

CHAPTER 116

GOVERNMENT - SPECIAL DISTRICTS

HOUSE BILL 96-1275

BY REPRESENTATIVES Sullivan, Epps, Agler, Clarke, George, Kaufman, Mace, Musgrave, Tucker, Prinster, and Young;
also SENATORS Ament, Alexander, Hopper, Matsunaka, Johnson, Pascoe, and Schroeder.

AN ACT

CONCERNING THE CREATION OF HEALTH SERVICE DISTRICTS TO PROVIDE HEALTH SERVICES THROUGH LICENSED OR CERTIFIED FACILITIES WITHOUT REQUIRING THE PROVISION OF HOSPITAL SERVICES.

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

SECTION 1. 32-1-103 (9), Colorado Revised Statutes, as amended, is amended to read:

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

(9) ~~"Hospital district"~~ "HEALTH SERVICE DISTRICT" means a special district ~~which~~ THAT may establish, maintain, ~~and~~ OR operate, DIRECTLY OR INDIRECTLY THROUGH LEASE TO OR FROM OTHER PARTIES OR OTHER ARRANGEMENT, public hospitals, convalescent centers, nursing care facilities, intermediate care facilities, emergency facilities, community clinics, ~~and~~ OR other facilities LICENSED OR CERTIFIED PURSUANT TO 25-1-107 (1) (1), C.R.S., providing health and personal care services and may organize, own, operate, control, direct, manage, contract for, or furnish ambulance service.

SECTION 2. 32-1-301 (2) (a) (II), Colorado Revised Statutes, as amended, is amended to read:

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

(a) The type of service to be provided by the proposed special district and the name of the proposed special district, consisting of a chosen name preceding one of the

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

following phrases:

(II) ~~Hospital district~~ HEALTH SERVICE DISTRICT;

SECTION 3. 32-1-1003, Colorado Revised Statutes, as amended, is amended to read:

32-1-1003. Health service districts - additional powers. (1) In addition to the powers specified in section 32-1-1001, the board of any ~~hospital district~~ HEALTH SERVICE DISTRICT has ANY OR ALL OF the following powers for and on behalf of such district:

(a) To establish, maintain, ~~and~~ OR operate, DIRECTLY OR INDIRECTLY THROUGH LEASE TO OR FROM OTHER PARTIES OR OTHER ARRANGEMENT, public hospitals, convalescent centers, nursing care facilities, intermediate care facilities, emergency facilities, community clinics, ~~and~~ OR other facilities LICENSED OR CERTIFIED PURSUANT TO 25-1-107 (1) (l), C.R.S., providing health and personal care services and to organize, own, operate, control, direct, manage, contract for, or furnish ambulance service in said district;

(b) To organize, own, operate, control, direct, manage, contract for, or furnish ambulance service;

(c) To draw warrants against ~~hospital district~~ HEALTH SERVICE DISTRICT funds held by the county treasurer for the purposes set forth in paragraphs (a) and (b) of this subsection (1).

(2) The board of county commissioners of any county or the governing body of any municipality within the ~~hospital district~~ HEALTH SERVICE DISTRICT may transfer any real and personal property, whether or not theretofore used by the county or municipality for hospital purposes, to any newly organized ~~hospital district~~ HEALTH SERVICE DISTRICT if such real and personal property is located in ~~such~~ THE newly organized district.

(3) A HOSPITAL DISTRICT ESTABLISHED PRIOR TO JULY 1, 1996, MAY CONTINUE TO USE AND OPERATE UNDER THE NAME IT IS USING ON JUNE 30, 1996, OR IT MAY RENAME ITSELF AS OTHERWISE PROVIDED BY LAW AND IN ACCORDANCE WITH THIS SECTION. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO LIMIT THE POWERS UNDER PRIOR LAW OF A HOSPITAL DISTRICT ESTABLISHED PRIOR TO JULY 1, 1996.

(4) NOTHING IN THIS SECTION OR SECTION 32-1-103 (9) SHALL BE CONSTRUED TO LIMIT ANY OR ALL OF THE COMMON POWERS OF A SPECIAL DISTRICT AS SET FORTH IN 32-1-1001 AS IT APPLIES TO A HOSPITAL DISTRICT THAT WAS ESTABLISHED PRIOR TO JULY 1, 1996, OR A HEALTH SERVICE DISTRICT ESTABLISHED ON OR AFTER JULY 1, 1996.

SECTION 4. 11-54-102 (9), Colorado Revised Statutes, 1987 Repl. Vol., as amended, is amended to read:

11-54-102. Definitions. As used in this article, unless the context otherwise requires:

(9) "Public body of the state" means the transportation commission; any state educational institution, or other state institution, its board of regents, or other governing body thereof constituting a body corporate; any county; any incorporated city or incorporated town, whether incorporated or governed under a general act, special legislative act, or special charter enacted, granted, or adopted pursuant to article XX of the state constitution, or otherwise; any school district; and any metropolitan district, metropolitan sewage disposal district, metropolitan water district, water district, sanitation district, water and sanitation district, water conservancy district, metropolitan recreation district, ~~hospital-district~~ HEALTH SERVICE DISTRICT, city housing authority, county housing authority, urban renewal agency, community redevelopment agency, any other corporate district, any other corporate authority, any corporate commission, or any other political subdivision of the state constituting a body corporate.

SECTION 5. 27-1-207, Colorado Revised Statutes, 1989 Repl. Vol., as amended, is amended to read:

27-1-207. Purchase of services by courts, counties, municipalities, school districts, and other political subdivisions. Any county, municipality, school district, ~~hospital-district~~ HEALTH SERVICE DISTRICT, or other political subdivision of the state or any county, district, or juvenile court is authorized to purchase such mental health services from community mental health clinics and such other community agencies as are approved for purchases by the executive director of the department of human services. For the purchase of mental health services by counties or city and counties as authorized by this section, the board of county commissioners of any county or the city council of any city and county may levy a tax not to exceed two mills upon real property within the county or city and county if the board first submits the question of such levy to a vote of the qualified electors at a general election and receives their approval of such levy.

SECTION 6. 27-10.5-104 (5), Colorado Revised Statutes, 1989 Repl. Vol., as amended, is amended to read:

27-10.5-104. Authorized services and supports - conditions of funding - purchase of services and supports - boards of county commissioners - appropriation. (5) Governmental units, including but not limited to counties, municipalities, school districts, ~~hospital-districts~~ HEALTH SERVICE DISTRICTS, and state institutions of higher education, are authorized at their own expense to furnish money, materials, or services and supports to persons with developmental disabilities, or to purchase services and supports for such persons through designated community centered boards or service agencies, so long as no conditions or requirements imposed as a result of such provision or purchase through a community centered board or service agency are in conflict with the provisions of this article or the rules and regulations promulgated thereunder.

SECTION 7. 30-1-102 (2), Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

30-1-102. Fees of county treasurer. (2) None of the provisions of this section shall be applicable to any moneys received or collected by any county treasurer for any hospital established under the provisions of part 3 of article 3 of title 25, C.R.S.,

or for any ~~hospital district~~ HEALTH SERVICE DISTRICT embracing only an entire county established under the provisions of article 1 of title 32, C.R.S.

SECTION 8. 32-1-202 (4), Colorado Revised Statutes, as amended, is amended to read:

32-1-202. Filing of service plan required - report of filing - contents - fee.

(4) In the case of a proposed ~~hospital district~~ HEALTH SERVICE DISTRICT, submission to the board of county commissioners by the petitioners of a ~~certified copy of an approved certificate of public necessity issued by the health facilities review council~~ OF LICENSE OR CERTIFICATE OF COMPLIANCE OR EVIDENCE OF A PENDING APPLICATION FOR A LICENSE OR CERTIFICATE OF COMPLIANCE ISSUED BY the department of public health and environment shall constitute compliance with subsection (2) of this section.

SECTION 9. 32-1-203 (5), Colorado Revised Statutes, as amended, is amended to read:

32-1-203. Action on service plan - criteria. (5) In the case of a proposed ~~hospital district~~ HEALTH SERVICE DISTRICT, submission to the board of county commissioners by the petitioners of a ~~certified copy of an approved certificate of public necessity issued by the health facilities review council~~ OF LICENSE OR CERTIFICATE OF COMPLIANCE OR EVIDENCE OF A PENDING APPLICATION FOR A LICENSE OR CERTIFICATE OF COMPLIANCE ISSUED BY the department of public health and environment shall constitute compliance with subsections (2) and (2.5) of this section.

SECTION 10. 32-1-204.5 (2), Colorado Revised Statutes, as amended, is amended to read:

32-1-204.5. Approval by municipality. (2) In the case of a proposed ~~hospital district~~ HEALTH SERVICE DISTRICT, submission to the governing body of the municipality of a ~~certified copy of an approved certificate of public necessity issued by the health facilities review council~~ OF LICENSE OR CERTIFICATE OF COMPLIANCE OR EVIDENCE OF A PENDING APPLICATION FOR A LICENSE OR CERTIFICATE OF COMPLIANCE ISSUED BY the department of public health and environment shall constitute compliance with the requirements of sections 32-1-202 (2) and 32-1-203 (2) and (2.5) as required by subsection (1) of this section.

SECTION 11. 32-1-207 (4), Colorado Revised Statutes, as amended, is amended to read:

32-1-207. Compliance - modification - enforcement. (4) In the case of a ~~hospital district~~ HEALTH SERVICE DISTRICT, a change in service by the district shall not be deemed material unless ~~such change would require the district to obtain a certificate of public necessity from the health facilities review council~~ OF THE CHANGE AFFECTS THE LICENSE OR CERTIFICATE OF COMPLIANCE ISSUED BY the department of public health and environment. A ~~hospital district~~ HEALTH SERVICE DISTRICT shall be exempt from paragraphs (b) and (c) of subsection (3) of this section.

SECTION 12. 32-1-208 (4), Colorado Revised Statutes, as amended, is amended

to read:

32-1-208. Statement of purposes - districts without service plans. (4) The provisions of this section shall not apply to ~~hospital-districts~~ HEALTH SERVICE DISTRICTS.

SECTION 13. 32-1-501 (1), Colorado Revised Statutes, as amended, is amended to read:

32-1-501. Exclusion of property by fee owners or board - procedure. (1) The boundaries of a special district, except ~~hospital-districts~~ HEALTH SERVICE DISTRICTS, may be altered by the exclusion of real property by the fee owner or owners of one hundred percent of any real property situate in the special district filing with the board a petition requesting that such real property of ~~said~~ THE fee owner or owners be excluded and taken from the special district. The petition shall set forth a legal description of the property, shall state that assent to the exclusion of ~~such~~ THE property from the special district is given by the fee owner or owners thereof, and shall be acknowledged by the fee owner or owners in the same manner as required for conveyance of land. The petition shall be accompanied by a deposit of money sufficient to pay all costs of the exclusion proceedings.

SECTION 14. 32-1-502 (1) (b), Colorado Revised Statutes, as amended, is amended to read:

32-1-502. Exclusion of property within municipality - procedure. (1) (b) The provisions of this section shall not apply to ~~hospital-districts~~ HEALTH SERVICE DISTRICTS.

SECTION 15. 32-1-709, Colorado Revised Statutes, as amended, is amended to read:

32-1-709. Dissolution of health service district - limitation. Any ~~hospital district~~ HEALTH SERVICE DISTRICT organized pursuant to part 3 of this article may be dissolved in the manner provided in this part 7, but no such ~~hospital-district~~ HEALTH SERVICE DISTRICT shall be dissolved within a one-year period from the date of the entry of an order declaring said district organized or one year from the date of final determination of any petition to set aside such order, whichever date is later.

SECTION 16. 32-1-1007 (2), Colorado Revised Statutes, as amended, is amended to read:

32-1-1007. Ambulance districts - additional powers - special provisions. (2) An ambulance district may be composed of only one county of the state or a portion thereof or two or more contiguous counties of the state or portions thereof, and the district shall consist of contiguous territory within such county or counties. No ambulance district shall be established in any area in which there is a fire protection district or a ~~hospital-district which~~ HEALTH SERVICE DISTRICT THAT is providing an ambulance service or in any municipality ~~which~~ THAT is providing an ambulance service.

SECTION 17. The introductory portion to 32-1-1103 (1) and 32-1-1103 (1) (a)

(II), (1) (a) (III), (1) (a) (IV), (1) (b), (2), (3) (a) (I), (3) (c) (III), (3) (d), and (3) (i) (III), Colorado Revised Statutes, as amended, are amended to read:

32-1-1103. Special financial provisions - health service districts. (1) In addition to the powers specified in section 32-1-1101, the board of any ~~hospital district~~ HEALTH SERVICE DISTRICT has the following powers for and on behalf of such district:

(a) (II) To levy, in ~~hospital districts~~ HEALTH SERVICE DISTRICTS with a valuation for assessment on real and personal property of fifteen million dollars or less contracting bonded indebtedness not to exceed three percent of the total valuation for assessment within the ~~hospital district~~ HEALTH SERVICE DISTRICT to be fully paid within a twenty-year period from the date of incurring ~~such~~ THE indebtedness, on all taxable property within such district without limitations as to rate or amount for purposes of retiring ~~said~~ THE indebtedness created in accordance with the provisions of section 32-1-1101 (2);

(III) To levy, in ~~hospital districts~~ HEALTH SERVICE DISTRICTS with a valuation for assessment on real and personal property of over fifteen million dollars contracting bonded indebtedness not to exceed five percent of the total valuation for assessment within the ~~hospital district~~ HEALTH SERVICE DISTRICT to be fully paid within a twenty-year period from the date of incurring ~~such~~ THE indebtedness, on all taxable property within such district without limitations as to rate or amount for purposes of retiring ~~said~~ THE indebtedness created in accordance with the provisions of section 32-1-1101 (2);

(IV) To levy, in ~~hospital districts~~ HEALTH SERVICE DISTRICTS with a population of twenty thousand or less with a valuation for assessment on real and personal property of over fifteen million dollars contracting bonded indebtedness not to exceed twenty percent of the total valuation for assessment within the ~~hospital district~~ HEALTH SERVICE DISTRICT to be fully paid within a twenty-year period from the date of incurring ~~such~~ THE indebtedness, on all taxable property within such district without limitations as to rate or amount for purposes of retiring ~~said~~ THE indebtedness created in accordance with the provisions of section 32-1-1101 (2);

(b) To issue without an election, pursuant to an authorizing resolution and subject to the provisions and contractual limitations in resolutions authorizing outstanding bonds and other securities of the ~~hospital district~~ HEALTH SERVICE DISTRICT, securities to defray, in whole or in part, the cost of a project in the manner provided in and subject to the limitations imposed by subsection (3) of this section.

(2) Notwithstanding any other provisions of this article, all moneys belonging to or collected on behalf of the ~~hospital district~~ HEALTH SERVICE DISTRICT shall be deposited, in the discretion of the board, with either the treasurer of the county in which the greatest percentage of the valuation for assessment of the taxable property of ~~said~~ THE district is located or in a depository enumerated in section 24-75-603, C.R.S., to the account of ~~said hospital district~~ THE HEALTH SERVICE DISTRICT. All expenditures therefrom of ~~said~~ THE moneys shall be made upon warrants or checks duly drawn on said account and signed by the president and secretary-treasurer of ~~said hospital district~~ THE HEALTH SERVICE DISTRICT. The board may invest any moneys of the district not required to meet the immediate expenses of the district in

securities meeting the investment requirements established in part 6 of article 75 of title 24, C.R.S.

(3) (a) (I) The project for which securities are issued pursuant to paragraph (b) of subsection (1) of this section may be the acquisition, by purchase, construction, or otherwise, the improvement, or the equipment, or any combination thereof, for the purposes set forth in section 32-1-1003 (1) (a) or any other building, structure, or land necessary or desirable for use in connection with the operations of a ~~hospital district~~ HEALTH SERVICE DISTRICT.

(c) (III) Revenue obligations issued to refund revenue bonds of a ~~hospital district~~ HEALTH SERVICE DISTRICT and to refund securities issued under this section may be issued under the "Refunding Revenue Securities Law".

(d) The securities shall be payable and collectible, as to principal, interest, and any prior redemption premium, solely out of net pledged revenues, and the holder thereof may not look to any general or other fund for ~~such~~ THE payment of such securities except the net revenues pledged therefor. The securities shall not constitute an indebtedness or a debt within the meaning of any constitutional or statutory provision or limitation, if any ~~such~~ provision or limitation appertains thereto. The securities shall not be considered or held to be general obligations of the ~~hospital district~~ HEALTH SERVICE DISTRICT but shall constitute its special obligations, and the full faith and credit of the ~~hospital district~~ HEALTH SERVICE DISTRICT shall not be pledged for their payment. ~~Such~~ THE payment shall not be secured by an encumbrance, mortgage, or other pledge of property of the ~~hospital district~~ HEALTH SERVICE DISTRICT, except for its pledged revenues. No property of the ~~hospital district~~ HEALTH SERVICE DISTRICT, subject to said exception, shall be liable to be forfeited or taken in payment of securities.

(i) (III) Nothing in this section shall be construed as preventing the exercise of any power granted to the board or to a ~~hospital district~~ HEALTH SERVICE DISTRICT acting by and through its board or any officer, agent, or employee thereof by any other law.

SECTION 18. 32-11-104 (11) (a), Colorado Revised Statutes, is amended to read:

32-11-104. Definitions. As used in this article, unless the context otherwise requires:

(11) (a) "Corporate district" means any school district, junior college district, conservancy district, drainage district, metropolitan district, water district, sanitation district, water and sanitation district, mosquito control district, street improvement district, television relay and translator district, public improvement district, general improvement district, fire protection district, metropolitan recreation district, metropolitan park district, metropolitan recreation and park district, metropolitan water district, ~~hospital district~~ HEALTH SERVICE DISTRICT, metropolitan sewage disposal district, irrigation district, internal improvement district, water conservation district, water conservancy district, or any other type of district constituting a body corporate and politic and a political subdivision of the state.

SECTION 19. Effective date. This act shall take effect July 1, 1996.

SECTION 20. 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.

Approved: April 23, 1996