

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

ENGROSSED

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

LLS NO. 15-0312.01 Thomas Morris x4218

SENATE BILL 15-121

SENATE SPONSORSHIP

Crowder,

HOUSE SPONSORSHIP

Dore,

Senate Committees

Agriculture, Natural Resources, & Energy
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE ELIGIBILITY FOR FINANCING PROVIDED BY THE**
102 **COLORADO WATER RESOURCES AND POWER DEVELOPMENT**
103 **AUTHORITY OF A PUBLIC WATER SYSTEM THAT IS NOT OWNED BY**
104 **A GOVERNMENTAL AGENCY.**

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>.)

Section 1 of the bill specifies that the drinking water revolving fund may be used to provide financial assistance to private, nonprofit entities. **Section 2** clarifies that public water systems may be owned or

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.

SENATE
2nd Reading Unamended
February 24, 2015

operated by private, nonprofit entities.

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

2 **SECTION 1.** In Colorado Revised Statutes, 37-95-107.8, **amend**
3 (2) (b) (I), (2) (c) introductory portion, (2) (c) (II), (2) (c) (III) , and (3) (a)
4 as follows:

5 **37-95-107.8. Creation and administration of drinking water**
6 **revolving fund.** (2) (b) Moneys in the drinking water revolving fund
7 shall be spent in a manner consistent with the terms and conditions of any
8 state revolving program fund established by the safe drinking water act
9 and may be used:

10 (I) To provide assistance to governmental agencies AND PRIVATE
11 NONPROFIT ENTITIES for projects that appear on the drinking water project
12 eligibility list, referred to in this section as "eligible projects"; and

13 (c) The authority may spend moneys in the drinking water
14 revolving fund for financial assistance to governmental agencies AND
15 PRIVATE NONPROFIT ENTITIES for eligible projects, including expenditures
16 by any of the following means:

17 (II) Making loans to governmental agencies AND PRIVATE
18 NONPROFIT ENTITIES;

19 (III) Purchasing or refinancing obligations of governmental
20 agencies AND PRIVATE NONPROFIT ENTITIES if the debt obligations were
21 incurred after October 14, 1993, or for a project to comply with
22 amendments to regulations enacted by the 1986 amendments to the safe
23 drinking water act;

24 (3) (a) (I) The authority may make and contract to make loans to
25 governmental agencies AND PRIVATE NONPROFIT ENTITIES in accordance

1 with and subject to this section to finance the cost of eligible projects that
2 the governmental agency OR PRIVATE NONPROFIT ENTITY may lawfully
3 undertake or acquire under state law and for which the governmental
4 agency OR PRIVATE NONPROFIT ENTITY is entitled by law to borrow
5 money. The authority may make the loans subject to terms and conditions
6 determined by the authority to be consistent with the purposes of the
7 loans, and, to the extent that moneys originating in grants from the federal
8 government are the source of the loans, consistent with the provisions of
9 the safe drinking water act.

10 (II) Loans by the authority and the terms and conditions of the
11 loans are subject to financial analysis by the division of local government
12 in the department of local affairs. The financial analysis ~~shall~~ MUST
13 include an analysis of the capacity to repay a loan and the need for
14 financial assistance. The loans ~~shall~~ MUST be evidenced by notes, bonds,
15 or other obligations of the borrower that are issued to the authority. In the
16 case of a governmental agency OR PRIVATE NONPROFIT ENTITY, notes and
17 bonds to be issued to the authority ~~shall~~ MUST be authorized and issued
18 pursuant to this paragraph (a).

19 (III) All notes, bonds, or other obligations evidencing a loan from
20 the authority may be sold at private sale to the authority at any price,
21 whether or not less than par value. The denominations, the times for
22 payment of principal and interest, and the provisions for redemption prior
23 to maturity of such notes, bonds, or other obligations ~~shall be~~ ARE as
24 AGREED BY the authority and the borrower. ~~agree~~. Each loan to a
25 governmental agency OR PRIVATE NONPROFIT ENTITY and the notes,
26 bonds, or other obligations thereby issued ~~shall~~ MUST bear interest at such
27 rate or rates per annum at or below market interest rate and ~~shall~~ be for

1 such terms not to exceed twenty years after project completion as the
2 authority and the borrower may agree; except that, if the source of the
3 loaned funds is a grant from the United States, the loan term may be
4 extended in accordance with the terms of the safe drinking water act
5 providing for extended loan terms.

6 **SECTION 2.** In Colorado Revised Statutes, 25-1.5-201, **amend**
7 (1) introductory portion as follows:

8 **25-1.5-201. Definitions.** As used in this part 2, unless the context
9 otherwise requires:

10 (1) "Public water systems" means systems for the provision to the
11 public of piped water for human consumption, if such system has at least
12 fifteen service connections or regularly serves at least twenty-five
13 individuals. ~~Such~~ THE term includes SYSTEMS THAT ARE OWNED OR
14 OPERATED BY PRIVATE, NONPROFIT ENTITIES, AS WELL AS:

15 **SECTION 3. Act subject to petition - effective date -**
16 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
17 the expiration of the ninety-day period after final adjournment of the
18 general assembly (August 5, 2015, if adjournment sine die is on May 6,
19 2015); except that, if a referendum petition is filed pursuant to section 1
20 (3) of article V of the state constitution against this act or an item, section,
21 or part of this act within such period, then the act, item, section, or part
22 will not take effect unless approved by the people at the general election
23 to be held in November 2016 and, in such case, will take effect on the
24 date of the official declaration of the vote thereon by the governor.

25 (2) This act applies to conduct occurring on or after the applicable
26 effective date of this act.