

First Regular Session
Sixty-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 05-0337.01 Christy Chase

SENATE BILL 05-059

SENATE SPONSORSHIP

Keller,

HOUSE SPONSORSHIP

Hefley, and Coleman

Senate Committees

Health and Human Services

House Committees

A BILL FOR AN ACT

101 CONCERNING THE AUTHORITY OF LOCAL GOVERNMENTS TO PROVIDE
102 MENTAL HEALTH CARE SERVICES TO PERSONS RESIDING IN THE
103 COMMUNITY.

Bill Summary

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

Authorizes the creation of a mental health care service district to provide mental health care services to residents of the district who are in need of mental health care services and to family members of such residents. Allows the district to seek voter approval to levy either a property tax or a sales tax in the district to generate revenues to provide mental health care services.

For purposes of a mental health care district that will levy a

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.

property tax, requires that the district be organized in accordance with the "Special District Act". For purposes of a mental health district that will levy a sales tax, requires the district to be organized in accordance with the "Special District Act" as modified by this act to allow all eligible electors in the proposed district, rather than the property owners, to vote on the organization of the district and related ballot issues.

Upon voter approval, allows any county in the state to impose an additional sales tax of up to a specified amount for the purpose of providing mental health care services in the county. Exempts such additional sales tax from the total cap on total county sales tax imposed by law.

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

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

4 **32-1-103. Definitions.** As used in this article, unless the context
5 otherwise requires:

6 (9.5) "MENTAL HEALTH CARE SERVICE DISTRICT" MEANS A SPECIAL
7 DISTRICT CREATED PURSUANT TO THIS ARTICLE TO PROVIDE, DIRECTLY OR
8 INDIRECTLY, MENTAL HEALTH CARE SERVICES TO RESIDENTS OF THE
9 DISTRICT WHO ARE IN NEED OF MENTAL HEALTH CARE SERVICES AND TO
10 FAMILY MEMBERS OF SUCH RESIDENTS.

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

13 **32-1-202. Filing of service plan required - report of filing -**
14 **contents - fee.** (2) The service plan shall contain the following:

15 (j) FOR A MENTAL HEALTH CARE SERVICE DISTRICT, ANY
16 ADDITIONAL INFORMATION REQUIRED BY SECTION 32-17-107 (2) THAT IS
17 NOT OTHERWISE REQUIRED BY PARAGRAPHS (a) TO (i) OF THIS SUBSECTION
18 (2).

19 **SECTION 3.** 32-1-301 (2) (a), Colorado Revised Statutes, is

1 amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

2 **32-1-301. Petition for organization.** (2) The petition shall set
3 forth:

4 (a) The type of service to be provided by the proposed special
5 district and the name of the proposed special district, consisting of a
6 chosen name preceding one of the following phrases:

7 (IX) MENTAL HEALTH CARE SERVICE DISTRICT;

8 **SECTION 4.** Title 32, Colorado Revised Statutes, is amended
9 BY THE ADDITION OF A NEW ARTICLE to read:

10 **ARTICLE 17**

11 **Mental Health Care**

12 **Service Districts**

13 **32-17-101. Short title.** THIS ARTICLE SHALL BE KNOWN AND MAY
14 BE CITED AS THE "MENTAL HEALTH CARE SERVICE DISTRICT ACT".

15 **32-17-102. Legislative declaration.** (1) THE GENERAL
16 ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT ALTHOUGH
17 THE STATE OF COLORADO HAS DEDICATED FINANCIAL RESOURCES TO THE
18 DIAGNOSIS AND TREATMENT OF MENTAL ILLNESS FOR SPECIFIC
19 POPULATIONS IN THIS STATE, MANY ADULTS, CHILDREN, AND FAMILIES
20 WHO DO NOT QUALIFY FOR OR CANNOT OBTAIN THESE STATE- AND
21 FEDERALLY-FUNDED SERVICES HAVE MENTAL HEALTH CARE NEEDS THAT
22 ARE NOT BEING ADDRESSED, AND LACK OF MENTAL HEALTH CARE
23 SERVICES OFTEN RESULTS IN INCREASED TAXPAYER COSTS FOR LAW
24 ENFORCEMENT, SCHOOLS, HEALTH FACILITIES, HOSPITALS, SOCIAL
25 SERVICES, CORRECTIONS, AND HEALTH INSURANCE.

26 (2) THE GENERAL ASSEMBLY ALSO FINDS AND DECLARES THAT
27 LOCAL RESIDENTS AND LOCAL GOVERNMENTS ARE BEST ABLE TO

1 DETERMINE WHETHER IT IS DESIRABLE TO AUTHORIZE THE CREATION OF
2 MENTAL HEALTH CARE SERVICE DISTRICTS FOR THE PURPOSE OF
3 GENERATING TAX REVENUES TO BE USED TO ADDRESS THE MENTAL HEALTH
4 CARE NEEDS OF ADULTS, CHILDREN, AND FAMILIES IN THEIR COMMUNITIES.

5 **32-17-103. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE
6 CONTEXT OTHERWISE REQUIRES:

7 (1) "DISTRICT" MEANS A MENTAL HEALTH CARE SERVICE DISTRICT
8 CREATED PURSUANT TO THIS ARTICLE TO PROVIDE, DIRECTLY OR
9 INDIRECTLY, MENTAL HEALTH CARE SERVICES TO RESIDENTS OF THE
10 DISTRICT WHO ARE IN NEED OF MENTAL HEALTH CARE SERVICES AND TO
11 FAMILY MEMBERS OF SUCH RESIDENTS.

12 (2) "ELIGIBLE ELECTOR" MEANS A PERSON WHO, AT THE
13 DESIGNATED TIME OR EVENT, IS REGISTERED TO VOTE PURSUANT TO THE
14 "UNIFORM ELECTION CODE OF 1992", ARTICLES 1 TO 13 OF TITLE 1, C.R.S.

15 (3) "INTERESTED PARTY" MEANS A RESIDENT OR ELIGIBLE ELECTOR
16 OF THE DISTRICT AND A MUNICIPALITY LOCATED WHOLLY OR PARTIALLY
17 IN THE DISTRICT.

18 **32-17-104. Applicability of "Special District Act".** (1) EXCEPT
19 AS PROVIDED IN THIS ARTICLE, A MENTAL HEALTH CARE SERVICE DISTRICT
20 CREATED PURSUANT TO THIS ARTICLE SHALL BE GOVERNED BY THE
21 APPLICABLE PROVISIONS OF THE "SPECIAL DISTRICT ACT", ARTICLE 1 OF
22 THIS TITLE, INCLUDING, BUT NOT LIMITED TO:

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

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

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

1 CONSOLIDATION OF SPECIAL DISTRICTS;
2 (d) PART 7 OF ARTICLE 1 OF THIS TITLE CONCERNING THE
3 DISSOLUTION OF SPECIAL DISTRICTS;
4 (e) PART 8 OF ARTICLE 1 OF THIS TITLE CONCERNING ELECTIONS;
5 (f) PARTS 9, 10, AND 11 OF ARTICLE 1 OF THIS TITLE CONCERNING
6 THE BOARD OF DIRECTORS FOR A SPECIAL DISTRICT AND THE BOARD'S
7 GENERAL AND FINANCIAL POWERS; AND
8 (g) PARTS 13 AND 14 OF ARTICLE 1 OF THIS TITLE CONCERNING
9 REFUNDING OF BONDS AND SPECIAL DISTRICT INDEBTEDNESS.

10 (2) THE FOLLOWING PROVISIONS SHALL NOT APPLY TO A MENTAL
11 HEALTH CARE SERVICE DISTRICT CREATED PURSUANT TO THIS ARTICLE:

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

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

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

19 **32-17-105. Special districts file - notice of organization or**
20 **dissolution.** (1) FOR PURPOSES OF COMPLYING WITH SECTION 32-1-104
21 (2), A MENTAL HEALTH CARE SERVICE DISTRICT CREATED PURSUANT TO
22 THIS ARTICLE SHALL PROVIDE THE REQUIRED NOTICE TO THE DEPARTMENT
23 OF REVENUE INSTEAD OF THE COUNTY ASSESSOR.

24 (2) FOR PURPOSES OF COMPLYING WITH SECTION 32-1-105, THE
25 COUNTY CLERK AND RECORDER SHALL FILE A CERTIFIED COPY OF THE
26 DECREE OR ORDER CONFIRMING THE ORGANIZATION OR DISSOLUTION OF
27 A MENTAL HEALTH CARE SERVICE DISTRICT CREATED PURSUANT TO THIS

1 ARTICLE WITH THE DEPARTMENT OF REVENUE INSTEAD OF NOTIFYING THE
2 COUNTY ASSESSOR OF THE ACTION.

3 **32-17-106. Service area of district - governmental immunity.**

4 (1) A MENTAL HEALTH CARE SERVICE DISTRICT MAY INCLUDE ANY OR ALL
5 OF THE TERRITORY OF ONE OR MORE MUNICIPALITIES OR COUNTIES, AS MAY
6 BE PROPOSED. THE DISTRICT SHALL BE A BODY CORPORATE AND POLITIC
7 AND A POLITICAL SUBDIVISION OF THE STATE.

8 (2) EACH OF THE DIRECTORS, OFFICERS, AND EMPLOYEES OF THE
9 DISTRICT SHALL BE A PUBLIC EMPLOYEE FOR PURPOSES OF THE
10 "COLORADO GOVERNMENTAL IMMUNITY ACT", ARTICLE 10 OF TITLE 24,
11 C.R.S.

12 **32-17-107. Service plan required - contents - action on plan.**

13 (1) PERSONS PROPOSING THE ORGANIZATION OF A MENTAL HEALTH CARE
14 SERVICE DISTRICT, EXCEPT FOR A DISTRICT THAT IS CONTAINED ENTIRELY
15 WITHIN THE BOUNDARIES OF A MUNICIPALITY AND SUBJECT TO THE
16 PROVISIONS OF SECTION 32-17-108, SHALL SUBMIT A SERVICE PLAN IN
17 ACCORDANCE WITH THE REQUIREMENTS OF SECTION 32-1-202 (1) AND
18 SHALL PAY ANY FEE REQUIRED PURSUANT TO SECTION 32-1-202 (3).

19 (2) NOTWITHSTANDING THE PROVISIONS OF SECTION 32-1-202 (2),
20 THE SERVICE PLAN FOR THE DISTRICT SHALL CONTAIN THE FOLLOWING
21 INFORMATION:

22 (a) A DESCRIPTION OF THE PROPOSED MENTAL HEALTH SERVICES
23 TO BE PROVIDED AND THE PERSONS WHO WILL BE ELIGIBLE TO RECEIVE
24 THOSE SERVICES;

25 (b) QUALITY ASSURANCE MEASURES;

26 (c) A FINANCIAL PLAN SHOWING HOW THE PROPOSED SERVICES ARE
27 TO BE FINANCED, INCLUDING THE PROPOSED OPERATING REVENUE DERIVED

1 FROM SALES TAXES FOR THE FIRST BUDGET YEAR OF THE DISTRICT, WHICH
2 SHALL NOT BE MATERIALLY EXCEEDED EXCEPT AS AUTHORIZED PURSUANT
3 TO SECTION 32-1-207. ALL PROPOSED INDEBTEDNESS FOR THE DISTRICT
4 SHALL BE DISPLAYED TOGETHER WITH A SCHEDULE INDICATING THE YEAR
5 OR YEARS IN WHICH THE DEBT IS SCHEDULED TO BE ISSUED. THE BOARD OF
6 DIRECTORS OF THE DISTRICT SHALL NOTIFY THE BOARD OF COUNTY
7 COMMISSIONERS OR THE GOVERNING BODY OF THE MUNICIPALITY,
8 WHICHEVER IS APPLICABLE, OF ANY ALTERATION OR REVISION OF THE
9 PROPOSED SCHEDULE OF DEBT ISSUANCE SET FORTH IN THE FINANCIAL
10 PLAN.

11 (d) A MAP OF THE PROPOSED DISTRICT BOUNDARIES;

12 (e) IF THE DISTRICT PLANS TO CONSTRUCT FACILITIES, A GENERAL
13 DESCRIPTION OF THE FACILITIES TO BE CONSTRUCTED AND THE STANDARDS
14 OF SUCH CONSTRUCTION, INCLUDING A STATEMENT OF HOW THE FACILITY
15 AND SERVICE STANDARDS OF THE PROPOSED DISTRICT ARE COMPATIBLE
16 WITH FACILITY AND SERVICE STANDARDS OF ANY COUNTY OR
17 MUNICIPALITY WITHIN WHICH ALL OR ANY PORTION OF THE PROPOSED
18 DISTRICT IS TO BE LOCATED;

19 (f) IF APPLICABLE, A GENERAL DESCRIPTION OF THE ESTIMATED
20 COST OF ACQUIRING OR LEASING LAND OR FACILITIES, ACQUIRING
21 ENGINEERING, LEGAL, AND ADMINISTRATIVE SERVICES, INITIAL PROPOSED
22 INDEBTEDNESS AND ESTIMATED PROPOSED MAXIMUM INTEREST RATES AND
23 DISCOUNTS, AND OTHER MAJOR EXPENSES RELATED TO THE ORGANIZATION
24 AND INITIAL OPERATION OF THE DISTRICT;

25 (g) A DESCRIPTION OF ANY ARRANGEMENT OR PROPOSED
26 AGREEMENT WITH ANY POLITICAL SUBDIVISION FOR THE PERFORMANCE OF
27 ANY SERVICES BETWEEN THE PROPOSED DISTRICT AND SUCH OTHER

1 POLITICAL SUBDIVISION, AND, IF THE FORM CONTRACT TO BE USED IS
2 AVAILABLE, IT SHALL BE ATTACHED TO THE SERVICE PLAN;

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

6 (i) SUCH ADDITIONAL INFORMATION AS THE BOARD OF COUNTY
7 COMMISSIONERS OR THE GOVERNING BODY OF THE MUNICIPALITY,
8 WHICHEVER IS APPLICABLE, MAY REQUIRE ON WHICH TO BASE ITS FINDINGS
9 PURSUANT TO SECTION 32-1-203.

10 (3) EXCEPT AS PROVIDED IN SECTION 32-17-108, THE BOARD OF
11 COUNTY COMMISSIONERS OF EACH COUNTY THAT HAS TERRITORY
12 INCLUDED WITHIN THE PROPOSED DISTRICT SHALL CONSTITUTE THE
13 APPROVING AUTHORITY FOR THE PROPOSED DISTRICT AND SHALL REVIEW
14 ANY SERVICE PLAN FILED BY THE PETITIONERS OF A PROPOSED DISTRICT IN
15 ACCORDANCE WITH THE PROVISIONS OF SECTION 32-1-203. THE
16 PROVISIONS OF SECTION 32-1-203 (3.5) SHALL NOT APPLY TO A MENTAL
17 HEALTH CARE SERVICE DISTRICT PROPOSED PURSUANT TO THIS ARTICLE.

18 **32-17-108. Approval by municipality.** IF THE BOUNDARIES OF A
19 MENTAL HEALTH CARE SERVICE DISTRICT PROPOSED PURSUANT TO THIS
20 ARTICLE ARE WHOLLY CONTAINED WITHIN THE BOUNDARIES OF A
21 MUNICIPALITY, THE PERSONS PROPOSING THE ORGANIZATION OF THE
22 DISTRICT SHALL COMPLY WITH THE PROVISIONS OF SECTION 32-1-204.5;
23 EXCEPT THAT THE SERVICE PLAN SUBMITTED TO EACH GOVERNING BODY
24 SHALL CONTAIN THE INFORMATION REQUIRED BY SECTION 32-17-107 (2).
25 THE GOVERNING BODY OF EACH MUNICIPALITY SHALL HAVE THE
26 AUTHORITY SET FORTH IN SECTION 32-1-204.5 WITH REGARD TO THE
27 REVIEW OF THE SERVICE PLAN.

1 **32-17-109. Public hearing on service plan - procedures -**
2 **decision - judicial review - modifications - enforcement.** (1) FOR
3 PURPOSES OF SECTION 32-1-204 (1) AND (1.5), THE BOARD OF COUNTY
4 COMMISSIONERS OR THE GOVERNING BODY OF THE MUNICIPALITY,
5 WHICHEVER IS APPLICABLE, SHALL BE DEEMED TO HAVE COMPLIED WITH
6 SUCH PROVISIONS IF THE BOARD OR GOVERNING BODY PROVIDES WRITTEN
7 NOTICE OF THE DATE, TIME, AND LOCATION OF THE HEARING TO THE
8 PETITIONERS, AND AT LEAST TWENTY DAYS PRIOR TO THE HEARING DATE,
9 PUBLISHES NOTICE OF THE DATE, TIME, LOCATION, AND PURPOSE OF THE
10 HEARING. THE PUBLISHED NOTICE SHALL CONSTITUTE CONSTRUCTIVE
11 NOTICE TO THE INTERESTED PARTIES IN THE PROPOSED DISTRICT.

12 (2) THE PROVISIONS OF SECTION 32-1-204 (2) SHALL NOT APPLY TO
13 A MENTAL HEALTH CARE SERVICE DISTRICT PROPOSED PURSUANT TO THIS
14 ARTICLE.

15 (3) THE BOARD OF COUNTY COMMISSIONERS OR THE GOVERNING
16 BODY OF THE MUNICIPALITY, WHICHEVER IS APPLICABLE, SHALL CONDUCT
17 THE HEARING AND MAKE ITS DECISION IN ACCORDANCE WITH THE
18 REQUIREMENTS OF SECTION 32-1-204 (3) AND (4). THE DECISION OF THE
19 BOARD OF COUNTY COMMISSIONERS OR THE GOVERNING BODY OF THE
20 MUNICIPALITY, WHICHEVER IS APPLICABLE, IS SUBJECT TO JUDICIAL
21 REVIEW IN ACCORDANCE WITH SECTION 32-1-206; EXCEPT THAT, FOR
22 PURPOSES OF JUDICIAL REVIEW, "INTERESTED PARTY" SHALL HAVE THE
23 SAME MEANING AS SET FORTH IN SECTION 32-17-103 (3).

24 (4) UPON FINAL APPROVAL BY THE COURT FOR THE ORGANIZATION
25 OF A MENTAL HEALTH CARE SERVICE DISTRICT, THE DISTRICT SHALL
26 CONFORM AS MUCH AS POSSIBLE TO THE APPROVED SERVICE PLAN, AND
27 ANY MATERIAL MODIFICATIONS TO THE PLAN SHALL BE APPROVED IN

1 ACCORDANCE WITH SECTION 32-1-207 (2). ANY MATERIAL DEPARTURE
2 FROM THE APPROVED SERVICE PLAN MAY BE ENJOINED IN ACCORDANCE
3 WITH SECTION 32-1-207 (3); EXCEPT THAT, FOR PURPOSES OF
4 ENFORCEMENT OF THE PLAN, "INTERESTED PARTY" SHALL HAVE THE SAME
5 MEANING AS SET FORTH IN SECTION 32-17-103 (3).

6 **32-17-110. Organization.** (1) EXCEPT AS PROVIDED IN THIS
7 SECTION, THE ORGANIZATION OF A MENTAL HEALTH CARE SERVICE
8 DISTRICT PURSUANT TO THIS ARTICLE SHALL BE GOVERNED BY THE
9 PROVISIONS OF PART 3 OF ARTICLE 1 OF THIS TITLE.

10 (2) FOR PURPOSES OF COMPLYING WITH THE PROVISIONS OF
11 SECTION 32-1-301 (1), A PETITION FOR THE ORGANIZATION OF A DISTRICT
12 PROPOSED PURSUANT TO THIS ARTICLE SHALL BE SIGNED BY NOT LESS
13 THAN THIRTY PERCENT OR TWO HUNDRED ELIGIBLE ELECTORS OF THE
14 PROPOSED DISTRICT, WHICHEVER NUMBER IS SMALLER.

15 (3) FOR PURPOSES OF COMPLYING WITH THE PROVISIONS OF
16 SECTION 32-1-301 (2) (d.1), THE PETITION FOR ORGANIZATION SHALL SET
17 FORTH THE ESTIMATED SALES TAX REVENUES FOR THE DISTRICT'S FIRST
18 BUDGET YEAR.

19 (4) FOR PURPOSES OF COMPLYING WITH THE PROVISIONS OF
20 SECTION 32-1-304, WHEN THE COURT WITH WHOM A PETITION FOR
21 ORGANIZATION OF A MENTAL HEALTH CARE SERVICE DISTRICT HAS BEEN
22 FILED SETS A HEARING DATE, THE CLERK OF COURT SHALL PUBLISH NOTICE
23 OF THE HEARING AND MAIL THE REQUIRED NOTICE TO THE APPROPRIATE
24 BOARD OF COUNTY COMMISSIONERS OR GOVERNING BODY OF THE
25 MUNICIPALITY, BUT THE CLERK OF COURT SHALL NOT BE REQUIRED TO
26 MAIL NOTICE OF THE HEARING TO ALL INTERESTED PARTIES.

27 (5) FOR PURPOSES OF COMPLYING WITH THE PROVISIONS OF

1 SECTION 32-1-305 (1), THE COURT SHALL DETERMINE WHETHER THE
2 REQUIRED NUMBER OF ELIGIBLE ELECTORS OF THE PROPOSED DISTRICT
3 HAVE SIGNED THE PETITION.

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

9 **32-17-111. Persons entitled to vote at mental health care**
10 **service district elections.** NOTWITHSTANDING THE PROVISIONS OF
11 SECTION 32-1-806, ANY PERSON WHO IS AN ELIGIBLE ELECTOR AS DEFINED
12 IN SECTION 32-17-103 (2) SHALL BE ELIGIBLE TO VOTE IN AN
13 ORGANIZATIONAL ELECTION OR ANY ELECTION CONDUCTED BY THE BOARD
14 OF DIRECTORS FOR A MENTAL HEALTH CARE SERVICE DISTRICT.

15 **32-17-112. Financial powers.** NOTWITHSTANDING THE
16 PROVISIONS OF SECTION 32-1-1101 (1) (a), A MENTAL HEALTH CARE
17 SERVICE DISTRICT CREATED PURSUANT TO THIS ARTICLE SHALL NOT BE
18 AUTHORIZED TO LEVY AND COLLECT AD VALOREM TAXES. SUCH DISTRICT
19 SHALL HAVE ALL OTHER FINANCIAL POWERS DESCRIBED IN SECTION
20 32-1-1101. THE DISTRICT SHALL ALSO HAVE THE POWER, UPON VOTER
21 APPROVAL, TO LEVY AND COLLECT A UNIFORM SALES TAX THROUGHOUT
22 THE ENTIRE GEOGRAPHICAL AREA OF THE DISTRICT AT A RATE NOT TO
23 EXCEED ONE-FOURTH OF ONE PERCENT UPON EVERY TRANSACTION OR
24 OTHER INCIDENT WITH RESPECT TO WHICH A SALES TAX IS LEVIED BY THE
25 STATE PURSUANT TO THE PROVISIONS OF ARTICLE 26 OF TITLE 39, C.R.S.
26 ANY SALES TAX AUTHORIZED PURSUANT TO THIS SECTION SHALL BE LEVIED
27 AND COLLECTED AS PROVIDED IN SECTION 32-17-113.

1 **32-17-113. Sales tax imposed - collection - administration of**

2 **tax.** (1) (a) UPON THE APPROVAL OF THE ELIGIBLE ELECTORS IN THE
3 DISTRICT AT AN ELECTION HELD IN ACCORDANCE WITH SECTION 20 OF
4 ARTICLE X OF THE STATE CONSTITUTION AND PART 8 OF ARTICLE 1 OF THIS
5 TITLE, THE DISTRICT SHALL HAVE THE POWER TO LEVY SUCH UNIFORM
6 SALES TAX THROUGHOUT THE ENTIRE GEOGRAPHICAL AREA OF THE
7 DISTRICT UPON EVERY TRANSACTION OR OTHER INCIDENT WITH RESPECT
8 TO WHICH A SALES TAX IS LEVIED BY THE STATE PURSUANT TO THE
9 PROVISIONS OF ARTICLE 26 OF TITLE 39, C.R.S.

10 (b) THE SALES TAX IMPOSED PURSUANT TO PARAGRAPH (a) OF THIS
11 SUBSECTION (1) SHALL ALSO BE LEVIED ON THE FOLLOWING SALES AND
12 PURCHASES:

13 (I) PURCHASES OF MACHINERY OR MACHINE TOOLS THAT ARE
14 OTHERWISE EXEMPT PURSUANT TO SECTION 39-26-709 (1), C.R.S., TO THE
15 EXTENT THAT SUCH SALES AND PURCHASES ARE SUBJECT TO THE SALES
16 TAX LEVIED BY THE REGIONAL TRANSPORTATION DISTRICT PURSUANT TO
17 SECTION 29-2-105 (1) (d), C.R.S.;

18 (II) SALES OF LOW-EMITTING MOTOR VEHICLES, POWER SOURCES,
19 OR PARTS USED FOR CONVERTING SUCH POWER SOURCES AS SPECIFIED IN
20 SECTION 39-26-719 (1), C.R.S.; AND

21 (III) VENDING MACHINE SALES OF FOOD THAT ARE OTHERWISE
22 EXEMPT PURSUANT TO SECTION 39-26-714 (2), C.R.S.

23 (c) THE SALES TAX IMPOSED PURSUANT TO PARAGRAPH (a) OF THIS
24 SUBSECTION (1) SHALL NOT BE LEVIED ON:

25 (I) THE SALE OF TANGIBLE PERSONAL PROPERTY DELIVERED BY A
26 RETAILER OR A RETAILER'S AGENT OR TO A COMMON CARRIER FOR
27 DELIVERY TO A DESTINATION OUTSIDE THE DISTRICT; AND

1 (II) THE SALE OF TANGIBLE PERSONAL PROPERTY ON WHICH A
2 SPECIFIC OWNERSHIP TAX HAS BEEN PAID OR IS PAYABLE WHEN SUCH SALE
3 MEETS THE FOLLOWING CONDITIONS:

4 (A) THE PURCHASER DOES NOT RESIDE IN THE DISTRICT OR THE
5 PURCHASER'S PRINCIPAL PLACE OF BUSINESS IS OUTSIDE THE DISTRICT; AND

6 (B) THE PERSONAL PROPERTY IS REGISTERED OR REQUIRED TO BE
7 REGISTERED OUTSIDE THE GEOGRAPHICAL BOUNDARIES OF THE DISTRICT
8 UNDER THE LAWS OF THIS STATE.

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

13 (2) (a) THE COLLECTION, ADMINISTRATION, AND ENFORCEMENT OF
14 THE SALES TAX SHALL BE PERFORMED BY THE EXECUTIVE DIRECTOR OF
15 THE DEPARTMENT OF REVENUE IN THE SAME MANNER AS THAT FOR THE
16 COLLECTION, ADMINISTRATION, AND ENFORCEMENT OF THE STATE SALES
17 TAX IMPOSED PURSUANT TO ARTICLE 26 OF TITLE 39, C.R.S., INCLUDING,
18 WITHOUT LIMITATION, THE RETENTION BY A VENDOR OF THE PERCENTAGE
19 OF THE AMOUNT REMITTED TO COVER THE VENDOR'S EXPENSE IN THE
20 COLLECTION AND REMITTANCE OF THE SALES TAX AS PROVIDED IN SECTION
21 39-26-105, C.R.S. THE EXECUTIVE DIRECTOR SHALL MAKE MONTHLY
22 DISTRIBUTIONS OF SALES TAX COLLECTIONS TO THE DISTRICT. THE
23 DISTRICT SHALL PAY THE NET INCREMENTAL COST INCURRED BY THE
24 DEPARTMENT OF REVENUE IN THE ADMINISTRATION AND COLLECTION OF
25 THE SALES TAX.

26 (b) (I) A QUALIFIED PURCHASER MAY PROVIDE A DIRECT PAYMENT
27 PERMIT NUMBER ISSUED PURSUANT TO SECTION 39-26-103.5, C.R.S., TO

1 ANY VENDOR OR RETAILER THAT IS LIABLE AND RESPONSIBLE FOR
2 COLLECTING AND REMITTING ANY SALES TAX LEVIED ON ANY SALE MADE
3 TO THE QUALIFIED PURCHASER PURSUANT TO THE PROVISIONS OF THIS
4 ARTICLE. A VENDOR OR RETAILER THAT HAS RECEIVED A DIRECT PAYMENT
5 PERMIT NUMBER IN GOOD FAITH FROM A QUALIFIED PURCHASER SHALL NOT
6 BE LIABLE OR RESPONSIBLE FOR COLLECTION AND REMITTANCE OF ANY
7 SALES TAX IMPOSED ON THE SALE THAT IS PAID FOR DIRECTLY FROM THE
8 QUALIFIED PURCHASER'S FUNDS AND NOT THE PERSONAL FUNDS OF ANY
9 INDIVIDUAL.

10 (II) A QUALIFIED PURCHASER THAT PROVIDES A DIRECT PAYMENT
11 PERMIT NUMBER TO A VENDOR OR RETAILER SHALL BE LIABLE AND
12 RESPONSIBLE FOR THE AMOUNT OF SALES TAX LEVIED ON ANY SALE MADE
13 TO THE QUALIFIED PURCHASER PURSUANT TO THE PROVISIONS OF THIS
14 ARTICLE IN THE SAME MANNER AS LIABILITY WOULD BE IMPOSED ON A
15 QUALIFIED PURCHASER FOR STATE SALES TAX PURSUANT TO SECTION
16 39-26-105 (3), C.R.S.

17 **32-17-114. District revenues.** ANY REVENUES RAISED OR
18 GENERATED BY THE DISTRICT SHALL BE IN ADDITION TO AND SHALL NOT BE
19 USED TO REPLACE ANY STATE FUNDING THE COUNTIES IN THE DISTRICT
20 WOULD OTHERWISE BE ENTITLED TO RECEIVE FROM THE STATE.

21 **SECTION 5.** Article 2 of title 29, Colorado Revised Statutes, is
22 amended BY THE ADDITION OF A NEW SECTION to read:

23 **29-2-103.9. Sales tax for mental health care services.** (1) IN
24 ADDITION TO ANY SALES TAX IMPOSED PURSUANT TO SECTION 29-2-103,
25 EACH COUNTY IN THIS STATE IS AUTHORIZED TO LEVY A COUNTY SALES TAX
26 OF UP TO ONE-QUARTER OF ONE PERCENT FOR THE PURPOSE OF PROVIDING,
27 DIRECTLY OR INDIRECTLY, MENTAL HEALTH CARE SERVICES TO RESIDENTS

1 OF THE COUNTY WHO ARE IN NEED OF MENTAL HEALTH CARE SERVICES
2 AND TO FAMILY MEMBERS OF SUCH RESIDENTS.

3 (2) (a) ANY COUNTY IN WHICH MENTAL HEALTH CARE SERVICES
4 ARE PROVIDED MAY ENTER INTO INTERGOVERNMENTAL AGREEMENTS WITH
5 ANY MUNICIPALITY OR OTHER COUNTY OR MAY ENTER INTO CONTRACTUAL
6 AGREEMENTS WITH ANY PRIVATE PROVIDER FOR THE PURPOSE OF
7 PROVIDING MENTAL HEALTH CARE SERVICES WITHIN THE COUNTY.

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

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

19 (b) ANY PROPOSAL FOR THE LEVY OF A SALES TAX IN ACCORDANCE
20 WITH PARAGRAPH (a) OF THIS SUBSECTION (3) SHALL ONLY BE SUBMITTED
21 TO THE ELIGIBLE ELECTORS OF THE COUNTY ON THE FIRST TUESDAY AFTER
22 THE FIRST MONDAY IN NOVEMBER OF EACH YEAR AND ANY ELECTION ON
23 THE PROPOSAL SHALL BE CONDUCTED BY THE COUNTY CLERK AND
24 RECORDER IN ACCORDANCE WITH THE "UNIFORM ELECTION CODE OF
25 1992", ARTICLES 1 TO 13 OF TITLE 1, C.R.S.

26 (4) ALL REVENUES COLLECTED FROM A COUNTY SALES TAX
27 IMPOSED PURSUANT TO THIS SECTION SHALL BE CREDITED TO A SPECIAL

1 FUND IN THE COUNTY TREASURY KNOWN AS THE COUNTY MENTAL HEALTH
2 CARE SERVICES FUND. THE FUND SHALL BE USED ONLY FOR THE PURPOSE
3 OF PROVIDING MENTAL HEALTH CARE SERVICES IN ACCORDANCE WITH THIS
4 SECTION.

5 **SECTION 6.** 29-2-108 (3), Colorado Revised Statutes, is
6 amended to read:

7 **29-2-108. Limitation on amount.** (3) A tax imposed pursuant
8 to ~~section 24-90-110.7 (3) (f), 29-1-204.5 (3) (f.1), 29-2-103.7,~~
9 ~~30-11-107.5, 30-11-107.7, or 37-50-110~~ SECTION 24-90-110.7 (3) (f),
10 29-1-204.5 (3) (f.1), 29-2-103.7, 29-2-103.9, 30-11-107.5, 30-11-107.7,
11 OR 37-50-110, C.R.S., and the additional tax authorized by section
12 30-20-604.5, C.R.S., if imposed, shall be exempt from the six and ninety
13 one-hundredths percent limitation imposed by subsection (1) of this
14 section.

15 **SECTION 7. Safety clause.** The general assembly hereby finds,
16 determines, and declares that this act is necessary for the immediate
17 preservation of the public peace, health, and safety.