

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 16-0454.01 Bob Lackner x4350

HOUSE BILL 16-1272

HOUSE SPONSORSHIP

Kraft-Tharp,

SENATE SPONSORSHIP

Tate,

House Committees

Local Government

Senate Committees

Local Government

A BILL FOR AN ACT

101 **CONCERNING PROCEDURES TO BE FOLLOWED IN CONNECTION WITH**
102 **THE DISCONNECTION BY ORDINANCE OF LAND FROM A**
103 **MUNICIPALITY.**

SENATE
2nd Reading Unamended
March 18, 2016

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

HOUSE
3rd Reading Unamended
March 8, 2016

The bill modifies existing procedures to be followed in connection with the disconnection by ordinance of land from statutory cities and towns.

In connection with a disconnection application, the bill:

! Requires the municipality to provide notice of the

HOUSE
Amended 2nd Reading
March 7, 2016

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.

application to the board of county commissioners of the county (county board) in which the tract of land that is the subject of the application is located.

- ! Permits the county board to request a meeting with the governing body of the municipality, or its appointee, to discuss and address any negative impacts on the county that would result from the disconnection. Failure by the county board to request a meeting constitutes an acknowledgment that the disconnection will not adversely affect the county.
- ! Requires the municipality to enact an ordinance effecting the disconnection if the disconnection satisfies 5 specific criteria.

The bill also substitutes the term "municipality" for "city or town" in connection with statutory provisions governing the disconnection process.

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

2 **SECTION 1.** In Colorado Revised Statutes, **amend** part 5 of
3 article 12 of title 31 as follows:

4 **31-12-501. Application - enactment - filing.** (1) When the
5 owner of a tract of land within and adjacent to the boundary of a ~~city or~~
6 town MUNICIPALITY desires to have said tract disconnected from such ~~city or~~
7 ~~or town~~ MUNICIPALITY, such owner may apply to the governing body of
8 such ~~city or town~~ MUNICIPALITY for the enactment of an ordinance
9 disconnecting such tract of land from such ~~city or town~~ MUNICIPALITY.

10 ~~THE OWNER SHALL ALSO PROVIDE NOTICE AND A COPY OF THE~~
11 ~~APPLICATION TO THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY~~
12 ~~IN WHICH THE TRACT OF LAND THAT IS THE SUBJECT OF THE APPLICATION~~
13 ~~IS LOCATED AND TO THE BOARD OF DIRECTORS OF ANY AFFECTED SPECIAL~~
14 ~~DISTRICT.~~

15 (2) (a) ~~NOT MORE THAN THIRTY DAYS AFTER RECEIVING THE~~
16 ~~NOTICE REQUIRED BY SUBSECTION (1) OF THIS SECTION, EITHER THE BOARD~~
17 ~~OF COUNTY COMMISSIONERS OR THE BOARD OF DIRECTORS OF ANY~~

1 AFFECTED SPECIAL DISTRICT MAY REQUEST A MEETING WITH THE OWNER
2 AND THE GOVERNING BODY OF THE MUNICIPALITY, OR ITS APPOINTEE, TO
3 DISCUSS AND ADDRESS ANY NEGATIVE IMPACTS ON THE COUNTY THAT
4 WOULD RESULT FROM THE DISCONNECTION. IF SUCH MEETING IS
5 REQUESTED, THE OWNER AND THE GOVERNING BODY OR ITS APPOINTEE
6 SHALL MEET WITH EITHER THE BOARD OF COUNTY COMMISSIONERS, OR ITS
7 APPOINTEE, OR THE BOARD OF ANY AFFECTED SPECIAL DISTRICT, OR ITS
8 APPOINTEE, NOT MORE THAN THIRTY DAYS AFTER THE MEETING WAS
9 REQUESTED. FAILURE BY EITHER THE BOARD OF COUNTY COMMISSIONERS
10 OR THE BOARD OF ANY AFFECTED SPECIAL DISTRICT TO REQUEST A
11 MEETING CONSTITUTES AN ACKNOWLEDGMENT BY THE PARTICULAR
12 BOARD THAT THE DISCONNECTION WILL NOT ADVERSELY AFFECT THE
13 COUNTY OR AN AFFECTED SPECIAL DISTRICT, AS APPLICABLE.

14 (b) AS USED IN PARAGRAPH (a) OF THIS SUBSECTION (2),
15 "AFFECTED SPECIAL DISTRICT" MEANS ANY SPECIAL DISTRICT THAT BY ITS
16 SERVICE PLAN OR PURSUANT TO AN INTERGOVERNMENTAL AGREEMENT IS
17 OR WILL BE EXPECTED TO PROVIDE SERVICE TO THE TRACT OF LAND THAT
18 IS THE SUBJECT OF THE DISCONNECTION APPLICATION. FOR PURPOSES OF
19 PARAGRAPH (a) OF THIS SUBSECTION (2), "NEGATIVE IMPACT" INCLUDES
20 ANY CHANGE IN THE LEVEL OR EXTENT OF SERVICES BEING PROVIDED TO
21 THE TRACT OF LAND BY ANY SPECIAL DISTRICT.

22 (3) On receipt of such application, it is the duty of such THE
23 governing body to OF THE MUNICIPALITY SHALL give due consideration to
24 such THE DISCONNECTION application, and, if such governing body is of
25 the opinion that the best interests of the city or town MUNICIPALITY will
26 not be prejudiced by the disconnection of such tract, it shall enact an
27 ordinance effecting such disconnection.

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9 **31-12-502. Liability for taxes.** The land so disconnected shall not
10 thereby be exempt from the payment of any taxes lawfully assessed
11 against it for the purpose of paying any indebtedness lawfully contracted
12 by the governing body of such city or town MUNICIPALITY while such land
13 was within the limits thereof and which remains unpaid and for the
14 payment of which said land could be lawfully taxed.

15 **31-12-503. Future levies - prepayment.** When the governing
16 body of such ~~city or town~~ MUNICIPALITY levies a tax upon the property
17 within such ~~city or town~~ MUNICIPALITY for the purpose of paying such
18 indebtedness or any part thereof or interest thereon, such governing body
19 ~~has the authority to~~ MAY levy a tax at the same rate and for the same
20 purpose on the land so disconnected. The county treasurer shall pay over
21 to such ~~city or town~~ MUNICIPALITY all moneys collected by ~~him~~ THE
22 TREASURER on account of such tax, to be applied only to the payment of
23 such indebtedness. In case the owner of any land so disconnected pays off
24 and discharges a portion of such indebtedness equal in amount to the
25 same proportion of the indebtedness which the valuation for assessment
26 of ~~his~~ THE land bears to the entire valuation for assessment of all the
27 property subject to taxation for the payment of such indebtedness,

1 calculated according to the last assessment previous to such payment, said
2 land ~~shall be~~ IS exempted from further taxation to pay such indebtedness.
3 Upon such payment being made, the canceled bonds or other evidences
4 of payment of such portion of said indebtedness ~~shall~~ MUST be deposited
5 with the treasurer of such ~~city or town~~ MUNICIPALITY, and a certificate
6 shall be given by ~~him~~ THE TREASURER stating that such payment has been
7 made.

8 **SECTION 2. Act subject to petition - effective date -**
9 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
10 the expiration of the ninety-day period after final adjournment of the
11 general assembly (August 10, 2016, if adjournment sine die is on May 11,
12 2016); except that, if a referendum petition is filed pursuant to section 1
13 (3) of article V of the state constitution against this act or an item, section,
14 or part of this act within such period, then the act, item, section, or part
15 will not take effect unless approved by the people at the general election
16 to be held in November 2016 and, in such case, will take effect on the
17 date of the official declaration of the vote thereon by the governor.

18 (2) This act applies to disconnection applications submitted on or
19 after the applicable effective date of this act.