

**UPDATED SUMMARY
HOUSE BILL 15-1262**

First Regular Session - Seventieth Colorado General Assembly

This summary applies to the reengrossed version of this bill as introduced in the second house. It does not reflect any amendments that may be subsequently adopted. This summary reflects only the main points of the legislation.

Current law allows 2 or more governments, including federal agencies and political subdivisions of a state that borders Colorado, to contract to establish a separate legal entity to provide any function, service, or facility that each government has legal authority to provide on its own. The bill clarifies that a separate legal entity formed by a contract between two or more counties, municipalities, special districts, or other political subdivisions of the state:

- ! Is itself a political subdivision and public corporation of the state if the contract forms the entity in accordance with and makes the entity subject to the provisions of the bill;
- ! May, to the extent provided by the contract or an amendment to the contract and deemed by the contracting parties to be necessary or convenient to allow the entity to achieve its purposes, exercise any general power of a special district if each of the parties to the contract may lawfully exercise the power; except that it may not levy a tax or exercise the power of eminent domain if the establishing contract makes the entity subject to the provisions of the bill.
- ! Is authorized to issue tax-exempt revenue bonds, notes, or other financial obligations and acquire, sell, or lease property.

A contract establishing a separate legal entity must include specified information regarding the name, purpose, and governance of the entity.