30-20-606. Determination of special benefits - factors**  
9 **considered.** (2) AS USED IN CONNECTION WITH ANY DISTRICT FORMED  
10 FOR THE PURPOSE OF ENCOURAGING, ACCOMMODATING, AND FINANCING  
11 IMPROVEMENTS AS AUTHORIZED IN SECTION 30-20-603 (11.5), THE TERM  
12 "BENEFIT" SHALL INCLUDE, BUT NOT BE LIMITED TO, ANY ACKNOWLEDGED  
13 VALUE SET FORTH IN THE CONTRACTS AND AGREEMENTS ENTERED INTO BY  
14 THE OWNER OF THE ASSESSED PROPERTY.

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

17 **30-20-608. Notice of apportionment.** (2) ANY DISTRICT FORMED  
18 FOR THE PURPOSE OF ENCOURAGING, ACCOMMODATING, AND FINANCING  
19 IMPROVEMENTS AS AUTHORIZED IN SECTION 30-20-603 (11.5) SHALL NOT  
20 BE REQUIRED TO PROVIDE A NOTICE OF APPORTIONMENT BY PUBLICATION;  
21 RATHER, SUCH NOTICE, IF ANY, MAY BE PROVIDED IN THE TIME AND  
22 MANNER SET FORTH IN THE CONTRACT OR AGREEMENT ENTERED INTO FOR  
23 EACH PROPERTY INCLUDED IN THE DISTRICT.

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

27 **30-20-610. Assessment constitutes a lien - filing with county**

1 **clerk and recorder - corrections.** (4) TO PROVIDE FOR UNANTICIPATED  
2 INCREASES IN THE COSTS OF IMPROVEMENTS, THE AMOUNT OF ANY  
3 ASSESSMENT IMPOSED BEFORE THE COMPLETION OF THE RELATED  
4 IMPROVEMENTS MAY BE INCREASED TO A TOTAL AMOUNT NOT IN EXCESS  
5 OF THE SPECIAL BENEFIT CONFERRED UPON THE AFFECTED PROPERTY IF,  
6 NOT MORE THAN NINETY DAYS FOLLOWING THE COMPLETION OF SUCH  
7 IMPROVEMENTS, THE BOARD GIVES NOTICE OF ITS INTENT TO CONSIDER  
8 THE AMENDMENT OF SUCH ASSESSMENT, STATING THE TIME AND PLACE  
9 THAT A PUBLIC HEARING SHALL BE HELD THEREON, AND HOLDS SUCH  
10 PUBLIC HEARING, IN THE SAME MANNER AS PROVIDED FOR HEARINGS HELD  
11 PURSUANT TO SECTIONS 30-20-608 AND 30-20-609. AT THE CONCLUSION  
12 OF SUCH PUBLIC HEARING, THE BOARD MAY DETERMINE WHETHER TO  
13 AMEND ONE OR MORE ASSESSMENTS WITHIN A DISTRICT. ANY SUCH  
14 AMENDMENT SHALL TAKE EFFECT AS OF THE DATE OF THE ORIGINAL  
15 ASSESSMENT.

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

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

26 **30-20-612. When assessments payable - installments.** All  
27 special assessments for local improvements shall be due and payable

1 within thirty days after the effective date of the assessing resolution  
2 without demand, but all such assessments may be paid, at the election of  
3 the owner, in installments with interest as provided in section 30-20-614.  
4 ALL SPECIAL ASSESSMENTS FOR LOCAL IMPROVEMENTS AUTHORIZED IN  
5 SECTION 30-20-603 (11.5) MAY BE DUE AND PAYABLE AT SUCH  
6 ALTERNATE TIME OR TIMES AS SET FORTH IN THE ASSESSING RESOLUTION.

7 **SECTION 16.** 30-20-613, Colorado Revised Statutes, is amended  
8 to read:

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

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

27 **30-20-614. How installments paid - interest.** In case of such

1 election to pay in installments, the assessments shall be payable in two or  
2 more installments of principal, the first of which installments shall be  
3 payable as prescribed by the board in not more than five years and the last  
4 in not more than twenty years, with interest in all cases on the unpaid  
5 principal. The number and amounts of payment of installments, the  
6 period of payment, and the rate and times of payment of interest shall be  
7 determined by the board and set forth in the assessing resolution. The  
8 times of payment of installments shall be the same as the times of  
9 payment for installments of property taxes as specified in section  
10 39-10-104.5 (2), C.R.S.; EXCEPT THAT ALL SPECIAL ASSESSMENTS FOR  
11 LOCAL IMPROVEMENTS AUTHORIZED IN SECTION 30-20-603 (11.5) MAY BE  
12 PAYABLE AT SUCH ALTERNATE TIMES AS PROVIDED BY THE BOARD IN THE  
13 ASSESSING RESOLUTION AND THE BOARD MAY ENTER INTO AGREEMENTS  
14 WITH THIRD PARTIES TO ASSIST THE TREASURER WITH THE  
15 ADMINISTRATION AND COLLECTION OF SUCH INSTALLMENTS.

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

19 **30-20-619. Issuing bonds - property specially benefited.**  
20 (1) For the purpose of paying all or such portion of the cost of any  
21 improvement constructed or acquired under the provisions of this part 6  
22 as may be assessed against the property specially benefited and not paid  
23 by the sales tax authorized by section 30-20-604.5 or by the county,  
24 special assessment bonds of the county may be issued, of such date, in  
25 such form, and on such terms, including, without limitation, provisions  
26 for their sale, payment, and redemption, as may be prescribed by the  
27 board, bearing the name of the street or district improved and payable in

1 a sufficient period of years after SUCH date to cover the period of payment  
2 provided, and in convenient denominations. All such bonds shall be  
3 issued upon estimates approved by the board, and the county treasurer  
4 shall preserve a record of the same in a suitable book kept for that  
5 purpose. All such bonds shall be subscribed by the ~~chairman~~ CHAIR of the  
6 board, countersigned by the county treasurer, with the county seal thereto  
7 affixed, and attested by the county clerk and recorder. Such bonds shall  
8 be payable out of the moneys collected on account of the assessments  
9 made for said improvements, FROM RESERVE ACCOUNTS, IF ANY,  
10 ESTABLISHED TO SECURE THE PAYMENT OF SUCH BONDS, AND FROM ANY  
11 OTHER LEGALLY AVAILABLE MONEYS. All moneys collected from such  
12 assessments for any improvement shall be applied to the payment of the  
13 bonds issued, until payment in full is made of all the bonds, both principal  
14 and interest, OR TO FUND OR REPLENISH RESERVE ACCOUNTS, IF ANY,  
15 ESTABLISHED TO SECURE THE PAYMENT OF SUCH BONDS. The bonds may  
16 be sold, under such terms and conditions as are established by the board,  
17 in such amounts as will be sufficient to pay for the cost of the  
18 improvements.

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

1 (8) NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART 6,  
2 ANY DISTRICT FORMED FOR THE PURPOSE OF ENCOURAGING,  
3 ACCOMMODATING, AND FINANCING IMPROVEMENTS AS AUTHORIZED IN  
4 SECTION 30-20-603 (11.5) 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 RESOLUTIONS.

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

10 **31-15-711. Other public improvements.** (1) The governing  
11 body of each municipality has the power:

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

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

23 **31-25-500.2. Legislative declaration - energy efficiency and**  
24 **renewable energy production projects.** (1) THE GENERAL ASSEMBLY  
25 FINDS, DETERMINES, AND DECLARES THAT:

26 (a) THE PRODUCTION AND EFFICIENT USE OF ENERGY WILL  
27 CONTINUE TO PLAY A CENTRAL ROLE IN THE FUTURE OF THIS STATE AND

1 THE NATION AS A WHOLE; AND

2 (b) THE DEVELOPMENT, PRODUCTION, AND EFFICIENT USE OF  
3 RENEWABLE ENERGY WILL ADVANCE THE SECURITY, ECONOMIC  
4 WELL-BEING, AND PUBLIC AND ENVIRONMENTAL HEALTH OF THIS STATE,  
5 AS WELL AS CONTRIBUTING TO THE ENERGY INDEPENDENCE OF OUR  
6 NATION.

7 (2) THE GENERAL ASSEMBLY FURTHER FINDS, DETERMINES, AND  
8 DECLARES THAT THE INCLUSION OF ENERGY EFFICIENCY AND RENEWABLE  
9 ENERGY PRODUCTION PROJECTS FOR RESIDENTIAL AND COMMERCIAL USE  
10 IN SPECIAL IMPROVEMENT DISTRICTS, AND POWERS CONFERRED UNDER  
11 THIS PART 5, AS WELL AS THE EXPENDITURES OF PUBLIC MONEYS MADE  
12 PURSUANT TO THIS PART 5, WILL SERVE A VALID PUBLIC PURPOSE AND  
13 THAT THE ENACTMENT OF THIS PART 5 IS EXPRESSLY DECLARED TO BE IN  
14 THE PUBLIC INTEREST.

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

18 **31-25-501. Definitions.** As used in this part 5, unless the context  
19 otherwise requires:

20 (1.9) "ENERGY EFFICIENCY IMPROVEMENT" MEANS AN  
21 INSTALLATION OR MODIFICATION THAT IS DESIGNED TO REDUCE ENERGY  
22 CONSUMPTION IN RESIDENTIAL OR COMMERCIAL BUILDINGS AND  
23 INCLUDES, BUT IS NOT LIMITED TO, THE FOLLOWING:

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

26 (b) STORM WINDOWS AND DOORS, MULTIGLAZED WINDOWS AND  
27 DOORS, HEAT-ABSORBING OR HEAT-REFLECTIVE GLAZED AND COATED

1 WINDOW AND DOOR SYSTEMS, ADDITIONAL GLAZING, REDUCTIONS IN  
2 GLASS AREA, AND OTHER WINDOW AND DOOR SYSTEM MODIFICATIONS  
3 THAT REDUCE ENERGY CONSUMPTION;

4 (c) AUTOMATIC ENERGY CONTROL SYSTEMS;

5 (d) HEATING, VENTILATING, OR AIR CONDITIONING AND  
6 DISTRIBUTION SYSTEM MODIFICATIONS OR REPLACEMENTS IN BUILDINGS  
7 OR CENTRAL PLANTS;

8 (e) CAULKING AND WEATHERSTRIPPING;

9 (f) REPLACEMENT OR MODIFICATION OF LIGHTING FIXTURES TO  
10 INCREASE THE ENERGY EFFICIENCY OF THE SYSTEM WITHOUT INCREASING  
11 THE OVERALL ILLUMINATION OF A RESIDENTIAL OR COMMERCIAL BUILDING  
12 UNLESS SUCH INCREASE IN ILLUMINATION IS NECESSARY TO CONFORM TO  
13 THE APPLICABLE BUILDING CODE FOR THE PROPOSED LIGHTING SYSTEM;

14 (g) ENERGY RECOVERY SYSTEMS;

15 (h) DAYLIGHTING SYSTEMS; AND

16 (i) ANY OTHER MODIFICATION, INSTALLATION, OR REMODELING  
17 APPROVED AS A UTILITY COST-SAVINGS MEASURE BY THE GOVERNING  
18 BODY.

19 (4) "RENEWABLE ENERGY IMPROVEMENT" MEANS A FIXTURE,  
20 PRODUCT, SYSTEM, DEVICE, OR INTERACTING GROUP OF DEVICES  
21 INSTALLED UPON OR SERVING ANY RESIDENTIAL OR COMMERCIAL  
22 BUILDING THAT PRODUCES ELECTRICITY FROM RENEWABLE RESOURCES,  
23 INCLUDING, BUT NOT LIMITED TO, PHOTOVOLTAIC SYSTEMS, SOLAR  
24 THERMAL SYSTEMS, SMALL WIND SYSTEMS, BIOMASS SYSTEMS, OR  
25 GEOTHERMAL SYSTEMS, AS MAY BE AUTHORIZED BY THE GOVERNING  
26 BODY.

27 **SECTION 22.** 31-25-502, Colorado Revised Statutes, is amended

1 to read:

2 **31-25-502. Powers to make local improvements.** (1) A district  
3 may be formed in accordance with the requirements of this part 5 for the  
4 purpose of constructing, installing, or acquiring any public improvement  
5 so long as the municipality that forms the district is authorized to provide  
6 such improvement under the municipality's home rule charter or  
7 ordinance passed pursuant to such charter, if any, or the laws of this state.  
8 Public improvements shall not include any facility identified in section  
9 30-20-101 (8) or (9), C.R.S.

10 (2) THE IMPROVEMENTS AUTHORIZED BY THIS PART 5 MAY  
11 INCLUDE, WHERE SO SPECIFIED OR GENERALLY PROVIDED FOR IN THE  
12 ORDINANCE OF THE GOVERNING BODY FORMING THE DISTRICT, ANY  
13 RENEWABLE ENERGY IMPROVEMENT OR ENERGY EFFICIENCY  
14 IMPROVEMENT TO ANY RESIDENTIAL OR COMMERCIAL PROPERTY WITHIN  
15 THE DISTRICT.

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

1 OF THE GOVERNING BODY AUTHORIZING IMPROVEMENTS FOR THE DISTRICT  
2 AND MAY OBTAIN FINANCING FOR SAID IMPROVEMENTS FROM THE  
3 DISTRICT THROUGH THE PROCESS SET FORTH IN THE ORDINANCE FORMING  
4 THE DISTRICT.

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

7 **31-25-503. What improvements may be made - conditions.**

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

14 (b) ANY OTHER PROVISION OF THIS PART 5 NOTWITHSTANDING, THE  
15 GOVERNING BODY MAY CREATE AN IMPROVEMENT DISTRICT FOR THE  
16 PURPOSE OF ENCOURAGING, ACCOMMODATING, AND FINANCING  
17 RENEWABLE ENERGY IMPROVEMENTS AND ENERGY EFFICIENCY  
18 IMPROVEMENTS OF A CHARACTER AUTHORIZED BY SECTION 31-25-502 (2).  
19 ANY SUCH DISTRICT SHALL INCLUDE ONLY PROPERTY FOR WHICH THE  
20 OWNER HAS EXECUTED A CONTRACT OR AGREEMENT CONSENTING TO THE  
21 INCLUSION OF SUCH PROPERTY WITHIN THE DISTRICT, AND SUCH CONSENT  
22 MAY OCCUR SUBSEQUENT TO THE ADOPTION OF THE ORDINANCE OF THE  
23 GOVERNING BODY FORMING THE DISTRICT. THE INCLUSION OF SUCH  
24 PROPERTY WITHIN THE DISTRICT SUBSEQUENT TO THE ADOPTION OF THE  
25 ORDINANCE OF THE GOVERNING BODY FORMING THE DISTRICT MAY BE  
26 MADE BY THE ADOPTION OF A SUPPLEMENTAL OR AMENDING ORDINANCE  
27 OR RESOLUTION OF THE GOVERNING BODY. FOR DISTRICTS FORMED FOR

1 THE PURPOSE OF ENCOURAGING, ACCOMMODATING, AND FINANCING  
2 RENEWABLE ENERGY IMPROVEMENTS OR ENERGY EFFICIENCY  
3 IMPROVEMENTS, THE PROVISIONS OF SUBSECTIONS (2) AND (3) OF THIS  
4 SECTION CONCERNING PRELIMINARY ORDERS, COMPETITIVE BIDDING, AND  
5 PRELIMINARY PLANS AND SPECIFICATIONS, OF SECTION 31-25-516  
6 CONCERNING CONTRACTS FOR CONSTRUCTION, AND OF SECTION 31-25-518  
7 CONCERNING CONTRACT PROVISIONS SHALL NOT APPLY.

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

10 **31-25-507. Determination of special benefits - factors**  
11 **considered.** (2) AS USED IN CONNECTION WITH ANY DISTRICT FORMED  
12 FOR THE PURPOSE OF ENCOURAGING, ACCOMMODATING, AND FINANCING  
13 IMPROVEMENTS AS AUTHORIZED IN SECTION 31-25-502 (2), THE TERM  
14 "BENEFIT" SHALL INCLUDE, BUT NOT BE LIMITED TO, ANY ACKNOWLEDGED  
15 VALUE SET FORTH IN THE CONTRACTS AND AGREEMENTS ENTERED INTO BY  
16 THE OWNER OF THE ASSESSED PROPERTY.

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

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

1 PROPERTY.

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

4 **31-25-520. Notice of hearing on assessments.** (1) The clerk  
5 shall give notice that the assessment roll has been completed and of a  
6 hearing on the assessment roll by publication in an issue of a newspaper  
7 of general circulation in the municipality, the publication to be at least  
8 fifteen days prior to the date of hearing. The same notice of the hearing  
9 shall be mailed by first-class mail to each property owner to be assessed  
10 for the cost of the improvements who is included within the district. The  
11 mailed notice shall be made on or about the date of the publication of the  
12 notice of hearing. The notices shall specify: The whole cost of the  
13 improvement; the portion, if any, to be paid by such municipality; the  
14 share apportioned to each lot or tract of land; that any complaints or  
15 objections ~~which~~ THAT may be made in writing by the property owners or  
16 any citizen to the governing body, and filed in writing on or prior to the  
17 date of the hearing, will be heard and determined by the governing body  
18 before the passage of any ordinance assessing the cost of said  
19 improvements; and the date when and the place where such complaints  
20 or objections will be heard.

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

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

4           **31-25-522. Assessment of a lien - filing with county clerk and**  
5 **recorder - corrections.** (4) TO PROVIDE FOR UNANTICIPATED INCREASES  
6 IN THE COSTS OF IMPROVEMENTS, THE AMOUNT OF ANY ASSESSMENT  
7 IMPOSED BEFORE THE COMPLETION OF THE RELATED IMPROVEMENTS MAY  
8 BE INCREASED TO A TOTAL AMOUNT NOT IN EXCESS OF THE SPECIAL  
9 BENEFIT CONFERRED UPON THE AFFECTED PROPERTY IF, NOT MORE THAN  
10 NINETY DAYS FOLLOWING THE COMPLETION OF SUCH IMPROVEMENTS, THE  
11 GOVERNING BODY GIVES NOTICE OF ITS INTENT TO CONSIDER THE  
12 AMENDMENT OF SUCH ASSESSMENT, STATING THE TIME AND PLACE THAT  
13 A PUBLIC HEARING SHALL BE HELD THEREON, AND HOLDS SUCH PUBLIC  
14 HEARING, IN THE SAME MANNER AS PROVIDED FOR HEARINGS HELD  
15 PURSUANT TO SECTIONS 31-25-520 AND 31-25-521. AT THE CONCLUSION  
16 OF SUCH PUBLIC HEARING, THE GOVERNING BODY MAY DETERMINE  
17 WHETHER TO AMEND ONE OR MORE ASSESSMENTS WITHIN A DISTRICT.  
18 ANY SUCH AMENDMENT SHALL TAKE EFFECT AS OF THE DATE OF THE  
19 ORIGINAL ASSESSMENT.

20           (5) IF, AS THE RESULT OF ANY SUBDIVISION, RESUBDIVISION,  
21 VACATION OF RIGHT-OF-WAY, OR OTHER ACTION TAKEN SUBSEQUENT TO  
22 THE ADOPTION OF THE ASSESSMENT ORDINANCE, ANY NEW LOT OR PARCEL  
23 IS CREATED WITHIN A DISTRICT, THE GOVERNING BODY MAY, WITHOUT A  
24 PUBLIC HEARING AND WITH THE CONSENT OF THE OWNER OF THE NEW LOT  
25 OR PARCEL, MODIFY THE ASSESSMENT ORDINANCE TO REAPPORTION ALL  
26 OR ANY PART OF THE TOTAL AMOUNT ASSESSED IN THE DISTRICT TO SUCH  
27 NEW LOT OR PARCEL.

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

3           **31-25-524. Payment - assessment roll returned.** (4) ALL  
4 SPECIAL ASSESSMENTS FOR LOCAL IMPROVEMENTS AUTHORIZED IN  
5 SECTION 31-25-502 (2) MAY BE DUE AND PAYABLE AT SUCH ALTERNATE  
6 TIME OR TIMES AS SET FORTH IN THE ASSESSING ORDINANCE.

7           **SECTION 29.** 31-25-526 (1), Colorado Revised Statutes, is  
8 amended to read:

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

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

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

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

3           **31-25-529. Effect of payment in installments.** Failure to pay the  
4 whole assessment within said period of thirty days shall be conclusively  
5 considered to be an election on the part of all persons interested, whether  
6 under disability or otherwise, to pay in installments. All persons so  
7 electing to pay in installments shall be conclusively considered to have  
8 consented to said improvements. Such election shall be conclusively  
9 considered to be a waiver of any right to question the power or  
10 jurisdiction of the municipality to construct the improvements, the quality  
11 of the work, the regularity or sufficiency of the proceedings, the validity  
12 or the correctness of the assessments, or the validity of the lien thereof;  
13 EXCEPT THAT WITH RESPECT TO LOCAL IMPROVEMENTS AUTHORIZED IN  
14 SECTION 31-25-502 (2), THE OWNER FOR EACH PROPERTY INCLUDED IN THE  
15 DISTRICT SHALL RETAIN ALL RIGHTS OTHERWISE EXISTING BY CONTRACT  
16 OR BY LAW AGAINST PARTIES OTHER THAN THE COUNTY WITH RESPECT TO  
17 THE FINANCED ENERGY EFFICIENCY IMPROVEMENT OR RENEWABLE  
18 ENERGY IMPROVEMENT.

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

22           **31-25-534. Issuing bonds - property specially benefited.**  
23 (1) For the purpose of paying all or such portion of the cost of any  
24 improvement constructed under ~~the provisions~~ of this part 5 as may be  
25 assessed against the property specially benefited, special assessment  
26 bonds of the municipality may be issued of such date, in such form, and  
27 on such terms, including, without limitation, provisions for their sale,

1 payment, and redemption, as may be prescribed by the governing body,  
2 bearing the name of the street, alley, or district improved and payable in  
3 a sufficient period of years after SUCH date to cover the period of payment  
4 provided and in convenient denominations. All such bonds shall be  
5 issued upon estimates approved by the governing body, and the municipal  
6 treasurer shall preserve a record of the same in a suitable book kept for  
7 that purpose. All such bonds shall be subscribed by the mayor,  
8 countersigned by the municipal treasurer, with the corporate seal thereto  
9 affixed, and attested by the clerk. Such bonds shall be payable out of the  
10 moneys collected on account of the assessments made for said  
11 improvements, FROM RESERVE ACCOUNTS, IF ANY, ESTABLISHED TO  
12 SECURE PAYMENT OF SUCH BONDS, AND FROM ANY OTHER LEGALLY  
13 AVAILABLE MONEYS. Whenever three-fourths of the bonds for an  
14 improvement constructed under ~~the provisions of this part 5~~ have been  
15 paid and cancelled and for any reason ~~the~~ ANY remaining assessments are  
16 not paid in time to pay the remaining bonds for the district and the interest  
17 due thereon, the municipality ~~shall~~ MAY pay, ~~if so provided in the~~  
18 ~~ordinance authorizing issuance of the bonds~~ FROM LEGALLY AVAILABLE  
19 MONEYS, the bonds when due and the interest due thereon and reimburse  
20 itself by collecting the unpaid assessments due the district. All moneys  
21 collected from such assessments for any improvement shall be applied to  
22 the payment of the bonds issued until payment in full is made of all the  
23 bonds, both principal and interest, OR TO FUND OR REPLENISH RESERVE  
24 ACCOUNTS, IF ANY, ESTABLISHED TO SECURE THE PAYMENT OF SUCH  
25 BONDS. The bonds may be used in payment of the cost of the  
26 improvement as specified; or the governing body, upon advertisement  
27 published at least once in a newspaper of general circulation in such

1 municipality and in such other newspapers as may be designated by the  
2 governing body, may sell a sufficient number of said bonds to pay such  
3 cost in cash for the best bid submitted in accordance with the terms of the  
4 notice of sale. All bids may be rejected at the discretion of the governing  
5 body. In addition, the bonds may be sold on such terms and conditions  
6 at a private sale if determined by the governing body to be in the best  
7 interests of the municipality.

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

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

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