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SENATE BILL 09-173

BY SENATOR(S) Veiga, Boyd, Foster, Gibbs, Groff, Heath, Isgar, Newell, Penry, Schwartz, White, Williams;
also REPRESENTATIVE(S) Rice, Frangas, Middleton, Murray, Ryden, Scanlan, Summers, Todd.

CONCERNING THE ECONOMIC DEVELOPMENT OF LARGE-SCALE REGIONAL
TOURISM PROJECTS TO BE PARTIALLY FINANCED WITH A PORTION OF
STATE SALES TAX REVENUE ABOVE AN EXISTING BASE AMOUNT.

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

SECTION 1. Article 46 of title 24, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

PART 3
COLORADO REGIONAL TOURISM ACT

24-46-301. Short title. THIS PART 3 SHALL BE KNOWN AND MAY BE CITED AS THE "COLORADO REGIONAL TOURISM ACT".

24-46-302. Legislative declaration. (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

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

(a) THE HEALTH, SAFETY, AND WELFARE OF THE PEOPLE OF THE STATE OF COLORADO ARE ENHANCED BY A DIVERSE REVENUE STREAM, AND THE PEOPLE OF THE STATE WOULD BENEFIT FROM AN EXPANSION OF OPPORTUNITIES FOR INVESTMENT IN LARGE-SCALE REGIONAL TOURISM PROJECTS THAT WILL ATTRACT SIGNIFICANT INVESTMENT AND REVENUE FROM OUTSIDE THE STATE;

(b) DIVERSIFICATION OF THE STATE'S ECONOMIC BASE CAN CONTRIBUTE TO MUCH-NEEDED ECONOMIC STABILITY;

(c) COLORADO IS IN COMPETITION WITH OTHER STATES TO ATTRACT LARGE-SCALE REGIONAL TOURISM PROJECTS;

(d) IT IS IN THE BEST INTERESTS OF THE PEOPLE OF THE STATE TO PROVIDE A FINANCING MECHANISM FOR ATTRACTING, CONSTRUCTING, AND OPERATING LARGE-SCALE REGIONAL TOURISM PROJECTS THAT WILL ATTRACT SIGNIFICANT INVESTMENT AND REVENUE FROM OUTSIDE THE STATE; AND

(e) IN KEEPING WITH COLORADO'S TRADITION OF LOCAL GOVERNMENTS PLAYING A SIGNIFICANT ROLE IN LAND USE AND DEVELOPMENT PROJECTS, REGIONAL TOURISM PROJECTS SHOULD BE PROPOSED BY A LOCAL GOVERNMENT OR BY ONE OR MORE LOCAL GOVERNMENTS WORKING TOGETHER.

24-46-303. Definitions. AS USED IN THIS PART 3, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "BASE YEAR REVENUE" MEANS THE STATE SALES TAX REVENUE COLLECTED DURING THE TWELVE-MONTH PERIOD IMMEDIATELY PRIOR TO THE MONTH IN WHICH A REGIONAL TOURISM PROJECT IS AUTHORIZED, AS DETERMINED BY THE DEPARTMENT OF REVENUE.

(2) "COMMISSION" MEANS THE COLORADO ECONOMIC DEVELOPMENT COMMISSION CREATED IN SECTION 24-46-102.

(3) "DIRECTOR" MEANS THE DIRECTOR OF THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT CREATED IN SECTION 24-48.5-101.

(4) "ELIGIBLE COSTS" MEANS THE COSTS OF DESIGNING,

CONSTRUCTING, FINANCING, AND MAINTAINING ELIGIBLE IMPROVEMENTS DESIGNATED BY THE COMMISSION AS PART OF AN APPROVED REGIONAL TOURISM PROJECT, INCLUDING BUT NOT LIMITED TO COSTS OF ENGINEERING, CONSTRUCTION ENGINEERING, SURVEYING, CONSTRUCTION SURVEYING, CONSTRUCTION LABOR AND MATERIALS, DESIGN, PLANNING, LEGAL SERVICES, ACCOUNTING, OVERHEAD OR ADMINISTRATIVE STAFFING, FINANCING, BOND ISSUANCE OR REISSUANCE, UNDERWRITING, INTEREST PAYMENTS, LOAN ORIGATION FEES, AND SIMILAR NECESSARY AND CONVENIENT COSTS INCURRED BY THE FINANCING ENTITY IN EXERCISING ITS POWERS PURSUANT TO THIS PART 3. MONEYS ADVANCED BY PRIVATE DEVELOPERS WITHIN THE REGIONAL TOURISM PROJECT TO THE FINANCING ENTITY FOR ELIGIBLE IMPROVEMENTS, WHETHER PURSUANT TO LOANS OR CONTRACTUAL FUNDING AND REIMBURSEMENT AGREEMENTS, TOGETHER WITH REASONABLE INTEREST THEREON, SHALL BE ELIGIBLE COSTS. IN ADDITION, THE FINANCING ENTITY'S COSTS FOR PURCHASING ELIGIBLE IMPROVEMENTS CONSTRUCTED AND OWNED BY THIRD PARTIES EITHER PRIOR TO OR SUBSEQUENT TO DESIGNATION OF THE REGIONAL TOURISM PROJECT SHALL BE ELIGIBLE COSTS. COSTS AND EXPENSES INCURRED BY THE FINANCING ENTITY PURSUANT TO SECTION 24-35-118 AND IN COMPLYING WITH ITS ANNUAL REPORT AND AUDIT OBLIGATIONS UNDER THIS ARTICLE SHALL BE ELIGIBLE COSTS.

(5) "ELIGIBLE IMPROVEMENTS" MEANS THE SPECIFIC IMPROVEMENTS AUTHORIZED BY THE COMMISSION AS PART OF AN APPROVED REGIONAL TOURISM PROJECT, WHETHER PUBLICLY OR PRIVATELY OWNED, INCLUDING BUT NOT LIMITED TO STORM SEWER AND SANITARY SEWER COLLECTION, CONVEYANCE, DISTRIBUTION, TREATMENT, AND RELATED FACILITIES AND REAL PROPERTY INTERESTS NECESSARY OR CONVENIENT THERETO; POTABLE AND NONPOTABLE WATER SUPPLIES AND COLLECTION, CONVEYANCE, DISTRIBUTION, TREATMENT, AND RELATED FACILITIES AND REAL PROPERTY INTERESTS RELATED THERETO; ROADS; STREETS; STATE HIGHWAYS; RIGHTS-OF-WAY; LIGHTING; TRAFFIC SIGNALS AND SIGNS; DIRECTION AND LOCATION SIGNAGE AND SIMILAR SIGNAGE; LAND ACQUISITION; SURVEYING, ENGINEERING, SOILS TESTING, SITE PLANNING, GRADING, AND SIMILAR ACTIVITIES NECESSARY OR CONVENIENT FOR SITE PREPARATION AND DEVELOPMENT; PARK AND RECREATIONAL FACILITIES; TRAILS AND PATHS; PUBLIC SAFETY FACILITIES; LANDSCAPING; TOURISM AND ENTERTAINMENT FACILITIES; TRANSPORTATION FACILITIES; SURFACE AND STRUCTURED PARKING FACILITIES; AND ANY OTHER FACILITIES OR IMPROVEMENTS NECESSARY TO OR CONVENIENT FOR THE COMPLETION OF AN APPROVED

PROJECT.

(6) "FINANCING ENTITY" MEANS THE ENTITY DESIGNATED BY THE COMMISSION IN CONNECTION WITH ITS APPROVAL OF A REGIONAL TOURISM PROJECT TO RECEIVE AND UTILIZE STATE SALES TAX INCREMENT REVENUE. A FINANCING ENTITY MAY BE A METROPOLITAN DISTRICT CREATED PURSUANT TO TITLE 32, C.R.S., AN URBAN RENEWAL AUTHORITY CREATED PURSUANT TO PART 1 OF ARTICLE 25 OF TITLE 31, C.R.S., OR ANY REGIONAL TOURISM AUTHORITY TO BE FORMED PURSUANT TO THIS PART 3.

(7) "FINANCING TERM" MEANS THE AGGREGATE PERIOD AUTHORIZED BY THE COMMISSION PURSUANT TO THIS PART 3 WITHIN WHICH THE FINANCING ENTITY IS AUTHORIZED TO RECEIVE AND UTILIZE STATE SALES TAX INCREMENT REVENUE TO FINANCE ELIGIBLE COSTS.

(8) "LOCAL GOVERNMENT" MEANS A CITY, COUNTY, CITY AND COUNTY, OR TOWN OR A GROUP OF CONTIGUOUS CITIES, COUNTIES, CITY AND COUNTIES, OR TOWNS.

(9) "REGIONAL TOURISM AUTHORITY" OR "AUTHORITY" MEANS A CORPORATE BODY ORGANIZED PURSUANT TO THIS PART 3 FOR THE PURPOSES, WITH THE POWERS, AND SUBJECT TO THE RESTRICTIONS SET FORTH IN THIS PART 3 AND THE FORMATION OF WHICH HAS BEEN APPROVED BY THE COMMISSION PURSUANT TO THIS PART 3.

(10) "REGIONAL TOURISM PROJECT" OR "PROJECT" MEANS A DEVELOPMENT PROJECT THAT IS PLANNED TO INCLUDE A TOURISM OR ENTERTAINMENT FACILITY TOGETHER WITH ANCILLARY USES, STRUCTURES, AND IMPROVEMENTS, AND THAT HAS BEEN APPROVED BY THE COMMISSION PURSUANT TO THIS PART 3.

(11) "REGIONAL TOURISM ZONE" MEANS THE GEOGRAPHIC AREA DEFINED BY THE COMMISSION AS PART OF AN APPROVED REGIONAL TOURISM PROJECT. A REGIONAL TOURISM ZONE SHALL NOT EXTEND INTO THE TERRITORIAL BOUNDARIES OF ANY LOCAL GOVERNMENT EXCEPT FOR THE LOCAL GOVERNMENT THAT IS REQUESTING THE DESIGNATION OF THE REGIONAL TOURISM ZONE. A REGIONAL TOURISM ZONE MAY BE LIMITED TO PORTIONS OF A LOCAL GOVERNMENT AND MAY INCLUDE NONCONTIGUOUS TRACTS OR PARCELS OF PROPERTY.

(12) "STATE SALES TAX INCREMENT REVENUE" MEANS THE PORTION OF THE REVENUE DERIVED FROM STATE SALES TAXES COLLECTED WITHIN A DESIGNATED REGIONAL TOURISM ZONE IN EXCESS OF THE AMOUNT OF BASE YEAR REVENUE.

(13) "TOURISM OR ENTERTAINMENT FACILITY" MEANS A FACILITY OR GROUP OF INTERRELATED FACILITIES CONSTRUCTED PRIMARILY FOR USE AS A TOURISM OR ENTERTAINMENT VENUE THAT IS REASONABLY ANTICIPATED TO DRAW A SIGNIFICANT NUMBER OF REGIONAL, NATIONAL, OR INTERNATIONAL PATRONS. A TOURISM OR ENTERTAINMENT FACILITY MAY INCLUDE BUT NEED NOT BE LIMITED TO MUSEUMS, STADIUMS, ARENAS, MAJOR SPORTS FACILITIES, PERFORMING ARTS THEATERS, THEME OR AMUSEMENT PARKS, CONFERENCE CENTER OR RESORT HOTELS, OR OTHER SIMILAR VENUES.

24-46-304. Regional tourism project - application - requirements. (1) ANY LOCAL GOVERNMENT MAY APPLY FOR APPROVAL OF A REGIONAL TOURISM PROJECT, INCLUDING DESIGNATION OF A REGIONAL TOURISM ZONE, THE CREATION OF A REGIONAL TOURISM AUTHORITY, AND DESIGNATION OF A FINANCING ENTITY TO RECEIVE, UTILIZE, AND DISPERSE STATE SALES TAX INCREMENT REVENUE FOR ELIGIBLE COSTS.

(2) A LOCAL GOVERNMENT SHALL SUBMIT AN APPLICATION FOR A REGIONAL TOURISM PROJECT TO THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT IN A FORM AND MANNER TO BE DETERMINED BY THE COMMISSION. THE OFFICE SHALL PROVIDE THE COMMISSION WITH EACH APPLICATION RECEIVED AFTER THE DIRECTOR'S REVIEW PURSUANT TO SECTION 24-46-305. THE APPLICATION SHALL INCLUDE, BUT NEED NOT BE LIMITED TO, THE FOLLOWING:

(a) MAPS OF THE PROPOSED PROJECT AREA SHOWING BOTH CURRENT CONDITIONS AND A CONCEPTUAL RENDERING OF THE PROPOSED PROJECT IN ITS ANTICIPATED BUILT CONDITION;

(b) A MAP SHOWING THE PROPOSED BOUNDARIES OF THE PROPOSED REGIONAL TOURISM ZONE;

(c) A NARRATIVE DESCRIPTION OF THE PROPOSED PROJECT, INCLUDING THE LOCATION AND ESTIMATED OVERALL COST, ESTIMATED ELIGIBLE COSTS, ANTICIPATED SCOPE AND PHASING OF ELIGIBLE

IMPROVEMENTS, AND THE INFRASTRUCTURE EXISTING OR NEEDED IN CONNECTION WITH THE PROJECT;

(d) A DISCUSSION OF EACH OF THE APPLICATION CRITERIA AND HOW THE PROJECT WILL MEET EACH OF THE CRITERIA, INCLUDING AN ECONOMIC ANALYSIS DETAILING PROJECTED ECONOMIC DEVELOPMENT, IMPACT ON FUTURE STATE SALES TAX REVENUE DURING AND AFTER THE FINANCING TERM, THE NUMBER OF NEW JOBS TO BE CREATED BY THE PROJECT BY JOB CATEGORY AS DEFINED BY THE COLORADO DEPARTMENT OF LABOR AND EMPLOYMENT OCCUPATIONAL EMPLOYMENT STATISTICS SURVEY AND THE WAGES AND, TO THE EXTENT THAT IT IS REASONABLY POSSIBLE, INFORMATION ON HEALTH BENEFITS FOR JOBS IN EACH CATEGORY, MARKET IMPACT, ANTICIPATED REGIONAL AND IN-STATE COMPETITION, THE ABILITY TO ATTRACT OUT-OF-STATE TOURISTS, THE FISCAL IMPACT TO LOCAL GOVERNMENTS WITHIN AND ADJACENT TO THE REGIONAL TOURISM ZONE, AN ANALYSIS OF THE IMPACT TO LOCAL SCHOOL DISTRICTS AND AN ESTIMATE OF THE PERCENTAGE OF TOTAL PROGRAM THAT THE STATE WILL BECOME RESPONSIBLE TO FUND THROUGH THE STATE'S SHARE OF TOTAL PROGRAM PURSUANT TO SECTION 22-54-106, C.R.S., IN THE EVENT THAT AN URBAN RENEWAL AUTHORITY IS THE FINANCING ENTITY FOR THE REGIONAL TOURISM PROJECT AND USES PROPERTY TAX REVENUE TO FINANCE THE PROJECT, AND ANY OTHER INFORMATION REASONABLY REQUESTED BY THE COMMISSION;

(e) A DESCRIPTION OF THE PROPOSED FINANCING ENTITY, A GENERAL DESCRIPTION OF THE FINANCING ENTITY'S PLAN FOR FINANCING THE ELIGIBLE COSTS AND PROVIDING THE ELIGIBLE IMPROVEMENTS, AND WHETHER AUTHORIZATION OF A REGIONAL TOURISM AUTHORITY IS REQUESTED. A REQUEST FOR AUTHORIZATION OF A REGIONAL TOURISM AUTHORITY SHALL INCLUDE A DESCRIPTION OF THE PROPOSED AUTHORITY'S GEOGRAPHIC BOUNDARIES, REQUESTED POWERS, AND ANTICIPATED SOURCES OF REVENUE, IF ANY, IN ADDITION TO STATE SALES TAX INCREMENT REVENUE;

(f) IF IT IS ANTICIPATED THAT THE FINANCING ENTITY WILL ENTER INTO CONTRACTUAL ARRANGEMENTS WITH ONE OR MORE URBAN RENEWAL AUTHORITIES, METROPOLITAN DISTRICTS, LOCAL GOVERNMENTS, OR PRIVATE PARTIES WITH RESPECT TO THE METHOD OF FINANCING THE ELIGIBLE COSTS AND PROVIDING ELIGIBLE IMPROVEMENTS, A GENERAL DESCRIPTION OF SUCH CONTEMPLATED CONTRACTUAL ARRANGEMENTS;

(g) IF IT IS ANTICIPATED THAT THE ELIGIBLE IMPROVEMENTS WILL BE

CONSTRUCTED IN PHASES OR THAT FINANCING OF THE ELIGIBLE COSTS WILL BE ACCOMPLISHED IN PHASES, A DESCRIPTION OF THE CONTEMPLATED PHASES AND ANTICIPATED TIMING OF THE PHASES;

(h) THE PROPOSED FINANCING TERM, THE PERCENTAGE OF STATE SALES TAX INCREMENT REVENUE TO BE ALLOCATED TO THE FINANCING ENTITY, AND THE PORTION OF THE FINANCING TERM DURING WHICH SUCH PERCENTAGE IS TO BE ALLOCATED TO THE FINANCING ENTITY. NO SINGLE DEBT ISSUANCE OF THE FINANCING ENTITY SHALL HAVE A MATURITY DATE IN EXCESS OF THIRTY YEARS; EXCEPT THAT THE FINANCING TERM MAY EXCEED THIRTY YEARS TO THE EXTENT THAT THE FINANCING ENTITY ANTICIPATES ISSUING A SERIES OF BONDS OR OTHER FORMS OF DEBT AND PROVIDED THAT THE FINANCING ENTITY SHALL HAVE THE ABILITY TO CONSOLIDATE OR REFINANCE PREVIOUSLY ISSUED DEBT OR BONDS WITH A MATURITY DATE FOR SUCH CONSOLIDATED OR REFINANCED DEBT OR BONDS NOT TO EXCEED THIRTY YEARS; AND

(i) ALONG WITH THE ECONOMIC ANALYSIS SUBMITTED WITH THE APPLICATION, A REPORT BY A THIRD-PARTY ANALYST WHO IS AN EXPERT IN THE FIELD OF ECONOMIC OR PUBLIC FINANCIAL ANALYSIS CALCULATING THE PERCENTAGE OF THE STATE SALES TAX INCREMENT REVENUE THAT WILL BE DEDICATED TO THE REGIONAL TOURISM PROJECT TO BE SET BY THE COMMISSION PURSUANT TO SECTION 24-46-305 (3) (d). THE APPLICANT SHALL SHARE ITS DATA AND REASONING WITH THE THIRD-PARTY ANALYST, AND THE ANALYST SHALL RELY ON SUCH DATA AND REASONING AS IT DEEMS APPROPRIATE IN THE EXERCISE OF ITS INDEPENDENT JUDGMENT. AN APPLICANT DISSATISFIED WITH SUCH REPORT MAY REVISE ITS APPLICATION AND REQUEST REPORT REVISIONS. THE REVIEWING THIRD-PARTY ANALYST SHALL BE CHOSEN THROUGH A REQUEST FOR PROPOSALS ISSUED BY THE OFFICE OF STATE PLANNING AND BUDGETING TO ENSURE AN INDEPENDENT AND THOROUGH ANALYSIS, AND THE THIRD-PARTY ANALYST SHALL REPORT TO THAT OFFICE. THE COSTS OF SUCH REPORT SHALL BE PAID BY THE APPLICANT DIRECTLY TO THE THIRD-PARTY ANALYST.

(3) AN APPLICATION BY A LOCAL GOVERNMENT FOR DESIGNATION AS A REGIONAL TOURISM PROJECT SHALL BE APPROVED BY THE COMMISSION UPON A FINDING BY THE MAJORITY OF THE COMMISSIONERS PARTICIPATING IN THE REVIEW OF THE APPLICATION THAT THE APPLICATION DEMONSTRATES THAT EACH OF THE FOLLOWING CRITERIA ARE MATERIALLY MET:

(a) THE PROJECT IS OF AN EXTRAORDINARY AND UNIQUE NATURE AND IS REASONABLY ANTICIPATED TO CONTRIBUTE SIGNIFICANTLY TO ECONOMIC DEVELOPMENT AND TOURISM IN THE STATE AND THE COMMUNITIES WHERE THE PROJECT IS LOCATED;

(b) THE PROJECT IS REASONABLY ANTICIPATED TO RESULT IN A SUBSTANTIAL INCREASE IN OUT-OF-STATE TOURISM;

(c) A SIGNIFICANT PORTION OF THE SALES TAX REVENUE GENERATED BY THE PROJECT IS REASONABLY ANTICIPATED TO BE ATTRIBUTABLE TO TRANSACTIONS WITH NONRESIDENTS OF THE REGIONAL TOURISM ZONE; AND

(d) THE LOCAL GOVERNMENT HAS PROVIDED RELIABLE ECONOMIC DATA DEMONSTRATING THAT IN THE ABSENCE OF STATE SALES TAX INCREMENT REVENUE, THE PROJECT IS NOT REASONABLY ANTICIPATED TO BE DEVELOPED WITHIN THE FORESEEABLE FUTURE.

24-46-305. Regional tourism project approval - director - commission - review. (1) UPON RECEIPT OF A LOCAL GOVERNMENT'S APPLICATION FOR A REGIONAL TOURISM PROJECT, THE DIRECTOR OR THE DIRECTOR'S DESIGNEE SHALL REVIEW THE APPLICATION AND SHALL MAKE AN INITIAL DETERMINATION REGARDING WHETHER THE APPLICATION HAS MET THE CRITERIA FOR A REGIONAL TOURISM PROJECT SPECIFIED IN SECTION 24-46-304.

(2) UPON REVIEW OF EACH APPLICATION FOR COMPLETENESS, THE DIRECTOR SHALL FORWARD THE APPLICATION TO ANY COUNTY OR COUNTIES WHERE THE REGIONAL TOURISM PROJECT WILL BE IMPLEMENTED AND TO MUNICIPALITIES ADJACENT TO THE REGIONAL TOURISM PROJECT WILL BE IMPLEMENTED FOR AN OPPORTUNITY TO REVIEW THE APPLICATION AND SUBMIT COMMENTS TO THE COMMISSION. THE DIRECTOR SHALL PROVIDE SUCH COUNTIES AND MUNICIPALITIES WITH THE APPLICATION AT LEAST THIRTY DAYS PRIOR TO THE PUBLIC HEARING HELD PURSUANT TO SUBSECTION (3) OF THIS SECTION. THE DIRECTOR SHALL ALSO FORWARD THE APPLICATION TO THE COMMISSION WITH A RECOMMENDATION THAT THE COMMISSION APPROVE OR DENY THE APPLICATION OR APPROVE THE APPLICATION WITH CONDITIONS; EXCEPT THAT THE COMMISSION SHALL NOT APPROVE ANY PROJECT THAT, IF APPROVED, WOULD LIKELY CREATE A STATE SALES TAX REVENUE DEDICATION OF MORE THAN FIFTY MILLION DOLLARS TO ALL REGIONAL TOURISM PROJECTS IN ANY GIVEN YEAR. THE COMMISSION

SHALL NOT APPROVE MORE THAN TWO PROJECTS.

(3) THE COMMISSION SHALL HOLD A PUBLIC HEARING, SUBJECT TO THE PROVISIONS OF THE "COLORADO SUNSHINE ACT OF 1972", ARTICLE 6 OF THIS TITLE, TO REVIEW AND CONSIDER THE APPLICATION. AFTER THE HEARING HAS BEEN HELD, THE COMMISSION SHALL REVIEW EACH APPLICATION AND GIVE CONSIDERATION TO THE DIRECTOR'S RECOMMENDATIONS. THE COMMISSION SHALL TAKE ACTION ON THE APPLICATION WITHIN A REASONABLE TIME AFTER SUBMISSION. IF THE COMMISSION APPROVES THE APPLICATION, IT SHALL ADOPT A RESOLUTION SPECIFYING THE FOLLOWING:

(a) THE LOCAL GOVERNMENT THAT HAS BEEN APPROVED TO UNDERTAKE A REGIONAL TOURISM PROJECT;

(b) THE AREA OF THE REGIONAL TOURISM ZONE;

(c) WHETHER THE COMMISSION HAS AUTHORIZED THE CREATION OF A REGIONAL TOURISM AUTHORITY; AND

(d) THE PERCENTAGE OF THE STATE SALES TAX INCREMENT REVENUE THAT WILL BE DEDICATED TO THE REGIONAL TOURISM PROJECT. SUCH PERCENTAGE SHALL BE SET AT A VALUE THAT IN THE BEST ESTIMATION OF THE COMMISSION WILL RESULT IN ONLY THE NET NEW REVENUE LIKELY CREATED BY THE PROJECT AND RELATED DEVELOPMENT BEING DEDICATED TO THE FINANCING ENTITY AND SHALL EXCLUDE ANY SALES TAX REVENUE THE STATE WOULD LIKELY HAVE RECEIVED WITHOUT THE PROJECT AND DEVELOPMENT.

(4) AS PART OF THE APPROVAL OF A REGIONAL TOURISM PROJECT, THE COMMISSION SHALL AUTHORIZE THE DEPARTMENT OF REVENUE TO COLLECT THE PERCENTAGE OF THE STATE SALES TAX INCREMENT REVENUE SET BY THE COMMISSION PURSUANT TO PARAGRAPH (d) OF SUBSECTION (3) OF THIS SECTION ON BEHALF OF THE APPROVED FINANCING ENTITY AND SHALL AUTHORIZE THE FINANCING ENTITY TO RECEIVE AND UTILIZE THE STATE SALES TAX INCREMENT REVENUE FOR THE DURATION OF THE FINANCING TERM. IN IMPLEMENTING SUCH AUTHORIZATION, THE DEPARTMENT OF REVENUE SHALL REMIT SUCH REVENUE TO THE FINANCING ENTITY ON A MONTHLY BASIS PROMPTLY AFTER COLLECTION. THE COMMISSION SHALL AUTHORIZE THE UTILIZATION OF THE STATE SALES TAX

INCREMENT REVENUE BY THE FINANCING ENTITY PURSUANT TO THIS PART 3 AND ANY CONDITIONS OF APPROVAL IMPOSED BY THE COMMISSION AND INCORPORATED IN WRITING INTO THE COMMISSION'S RESOLUTION OF APPROVAL.

(5) FOLLOWING THE COMMISSION'S APPROVAL OF AN APPLICATION, THE COMMISSION SHALL PROMPTLY TRANSMIT WRITTEN NOTICE AND A COPY OF THE APPROVAL TO THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE. SUCH TRANSMITTAL SHALL INCLUDE ANY INFORMATION DEEMED NECESSARY BY THE DEPARTMENT OF REVENUE TO FULFILL ITS OBLIGATIONS PURSUANT TO THIS PART 3.

24-46-306. Regional tourism authority - board - creation - powers and duties. (1) THE COMMISSION SHALL NOT DENY A REQUEST TO AUTHORIZE THE CREATION OF A REGIONAL TOURISM AUTHORITY IF THE COMMISSION OTHERWISE APPROVES AN APPLICATION FOR A REGIONAL TOURISM PROJECT THAT INCLUDES A REQUEST FOR THE FORMATION OF A REGIONAL TOURISM AUTHORITY.

(2) A REGIONAL TOURISM AUTHORITY, IF AUTHORIZED, SHALL BE GOVERNED BY A BOARD CONSISTING OF THE FOLLOWING MEMBERS:

(a) IF THE APPLICANT IS A SINGLE LOCAL GOVERNMENTAL ENTITY, TWO MEMBERS APPOINTED BY THE COMMISSION WHO ARE OWNERS OF COMMERCIAL PROPERTY WITHIN THE REGIONAL TOURISM ZONE AND THREE MEMBERS APPOINTED BY THE LOCAL GOVERNMENTAL ENTITY. OF THE MEMBERS APPOINTED BY THE LOCAL GOVERNMENTAL ENTITY, AT LEAST ONE MEMBER SHALL BE A LOCALLY ELECTED OFFICIAL AND AT LEAST ONE MEMBER SHALL REPRESENT THE COMMUNITY AT LARGE.

(b) IF THE APPLICANT IS TWO LOCAL GOVERNMENTAL ENTITIES, THREE MEMBERS APPOINTED BY THE COMMISSION WHO ARE OWNERS OF COMMERCIAL PROPERTY WITHIN THE REGIONAL TOURISM ZONE AND TWO MEMBERS APPOINTED BY EACH OF THE LOCAL GOVERNMENTAL APPLICANTS. OF THE MEMBERS APPOINTED BY THE LOCAL GOVERNMENTAL APPLICANTS, AT LEAST ONE MEMBER SHALL BE AN ELECTED OFFICIAL OF THE LOCAL GOVERNMENT AND AT LEAST ONE MEMBER SHALL REPRESENT THE COMMUNITY AT LARGE.

(c) IF THE APPLICANT IS MORE THAN TWO LOCAL GOVERNMENTAL

ENTITIES, A SINGLE MEMBER WHO IS AN ELECTED OFFICIAL AND A SINGLE MEMBER WHO REPRESENTS THE COMMUNITY AT LARGE APPOINTED BY EACH LOCAL GOVERNMENTAL ENTITY AND AN EQUAL NUMBER OF COMMERCIAL PROPERTY OWNERS WITHIN THE TOURISM ZONE.

(3) UNLESS LIMITED BY THE COMMISSION'S CONDITIONS OF APPROVAL, EACH AUTHORITY SHALL HAVE ALL OF THE POWERS NECESSARY OR CONVENIENT TO CARRY OUT AND EFFECT THE PURPOSES AND PROVISIONS OF THIS PART 3, INCLUDING BUT NOT LIMITED TO THE FOLLOWING POWERS:

(a) PERPETUAL EXISTENCE AND SUCCESSION;

(b) TO ADOPT, HAVE, AND USE A CORPORATE SEAL;

(c) TO SUE AND BE SUED AND TO BE A PARTY TO SUITS, ACTIONS, AND PROCEEDINGS;

(d) TO UNDERTAKE REGIONAL TOURISM PROJECTS;

(e) TO ENTER INTO CONTRACTS AND AGREEMENTS AFFECTING THE AFFAIRS OF THE REGIONAL TOURISM AUTHORITY AS NECESSARY TO COMPLETE A REGIONAL TOURISM PROJECT;

(f) TO RECEIVE, INVEST, PLEDGE, SPEND, AND OTHERWISE UTILIZE AND EXPEND STATE SALES TAX INCREMENT REVENUE IN ACCORDANCE WITH AN APPROVED REGIONAL TOURISM PROJECT;

(g) TO ASSIGN AND PLEDGE TO ANY METROPOLITAN DISTRICT OR URBAN RENEWAL AUTHORITY HAVING ALL OR ANY PORTION OF THE REGIONAL TOURISM ZONE WITHIN ITS BOUNDARIES OR SERVICE AREA THE AUTHORITY'S RIGHT TO RECEIVE AND UTILIZE STATE SALES TAX INCREMENT REVENUE TO SUPPORT BONDS OR OTHER FINANCING INSTRUMENTS ISSUED OR ENTERED INTO BY THE METROPOLITAN DISTRICT OR URBAN RENEWAL AUTHORITY FOR ELIGIBLE COSTS OR TO ACQUIRE ELIGIBLE IMPROVEMENTS, INCLUDING BUT NOT LIMITED TO LOANS OR FUNDING AND REIMBURSEMENT AGREEMENTS WITH DEVELOPERS INVOLVED IN THE REGIONAL TOURISM PROJECT OR OTHER THIRD PARTIES;

(h) TO BORROW MONEY AND INCUR INDEBTEDNESS AND EVIDENCE THE SAME BY CERTIFICATES AND NOTE AND DEBENTURES, TO ISSUE BONDS,

AND TO INVEST ANY MONEYS OF THE AUTHORITY NOT REQUIRED FOR IMMEDIATE DISBURSEMENT IN PROPERTY OR IN SECURITIES IN WHICH PUBLIC BODIES MAY LEGALLY INVEST FUNDS SUBJECT TO THEIR CONTROL PURSUANT TO PART 6 OF ARTICLE 75 OF THIS TITLE;

(i) TO DEPOSIT ANY MONEYS NOT REQUIRED FOR IMMEDIATE DISBURSEMENT IN ANY DEPOSITORY AUTHORIZED IN SECTION 24-75-603 AND, FOR THE PURPOSE OF MAKING SUCH DEPOSITS, TO APPOINT BY WRITTEN RESOLUTION ONE OR MORE PERSONS TO ACT AS CUSTODIANS OF THE MONEYS OF THE AUTHORITY, WHICH PERSON OR PERSONS SHALL GIVE SURETY BONDS IN THE AMOUNTS AND FORM AND FOR THE PURPOSES AS THE AUTHORITY REQUIRES;

(j) TO MAKE SUCH APPROPRIATIONS AND EXPENDITURES OF ITS FUNDS AND TO SET UP, ESTABLISH, AND MAINTAIN SUCH GENERAL, SEPARATE, OR SPECIAL FUNDS AND BANK ACCOUNTS OR OTHER ACCOUNTS AS IT DEEMS NECESSARY OR CONVENIENT TO CARRY OUT AND EFFECT THE PURPOSES AND PROVISIONS OF THIS PART 3;

(k) TO ACCEPT ON BEHALF OF THE REGIONAL TOURISM AUTHORITY REAL OR PERSONAL PROPERTY FOR THE USE OF THE AUTHORITY AND TO ACCEPT GIFTS AND CONVEYANCES MADE TO THE AUTHORITY UPON SUCH TERMS OR CONDITIONS AS THE BOARD OF THE AUTHORITY MAY APPROVE;

(l) TO ADOPT, AMEND, AND ENFORCE BYLAWS AND RULES THAT ARE NOT IN CONFLICT WITH THE CONSTITUTION AND LAWS OF THE STATE FOR CARRYING OUT THE BUSINESS, OBJECTS, AND AFFAIRS OF THE AUTHORITY;

(m) TO HAVE AND EXERCISE ALL RIGHTS AND POWERS NECESSARY OR INCIDENTAL TO OR IMPLIED FROM THE SPECIFIC POWERS GRANTED TO THE REGIONAL TOURISM AUTHORITY BY THIS PART 3. SUCH SPECIFIC POWERS SHALL NOT BE CONSIDERED AS A LIMITATION UPON ANY POWER NECESSARY OR APPROPRIATE TO CARRY OUT THE PURPOSES AND INTENT OF THIS PART 3; AND

(n) TO AUTHORIZE THE USE OF ELECTRONIC RECORDS OR SIGNATURES AND TO ADOPT RULES, STANDARDS, POLICIES, AND PROCEDURES FOR USE OF ELECTRONIC RECORDS OR SIGNATURES PURSUANT TO ARTICLE 71.3 OF THIS TITLE.

(4) A REGIONAL TOURISM AUTHORITY SHALL NOT HAVE THE POWER OF EMINENT DOMAIN AND SHALL NOT HAVE THE POWER TO IMPOSE OR LEVY ANY SALES TAX, USE TAX, PROPERTY TAX, OR ANY OTHER TAX.

(5) THE BOARD OF DIRECTORS OF A REGIONAL TOURISM AUTHORITY SHALL BE SUBJECT TO THE PROVISIONS OF THE "COLORADO OPEN RECORDS ACT", ARTICLE 72 OF THIS TITLE, AND THE "COLORADO SUNSHINE ACT OF 1972", ARTICLE 6 OF THIS TITLE.

24-46-307. State sales tax increment revenue. (1) IN ORDER TO IMPLEMENT THE COLLECTION OF STATE SALES TAX INCREMENT REVENUE, THE RESOLUTION ADOPTED BY THE COMMISSION APPROVING A REGIONAL TOURISM PROJECT SHALL STATE THAT STATE SALES TAXES, IF ANY, LEVIED AND COLLECTED AFTER THE EFFECTIVE DATE OF THE COMMISSION'S APPROVAL OF THE PROJECT SHALL BE DIVIDED AND DISTRIBUTED BY THE DEPARTMENT OF REVENUE AS FOLLOWS:

(a) THE PORTION OF STATE SALES TAXES COLLECTED WITHIN THE BOUNDARIES OF THE REGIONAL TOURISM ZONE EQUAL TO THE BASE YEAR REVENUE SHALL BE PAID INTO THE STATE TREASURY AS SUCH STATE SALES TAXES ARE NORMALLY COLLECTED AND PAID; AND

(b) THE PORTION OF SALES TAX REVENUE IN EXCESS OF THE BASE YEAR REVENUE SHALL BE ALLOCATED TO AND, WHEN COLLECTED, PAID INTO A SPECIAL FUND ESTABLISHED BY THE FINANCING ENTITY. THE FINANCING ENTITY SHALL SEGREGATE SUCH REVENUE FROM OTHER MONEYS OF THE FINANCING ENTITY, IF ANY, AND SHALL UTILIZE SUCH SALES TAX REVENUE SOLELY TO FINANCE ELIGIBLE COSTS INCURRED FOR THE PURPOSE OF CONSTRUCTING THE ELIGIBLE IMPROVEMENTS AND IMPLEMENTING THE REGIONAL TOURISM PROJECT. THE SPECIAL FUND MAY BE USED, WITHOUT LIMITATION, TO PAY THE PRINCIPAL OF, THE INTEREST ON, AND ANY PREMIUMS DUE IN CONNECTION WITH THE BONDS OF, LOANS OR ADVANCES TO, OR INDEBTEDNESS INCURRED BY, WHETHER FUNDED, REFUNDED, ASSUMED, OR OTHERWISE, SUCH FINANCING ENTITY FOR FINANCING OR REFINANCING, IN WHOLE OR IN PART, A REGIONAL TOURISM PROJECT. ANY EXCESS STATE SALES TAX COLLECTIONS NOT ALLOCATED PURSUANT TO THIS PARAGRAPH (b) SHALL BE PAID INTO THE FUNDS OF THE STATE TREASURY.

(2) STATE SALES TAX INCREMENT REVENUE, TOGETHER WITH ANY INVESTMENT INCOME EARNED THEREON, SHALL BE CONSTRUED AND

TREATED FOR ALL PURPOSES AS BEING ASSIGNED TO, THE PROPERTY OF, AND THE REVENUE OF THE APPLICABLE FINANCING ENTITY AND SHALL NOT BE CONSTRUED OR TREATED FOR ANY PURPOSE AS REVENUE OR PROPERTY OF THE STATE.

24-46-308. Annual report - audit. (1) WITHIN NINETY DAYS OF THE END OF THE FIRST FULL STATE FISCAL YEAR AFTER THE COMMISSION APPROVES A REGIONAL TOURISM PROJECT AND ON THE SAME DATE EACH YEAR THEREAFTER, THE FINANCING ENTITY SHALL PREPARE AND SUBMIT TO THE COMMISSION AN ANNUAL REPORT DETAILING THE TOTAL AMOUNT OF STATE SALES TAX INCREMENT REVENUE THAT THE REGIONAL TOURISM PROJECT HAS COLLECTED OVER THE PAST YEAR, HOW SUCH REVENUE HAS BEEN SPENT, PROJECTED REVENUE FOR THE REMAINDER OF THE PERIOD FOR WHICH THE REGIONAL TOURISM PROJECT MAY COLLECT STATE SALES TAX INCREMENT REVENUE, AND A SUMMARY OF THE STATUS OF CONSTRUCTION OF THE ELIGIBLE IMPROVEMENTS. IF ANY INFORMATION PROVIDED IN THE ANNUAL REPORT IS A TRADE SECRET, PROPRIETARY, OR OTHERWISE ENTITLED TO PROTECTION PURSUANT TO ARTICLE 72 OF THIS TITLE, IT SHALL BE SO DESIGNATED AND SHALL BE KEPT CONFIDENTIAL BY THE STATE. THE GOVERNING BODY OF THE FINANCING ENTITY SHALL ATTEST TO THE ACCURACY OF THE INFORMATION PROVIDED IN THE ANNUAL REPORT.

(2) WITH THE ANNUAL REPORT, A FINANCING ENTITY SHALL SUBMIT AN INDEPENDENT AUDIT OF ITS FINANCIAL STATUS THAT IS PREPARED BY A CERTIFIED PUBLIC ACCOUNTANT ATTESTING TO THE ACCURACY OF THE ANNUAL REPORT. IN THE REPORT, THE FINANCING ENTITY SHALL STATE WHETHER ANY STATE SALES TAX INCREMENT REVENUE IS BEING USED FOR PURPOSES OTHER THAN FOR ELIGIBLE COSTS, AND ANY OTHER FINANCIAL INFORMATION THAT IS REASONABLY REQUIRED BY THE COMMISSION.

(3) IF THE AUDIT FINDS THAT STATE SALES TAX INCREMENT REVENUE HAS BEEN USED FOR UNAUTHORIZED PURPOSES, THE FINANCING ENTITY SHALL BE LIABLE FOR THE REPAYMENT OF SUCH STATE SALES TAX INCREMENT REVENUE TO THE PROJECT OR TO THE GENERAL FUND OF THE STATE. THE REPAYMENT MAY BE MADE FROM MONEYS OF THE FINANCING ENTITY DERIVED FROM SOURCES OTHER THAN STATE SALES TAX INCREMENT REVENUE, IF ANY, BY OFFSET AGAINST FUTURE STATE SALES TAX INCREMENT REVENUE THAT OTHERWISE WOULD BE DISBURSED TO IT BY THE DEPARTMENT OF REVENUE, OR FROM OTHER MONEYS THAT ARE LEGALLY AVAILABLE TO THE FINANCING ENTITY FOR SUCH PURPOSE.

(4) IF THE FINANCING ENTITY IS A METROPOLITAN DISTRICT OR AN URBAN RENEWAL AUTHORITY, IT MAY COMPLY WITH THE REQUIREMENTS OF THIS SECTION BY SUBMITTING TO THE COMMISSION A COPY OF THE REPORT THAT THE METROPOLITAN DISTRICT OR URBAN RENEWAL AUTHORITY IS OTHERWISE REQUIRED TO SUBMIT TO A LOCAL GOVERNMENT PURSUANT TO LAW. SUCH COPY SHALL BE DELIVERED TO THE COMMISSION CONCURRENTLY WITH THE DELIVERY OF THE ANNUAL REPORT AND AUDIT WHEN OTHERWISE REQUIRED BY LAW.

(5) THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT AND THE DEPARTMENT OF REVENUE SHALL PREPARE A REPORT TO BE SUBMITTED BY THE OFFICE NO LATER THAN SEPTEMBER 1 OF THE APPLICABLE FISCAL YEAR TO THE FINANCE COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND SENATE, THE BUSINESS AFFAIRS AND LABOR COMMITTEE OF THE HOUSE OF REPRESENTATIVES, AND THE BUSINESS, LABOR, AND TECHNOLOGY COMMITTEE OF THE SENATE, OR ANY SUCCESSOR COMMITTEES. THE REPORT SHALL PRESENT INFORMATION ON ALL TAX EXPENDITURES FOR REGIONAL TOURISM ECONOMIC DEVELOPMENT DURING THE PRIOR FISCAL YEAR AND SHALL INCLUDE INFORMATION FROM THE REPORTS REQUIRED PURSUANT TO SUBSECTION (6) OF THIS SECTION.

(6)(a) EACH YEAR, NO LATER THAN SEPTEMBER 1, THE DEPARTMENT OF REVENUE SHALL REPORT THE AGGREGATE AMOUNT OF STATE SALES TAX INCREMENT REVENUE DIVERTED TO FINANCING ENTITIES FOR APPROVED PROJECTS.

(b) EVERY TWO YEARS, NO LATER THAN SEPTEMBER 1, THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT AND THE DEPARTMENT OF REVENUE SHALL REPORT DETAILED INFORMATION ON EACH PROJECT APPROVED TO RECEIVE STATE SALES TAX INCREMENT REVENUE, INCLUDING BUT NOT NECESSARILY LIMITED TO:

(I) THE NAME, ADDRESS, AND CONTACT FOR EACH RECIPIENT;

(II) THE AMOUNT OF SALES TAX REVENUE DIVERTED FOR THE PROJECT;

(III) THE BOUNDARIES OF THE APPROVED REGIONAL TOURISM ZONE AND NARRATIVE FOR THE PROJECT;

(IV) THE PROPOSED TERM OF FINANCING AND THE PERCENT OF THE NEW NET REVENUE THAT IS APPROVED FOR THE PROJECT;

(V) THE ACTUAL STATE SALES TAX REVENUE COLLECTED WITHIN THE ZONE COMPARED TO THE PROJECTED REVENUES CONTAINED IN THE APPROVED APPLICATION;

(VI) THE NUMBER OF NET NEW JOBS DIRECTLY CREATED BY THE PROJECT IN EACH CATEGORY AS DEFINED BY THE COLORADO DEPARTMENT OF LABOR AND EMPLOYMENT OCCUPATION EMPLOYMENT STATISTICS SURVEY, AND THE WAGES AND HEALTH BENEFITS FOR JOBS IN EACH CATEGORY; AND

(VII) AN ASSESSMENT OF THE OVERALL EFFECTIVENESS OF THE PROJECT.

24-46-309. Commencement of development. (1) SUBSTANTIAL WORK ON A REGIONAL TOURISM PROJECT, INCLUDING BUT NOT LIMITED TO THE FINANCING ENTITY'S ISSUANCE OF BONDS OR OTHER DEBT INSTRUMENTS, THE REPAYMENT OF WHICH IS SECURED BY A PLEDGE OF THE STATE SALES TAX INCREMENT REVENUE OR THE COMMENCEMENT OF ACTUAL DEVELOPMENT OR PREDEVELOPMENT, SUCH AS ERECTING PERMANENT STRUCTURES, EXCAVATING THE GROUND TO LAY FOUNDATIONS, MASS GRADING OF THE SITE, OR WORK OF A SIMILAR DESCRIPTION THAT MANIFESTS AN INTENTION AND PURPOSE TO COMPLETE THE PROJECT SHALL COMMENCE WITHIN FIVE YEARS FROM THE DATE OF APPROVAL OF THE PROJECT BY THE COMMISSION.

(2) IF SUBSTANTIAL WORK ON THE REGIONAL TOURISM PROJECT TOWARD THE GOALS SPECIFIED IN THE APPLICATION PURSUANT TO SECTION 24-46-304 DOES NOT COMMENCE WITHIN FIVE YEARS OF APPROVAL BY THE COMMISSION, THE COMMISSION MAY REVOKE OR MODIFY ITS APPROVAL OF THE FINANCING ENTITY OR THE REGIONAL TOURISM PROJECT. REVOCATION OF APPROVAL MAY BE APPEALED TO THE COMMISSION, WHICH MAY REINSTATE ITS APPROVAL UPON A SHOWING OF GOOD CAUSE FOR THE DELAY. ANY STATE SALES TAX INCREMENT REVENUE THAT THE REGIONAL TOURISM PROJECT HAS GENERATED FROM THE TIME OF THE ORIGINAL APPROVAL FOR THE PROJECT MAY REMAIN DEDICATED TO THE PROJECT TO THE EXTENT THAT IT HAS BEEN PREVIOUSLY EXPENDED OR PLEDGED BY THE FINANCING ENTITY FOR THE FINANCING OF ELIGIBLE COSTS. IF SUBSTANTIAL WORK ON THE

REGIONAL TOURISM PROJECT DOES NOT COMMENCE WITHIN ONE YEAR OF REINSTATEMENT OF APPROVAL FROM THE COMMISSION, THE COMMISSION SHALL REVOKE APPROVAL OF THE PROJECT.

(3) IF THE COMMISSION REVOKES ITS APPROVAL OF THE FINANCING ENTITY OR THE REGIONAL TOURISM PROJECT, THE COMMISSION MAY REQUIRE THAT ANY STATE SALES TAX INCREMENT REVENUE COLLECTED DURING THAT PERIOD, TOGETHER WITH INVESTMENT INCOME EARNED THEREON, THAT WAS NOT PREVIOUSLY EXPENDED OR PLEDGED BY THE FINANCING ENTITY FOR THE FINANCING OF ELIGIBLE COSTS SHALL BE REFUNDED TO THE STATE TREASURER, AND NO FURTHER MONEYS SHALL BE REMITTED BY THE STATE.

(4) IN EVALUATING WHETHER SUBSTANTIAL WORK HAS BEEN COMMENCED FOR PURPOSES OF ADMINISTERING THIS SECTION, THE COMMISSION SHALL RELY ON THE INFORMATION AND DATA SUPPLIED IN THE ANNUAL REPORTS SUBMITTED PURSUANT TO SECTION 24-46-308. THE COMMISSION SHALL HAVE AUTHORITY TO REVOKE ITS APPROVAL OF A FINANCING ENTITY OR A REGIONAL TOURISM PROJECT ONLY PURSUANT TO THIS SECTION.

24-46-310. Issuance of bonds by a financing entity. (1) A FINANCING ENTITY MAY ISSUE BONDS FROM TIME TO TIME IN ITS DISCRETION TO FINANCE ANY ELIGIBLE IMPROVEMENTS WITH RESPECT TO A REGIONAL TOURISM PROJECT AND MAY ALSO ISSUE REFUNDING OR OTHER BONDS OF THE FINANCING ENTITY FROM TIME TO TIME IN ITS DISCRETION FOR THE PAYMENT, RETIREMENT, RENEWAL, OR EXTENSION OF ANY BONDS PREVIOUSLY ISSUED BY THE FINANCING ENTITY UNDER THIS SECTION AND TO PROVIDE FOR THE REPLACEMENT OF LOST, DESTROYED, OR MUTILATED BONDS PREVIOUSLY ISSUED UNDER THIS SECTION.

(2) (a) BONDS ISSUED UNDER THIS SECTION MAY BE GENERAL OBLIGATION BONDS OF THE FINANCING ENTITY, THE PAYMENT OF WHICH, AS TO PRINCIPAL AND INTEREST AND PREMIUMS, IF ANY, THE FULL FAITH, CREDIT, AND ASSETS, ACQUIRED AND TO BE ACQUIRED, OF THE FINANCING ENTITY ARE IRREVOCABLY PLEDGED.

(b) BONDS ISSUED UNDER THIS SECTION MAY BE SPECIAL OBLIGATIONS OF THE FINANCING ENTITY THAT, AS TO PRINCIPAL AND INTEREST AND PREMIUMS, IF ANY, ARE PAYABLE SOLELY FROM AND SECURED ONLY BY A PLEDGE OF ANY INCOME, PROCEEDS, REVENUES, OR FUNDS OF THE

FINANCING ENTITY, INCLUDING, WITHOUT LIMITATION, STATE SALES TAX INCREMENT REVENUE.

(3) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, ANY BONDS ISSUED UNDER THIS SECTION MAY BE ADDITIONALLY SECURED AS TO THE PAYMENT OF THE PRINCIPAL AND INTEREST AND PREMIUMS, IF ANY, BY A MORTGAGE OF ANY REGIONAL TOURISM PROJECT, OR ANY PART THEREOF, TITLE TO WHICH IS THEN OR THEREAFTER IN THE FINANCING ENTITY OR OF ANY OTHER REAL OR PERSONAL PROPERTY OR INTERESTS THEREIN THEN OWNED OR THEREAFTER ACQUIRED BY THE FINANCING ENTITY.

(4) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, GENERAL OBLIGATION BONDS ISSUED UNDER THIS SECTION MAY BE ADDITIONALLY SECURED AS TO THE PAYMENT OF THE PRINCIPAL AND INTEREST AND PREMIUMS, IF ANY, AS PROVIDED IN SUBSECTION (2) OF THIS SECTION, WITH OR WITHOUT BEING ALSO ADDITIONALLY SECURED AS TO PAYMENT OF THE PRINCIPAL AND INTEREST AND PREMIUMS, IF ANY, BY A MORTGAGE AS PROVIDED IN SUBSECTION (3) OF THIS SECTION OR A TRUST AGREEMENT AS PROVIDED IN SUBSECTION (5) OF THIS SECTION.

(5) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, ANY BONDS ISSUED UNDER THIS SECTION MAY BE ADDITIONALLY SECURED AS TO THE PAYMENT OF THE PRINCIPAL AND INTEREST AND PREMIUMS, IF ANY, BY A TRUST AGREEMENT BY AND BETWEEN THE FINANCING ENTITY AND A CORPORATE TRUSTEE, WHICH MAY BE ANY TRUST COMPANY OR BANK HAVING THE POWERS OF A TRUST COMPANY WITHIN OR WITHOUT THE STATE.

(6) BONDS ISSUED UNDER THIS SECTION SHALL NOT CONSTITUTE AN INDEBTEDNESS OF THE STATE OR OF ANY COUNTY, MUNICIPALITY, OR PUBLIC BODY OF THE STATE OTHER THAN THE FINANCING ENTITY ISSUING SUCH BONDS AND SHALL NOT BE SUBJECT TO THE PROVISIONS OF ANY OTHER LAW OR OF THE CHARTER OF ANY MUNICIPALITY RELATING TO THE AUTHORIZATION, ISSUANCE, OR SALE OF BONDS.

(7) BONDS ISSUED UNDER THIS SECTION SHALL BE AUTHORIZED BY A RESOLUTION OF THE FINANCING ENTITY AND MAY BE ISSUED IN ONE OR MORE SERIES AND SHALL BEAR SUCH DATE, BE PAYABLE UPON DEMAND OR MATURE AT SUCH TIME, BEAR INTEREST AT SUCH RATE, BE IN SUCH DENOMINATION, BE IN SUCH FORM, EITHER COUPON OR REGISTERED OR OTHERWISE, CARRY SUCH CONVERSION OR REGISTRATION PRIVILEGES, HAVE

SUCH RANK OR PRIORITY, BE EXECUTED IN THE NAME OF THE FINANCING ENTITY IN SUCH MANNER, BE PAYABLE IN SUCH MEDIUM OF PAYMENT, BE PAYABLE AT SUCH PLACE, BE SUBJECT TO SUCH CALLABILITY PROVISIONS OR TERMS OF REDEMPTION, WITH OR WITHOUT PREMIUMS, BE SECURED IN SUCH MANNER, BE OF SUCH DESCRIPTION, CONTAIN OR BE SUBJECT TO SUCH COVENANTS, PROVISIONS, TERMS, CONDITIONS, AND AGREEMENTS, INCLUDING PROVISIONS CONCERNING EVENTS OF DEFAULT, AND HAVE SUCH OTHER CHARACTERISTICS AS MAY BE PROVIDED BY SUCH RESOLUTION OR BY THE TRUST AGREEMENT, INDENTURE, OR MORTGAGE, IF ANY, ISSUED PURSUANT TO SUCH RESOLUTION. THE SEAL, OR A FACSIMILE THEREOF, OF THE FINANCING ENTITY SHALL BE AFFIXED, IMPRINTED, ENGRAVED, OR OTHERWISE REPRODUCED UPON EACH OF ITS BONDS ISSUED UNDER THIS SECTION. BONDS ISSUED UNDER THIS SECTION SHALL BE EXECUTED IN THE NAME OF THE FINANCING ENTITY BY THE MANUAL OR FACSIMILE SIGNATURES OF SUCH OFFICIALS AS MAY BE DESIGNATED IN SAID RESOLUTION OR TRUST AGREEMENT, INDENTURE, OR MORTGAGE; EXCEPT THAT AT LEAST ONE SIGNATURE ON EACH SUCH BOND SHALL BE A MANUAL SIGNATURE. COUPONS, IF ANY, ATTACHED TO SUCH BONDS SHALL BEAR THE FACSIMILE SIGNATURE OF SUCH OFFICIAL OF THE FINANCING ENTITY AS MAY BE DESIGNATED AS PROVIDED IN THIS SUBSECTION (7). SAID RESOLUTION OR TRUST AGREEMENT, INDENTURE, OR MORTGAGE MAY PROVIDE FOR THE AUTHENTICATION OF THE PERTINENT BONDS BY THE TRUSTEE.

(8) BONDS ISSUED UNDER THIS SECTION MAY BE SOLD BY THE FINANCING ENTITY IN SUCH MANNER AND FOR SUCH PRICE AS THE FINANCING ENTITY, IN ITS DISCRETION, MAY DETERMINE, AT PAR, BELOW PAR, OR ABOVE PAR, AT PRIVATE SALE OR AT PUBLIC SALE AFTER NOTICE PUBLISHED PRIOR TO SUCH SALE IN A NEWSPAPER HAVING GENERAL CIRCULATION IN THE MUNICIPALITY, OR IN SUCH OTHER MEDIUM OF PUBLICATION AS THE FINANCING ENTITY MAY DEEM APPROPRIATE, OR MAY BE EXCHANGED BY THE FINANCING ENTITY FOR OTHER BONDS ISSUED BY IT UNDER THIS SECTION.

(9) IF ANY OF THE OFFICIALS OF THE FINANCING ENTITY WHOSE SIGNATURES OR FACSIMILE SIGNATURES APPEAR ON ANY OF ITS BONDS OR COUPONS ISSUED UNDER THIS SECTION CEASE TO BE SUCH OFFICIALS BEFORE THE DELIVERY OF SUCH BONDS, SUCH SIGNATURES OR FACSIMILE SIGNATURES, AS THE CASE MAY BE, SHALL NEVERTHELESS BE VALID AND SUFFICIENT FOR ALL PURPOSES, THE SAME AS IF SUCH OFFICIALS HAD REMAINED IN OFFICE UNTIL SUCH DELIVERY.

(10) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ANY BONDS THAT ARE ISSUED PURSUANT TO THIS SECTION ARE FULLY NEGOTIABLE.

(11) IN ANY SUIT, ACTION, OR PROCEEDING INVOLVING THE VALIDITY OR ENFORCEABILITY OF ANY BOND THAT IS ISSUED UNDER THIS SECTION OR THE SECURITY THEREFOR, ANY SUCH BOND RECITING IN SUBSTANCE THAT IT HAS BEEN ISSUED BY THE FINANCING ENTITY IN CONNECTION WITH A REGIONAL TOURISM PROJECT OR ANY ACTIVITY OR OPERATION OF THE FINANCING ENTITY UNDER THIS PART 3 SHALL BE CONCLUSIVELY DEEMED TO HAVE BEEN ISSUED FOR SUCH PURPOSES; AND SUCH REGIONAL TOURISM PROJECT OR SUCH OPERATION OR ACTIVITY, AS THE CASE MAY BE, SHALL BE CONCLUSIVELY DEEMED TO HAVE BEEN INITIATED, PLANNED, LOCATED, UNDERTAKEN, ACCOMPLISHED, AND CARRIED OUT IN ACCORDANCE WITH THE PROVISIONS OF THIS PART 3.

(12) PENDING THE PREPARATION OF ANY DEFINITIVE BONDS UNDER THIS SECTION, A FINANCING ENTITY MAY ISSUE ITS INTERIM CERTIFICATES OR RECEIPTS OR ITS TEMPORARY BONDS, WITH OR WITHOUT COUPONS, EXCHANGEABLE FOR SUCH DEFINITIVE BONDS WHEN THE LATTER HAVE BEEN EXECUTED AND ARE AVAILABLE FOR DELIVERY.

(13) A PERSON RETAINED OR EMPLOYED BY A FINANCING ENTITY AS AN ADVISOR OR A CONSULTANT FOR THE PURPOSE OF RENDERING FINANCIAL ADVICE AND ASSISTANCE MAY PURCHASE OR PARTICIPATE IN THE PURCHASE OR DISTRIBUTION OF ITS BONDS WHEN SUCH BONDS ARE OFFERED AT PUBLIC OR PRIVATE SALE.

(14) NO COMMISSIONER OR OTHER OFFICER OF A FINANCING ENTITY ISSUING BONDS UNDER THIS SECTION AND NO PERSON EXECUTING SUCH BONDS IS LIABLE PERSONALLY ON SUCH BONDS OR IS SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE THEREOF.

(15) NO COMMISSIONER OR OTHER OFFICER OF A REGIONAL TOURISM AUTHORITY ISSUING BONDS PURSUANT TO THIS PART 3 AND NO PERSON EXECUTING SUCH BONDS SHALL BE LIABLE PERSONALLY ON SUCH BONDS OR SHALL BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS.

(16) BONDS THAT ARE ISSUED PURSUANT TO THIS PART 3 ARE

DECLARED TO BE ISSUED FOR AN ESSENTIAL PUBLIC AND GOVERNMENTAL PURPOSE AND, TOGETHER WITH INTEREST THEREON AND INCOME THEREFROM, SHALL BE EXEMPTED FROM ALL TAXES.

SECTION 2. Part 1 of article 35 of title 24, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

24-35-118. Regional tourism projects - authority of department.

(1) IN ADDITION TO THE OTHER FUNCTIONS AND POWERS OF THE DEPARTMENT OF REVENUE AND THE EXECUTIVE DIRECTOR OF THE DEPARTMENT PURSUANT TO THIS PART 1, THE DEPARTMENT SHALL ESTABLISH AND DETERMINE THE BASE YEAR REVENUE, AS DEFINED IN SECTION 24-46-303 (1), FOR EACH REGIONAL TOURISM ZONE, AS DEFINED IN SECTION 24-46-303 (11); SHALL COLLECT, ACCOUNT FOR, AND REMIT TO THE APPLICABLE FINANCING ENTITY, AS DEFINED IN SECTION 24-46-303 (6), ALL STATE SALES TAX INCREMENT REVENUE, AS DEFINED IN SECTION 24-46-303 (12), GENERATED WITHIN EACH REGIONAL TOURISM ZONE; AND SHALL OTHERWISE PERFORM SUCH FUNCTIONS AS ARE REQUIRED OF THE DEPARTMENT WITH RESPECT TO ANY FINANCING ENTITY AND ANY REGIONAL TOURISM ZONE DESIGNATED IN THE WRITTEN NOTICE THEREOF TO BE PROVIDED TO THE EXECUTIVE DIRECTOR PURSUANT TO SECTION 24-46-305.

(2) THE EXECUTIVE DIRECTOR SHALL HAVE THE AUTHORITY TO CREATE FORMS AND PROMULGATE RULES AS DEEMED NECESSARY OR CONVENIENT TO IMPLEMENT THE DEPARTMENT'S RESPONSIBILITIES WITH RESPECT TO THE DETERMINATION OF BASE YEAR REVENUE, COLLECTION AND DISBURSEMENT OF STATE SALES TAX INCREMENT REVENUE, AND OTHER FUNCTIONS OF THE DEPARTMENT PURSUANT TO PART 3 OF ARTICLE 46 OF THIS TITLE. THE EXECUTIVE DIRECTOR IS AUTHORIZED TO ENTER INTO CONTRACTS WITH FINANCING ENTITIES APPROVED PURSUANT TO PART 3 OF ARTICLE 46 OF THIS TITLE IN THE MANNER PROVIDED FOR IN SECTION 24-35-110 REGARDING THE PERFORMANCE OF THE DEPARTMENT'S FUNCTIONS IN IMPLEMENTING PART 3 OF ARTICLE 46 OF THIS TITLE, AND TO ESTABLISH AN ADMINISTRATIVE FEE FOR SUCH SERVICES IN THE MANNER PROVIDED FOR IN SECTION 24-35-111, WITH THE AMOUNT THEREOF TO BE REASONABLY CALCULATED TO OFFSET THE DEPARTMENT'S ACTUAL DIRECT COSTS AND EXPENSES IN PERFORMING SUCH COLLECTION AND DISBURSEMENT FUNCTIONS.

(3) ALL STATE SALES TAX INCREMENT REVENUE COLLECTED BY THE

DEPARTMENT ON BEHALF OF A FINANCING ENTITY SHALL BE CONSTRUED AND TREATED FOR ALL PURPOSES AS BEING ASSIGNED TO, THE PROPERTY OF, AND THE REVENUE OF THE APPLICABLE FINANCING ENTITY AND SHALL NOT BE CONSTRUED OR TREATED FOR ANY PURPOSE AS REVENUE OR PROPERTY OF THE STATE. IN COLLECTING AND DISBURSING STATE SALES TAX INCREMENT REVENUE AS PROVIDED IN THIS SECTION AND OTHERWISE PERFORMING ITS RESPONSIBILITIES PURSUANT TO PART 3 OF ARTICLE 46 OF THIS TITLE, THE DEPARTMENT SHALL ACT SOLELY AS A COLLECTING AGENT FOR THE FINANCING ENTITY AND SHALL SEGREGATE IN A SEPARATE FUND ANY PORTION OF STATE SALES TAX INCREMENT REVENUE THAT IS DEDICATED TO THE FINANCING ENTITY BUT WILL NOT BE REMITTED TO THE FINANCING ENTITY IN THE IMMEDIATE FUTURE.

SECTION 3. Part 1 of article 25 of title 31, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

31-25-116. Regional tourism projects. (1) AN URBAN RENEWAL AUTHORITY THAT IS DESIGNATED AS A FINANCING ENTITY PURSUANT TO PART 3 OF ARTICLE 46 OF TITLE 24, C.R.S., SHALL HAVE ALL OF THE POWERS NECESSARY OR CONVENIENT TO CARRY OUT AND EFFECTUATE THE PURPOSES AND PROVISIONS OF PART 3 OF ARTICLE 46 OF TITLE 24, C.R.S., INCLUDING BUT NOT LIMITED TO THE POWERS TO RECEIVE STATE SALES TAX INCREMENT REVENUE GENERATED WITHIN AN APPROVED REGIONAL TOURISM ZONE, AS DEFINED IN SECTION 24-46-303 (11), C.R.S., AND DISPERSE AND OTHERWISE UTILIZE SUCH REVENUE FOR ALL LAWFUL PURPOSES, INCLUDING BUT NOT LIMITED TO FINANCING OF ELIGIBLE COSTS AND THE DESIGN, CONSTRUCTION, MAINTENANCE, AND OPERATION OF ELIGIBLE IMPROVEMENTS, AS SUCH TERMS ARE DEFINED IN SECTION 24-46-303, C.R.S., OR OTHERWISE INCORPORATED INTO THE COMMISSION'S CONDITIONS OF APPROVAL.

(2) NOTWITHSTANDING THE PROVISION OF SECTION 31-25-107 (7), AUTHORIZATION TO RECEIVE STATE SALES TAX INCREMENT REVENUE PURSUANT TO PART 3 OF ARTICLE 46 OF TITLE 24, C.R.S., SHALL NOT BE CONSIDERED A MATERIAL MODIFICATION TO THE PLAN AND CORRESPONDING CHANGES TO THE PLAN MAY BE MADE BY THE GOVERNING BODY OF THE AUTHORITY TO INCORPORATE THE USE OF STATE SALES TAX INCREMENT REVENUE WITHOUT THE REQUIREMENT OF SUBMISSION TO OR APPROVAL BY THE GOVERNING BODY OF A MUNICIPALITY THAT HAS ESTABLISHED THE AUTHORITY PURSUANT TO SECTION 31-25-104 (1).

(3) ANY URBAN RENEWAL AUTHORITY THAT RECEIVES STATE SALES TAX INCREMENT REVENUE, WHETHER PURSUANT TO DESIGNATION AS A FINANCING ENTITY PURSUANT TO PART 3 OF ARTICLE 46 OF TITLE 24, C.R.S., OR PURSUANT TO A CONTRACT ENTERED INTO WITH ANY SUCH FINANCING ENTITY, SHALL NOT USE THE STATE SALES TAX INCREMENT REVENUE TO ACQUIRE PROPERTY THROUGH THE EXERCISE OF EMINENT DOMAIN.

(4) NOTHING IN THIS SECTION SHALL BE INTERPRETED TO ELIMINATE THE REQUIREMENTS FOR THE AUTHORIZATION OF A NEW URBAN RENEWAL AUTHORITY UNDER THIS PART 1.

SECTION 4. Part 10 of article 1 of title 32, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

32-1-1009. Regional tourism projects. (1) IN ADDITION TO THE POWERS SPECIFIED IN THIS PART 10, AND NOTWITHSTANDING ANY LIMITATION ON THE POWERS OF A METROPOLITAN DISTRICT OTHERWISE SPECIFIED IN THIS PART 10 OR IN THE METROPOLITAN DISTRICT'S SERVICE PLAN, ANY METROPOLITAN DISTRICT DESIGNATED AS AN APPROVED FINANCING ENTITY PURSUANT TO PART 3 OF ARTICLE 46 OF TITLE 24, C.R.S., SHALL HAVE ALL THE POWERS NECESSARY OR CONVENIENT TO CARRY OUT AND EFFECT ITS AUTHORITY AS A FINANCING ENTITY PURSUANT TO PART 3 OF ARTICLE 46 OF TITLE 24, C.R.S., INCLUDING BUT NOT LIMITED TO THE POWER TO RECEIVE STATE SALES TAX INCREMENT REVENUE AND TO DISBURSE AND OTHERWISE UTILIZE SUCH REVENUE FOR ALL LAWFUL PURPOSES PURSUANT TO PART 3 OF ARTICLE 4 OF TITLE 24, C.R.S. SUCH LAWFUL PURPOSES SHALL INCLUDE BUT NEED NOT BE LIMITED TO THE FINANCING OF ELIGIBLE COSTS AND THE DESIGN, CONSTRUCTION, MAINTENANCE, AND OPERATION OF ELIGIBLE IMPROVEMENTS AS DEFINED IN SECTION 24-46-303 (5), C.R.S., OR OTHERWISE INCORPORATED INTO THE COLORADO ECONOMIC DEVELOPMENT COMMISSION'S CONDITIONS OF APPROVAL PURSUANT TO PART 3 OF ARTICLE 46 OF TITLE 24, C.R.S.

(2) NOTWITHSTANDING ANY PROVISION OF SECTION 32-1-207 OR OF THE METROPOLITAN DISTRICT'S SERVICE PLAN, AUTHORIZATION TO RECEIVE STATE SALES TAX INCREMENT REVENUE PURSUANT TO PART 3 OF ARTICLE 46 OF TITLE 24, C.R.S., SHALL NOT BE CONSIDERED A MATERIAL MODIFICATION TO THE PLAN AND CORRESPONDING CHANGES TO THE PLAN MAY BE MADE BY THE GOVERNING BODY TO INCORPORATE THE USE OF STATE SALES TAX INCREMENT REVENUE OF THE METROPOLITAN DISTRICT WITHOUT THE

REQUIREMENT OF PETITION TO OR APPROVAL BY THE BOARD OF COUNTY COMMISSIONERS OR THE GOVERNING BODY OF THE MUNICIPALITY, AS APPLICABLE.

(3) ANY METROPOLITAN DISTRICT RECEIVING STATE SALES TAX INCREMENT REVENUE, WHETHER PURSUANT TO DESIGNATION AS A FINANCING ENTITY PURSUANT TO PART 3 OF ARTICLE 46 OF TITLE 24, C.R.S., OR PURSUANT TO A CONTRACT ENTERED INTO WITH ANY SUCH ENTITY, SHALL NOT USE THE STATE SALES TAX INCREMENT REVENUE TO ACQUIRE PROPERTY THROUGH THE EXERCISE OF EMINENT DOMAIN.

SECTION 5. Safety clause. The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Brandon C. Shaffer
PRESIDENT OF
THE SENATE

Terrance D. Carroll
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Karen Goldman
SECRETARY OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____

Bill Ritter, Jr.
GOVERNOR OF THE STATE OF COLORADO