

**ORDINANCE NO. 1
SERIES OF 2016**

(Climate Action Excise Tax)

AN ORDINANCE APPROVING SUBMITTAL TO THE QUALIFIED ELECTORS OF THE TOWN OF CARBONDALE AT THE MUNICIPAL ELECTION TO BE HELD ON TUESDAY, APRIL 5, 2016, THE QUESTION OF AUTHORIZING THE BOARD OF TRUSTEES TO IMPOSE A CLIMATE ACTION EXCISE TAX, EFFECTIVE ONLY FROM JULY 1, 2016 THROUGH JUNE 30, 2022, AS AN EXCISE TAX TO BE COMPUTED UPON THE BASIS OF THE AMOUNT OF ELECTRICITY AND NATURAL GAS USED BY CUSTOMERS OF ELECTRIC AND NATURAL GAS UTILITIES PROVIDING SERVICES WITHIN THE TOWN OF CARBONDALE, FOR THE PURPOSES OF FUNDING PROGRAMS TO INCREASE ENERGY EFFICIENCY, TO INCREASE RENEWABLE ENERGY USE, TO REDUCE EMISSIONS FROM MOTOR VEHICLES, AND TO TAKE OTHER STEPS TOWARD THE GOAL OF REDUCING GREENHOUSE GAS EMISSIONS AND ADDRESS GLOBAL WARMING; GIVING APPROVAL FOR THE COLLECTION, RETENTION, AND EXPENDITURE OF THE FULL TAX PROCEEDS AND ANY RELATED EARNINGS NOTWITHSTANDING ANY STATE REVENUE OR EXPENDITURE LIMITATION; SETTING FORTH AN EFFECTIVE DATE; SETTING FORTH THE BALLOT TITLE; AND SETTING FORTH RELATED DETAILS.

WHEREAS, Article X, Section 20 of the Colorado State Constitution requires that the Town of Carbondale have voter approval in advance of any new tax, and

WHEREAS, the Board of Trustees of the Town of Carbondale finds and determines that the electorate should consider authorizing the Town to impose a Climate Action Excise Tax as an excise tax upon customers of electric or natural gas utilities within the Town; and

WHEREAS, the tax would be imposed on the basis of the amount of electricity and natural gas used at maximum rates of \$0.008 per kilowatt hour (kWh) for residential electric utility customers, \$0.035 per therm for residential natural gas utility customers, \$0.0029 per kilowatt hour (kWh) for non-residential electric utility customers, and \$0.02 per therm for non-residential natural gas utility customers; and

WHEREAS, tax revenues generated would be collected and retained by the Town and subsequently applied by the Board of Trustees, in its discretion, to implement programs to increase energy efficiency, increase renewable energy use, reduce emissions from motor vehicles, and take other steps toward reducing greenhouse gas emissions and addressing global warming, with special attention initially to low income households; and

WHEREAS, the Town may, by ordinance, identify entities exempt from payment of the Climate Action Excise Tax.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF CARBONDALE, COLORADO, as follows:

Section 1. The foregoing recitals are incorporated herein as though set forth in full.

Section 2. The Board of Trustees hereby approves a new Climate Action Excise Tax as an excise tax upon customers of electric or natural gas utilities receiving services within the Town at the above-described rates, subject to approval by the Town electorate.

Section 3. Before this ordinance becomes effective, it shall be submitted to and receive approval of the majority of the qualified electors of the Town of Carbondale at the general election to be held on April 5, 2016. The form of the ballot question shall be as follows:

**TOWN OF CARBONDALE
BALLOT ISSUE NO. ____**

CLIMATE ACTION EXCISE TAX

SHALL TOWN OF CARBONDALE TAXES BE INCREASED BY \$352,000.00 ANNUALLY BEGINNING IN 2016, AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED ANNUALLY THEREAFTER, BY AUTHORIZING THE TOWN TO LEVY AND COLLECT A CLIMATE ACTION EXCISE TAX UPON CUSTOMERS OF ELECTRIC AND NATURAL GAS UTILITIES AT RATES OF \$0.008 PER KILOWATT HOUR (kWh) FOR RESIDENTIAL ELECTRIC UTILITY CUSTOMERS, \$0.035 PER THERM FOR RESIDENTIAL NATURAL GAS UTILITY CUSTOMERS, \$0.0029 PER KILOWATT HOUR (kWh) FOR NON-RESIDENTIAL ELECTRIC UTILITY CUSTOMERS, AND \$0.02 PER THERM FOR NON-RESIDENTIAL NATURAL GAS UTILITY CUSTOMERS, WITH THESE TAXES TAKING EFFECT ON JULY 1, 2016 AND EXPIRING ON JUNE 30, 2022, FOR THE PURPOSE OF FUNDING PROGRAMS TO INCREASE ENERGY EFFICIENCY AND RENEWABLE ENERGY USE, TO REDUCE EMISSIONS FROM MOTOR VEHICLES, AND TO TAKE OTHER STEPS TOWARD THE GOAL OF REDUCING GREENHOUSE GAS EMISSIONS, WITH THE RESULTING TAX REVENUES TO BE COLLECTED, RETAINED AND SPENT BY THE TOWN AS A VOTER-APPROVED REVENUE CHANGE NOTWITHSTANDING ANY APPLICABLE REVENUE OR SPENDING LIMITATION IMPOSED BY ARTICLE X SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

YES/FOR _____

NO/AGAINST _____

Section 4. For the purposes of C.R.S. § 1-11-203.5, this ordinance shall serve to set the title and content of the ballot measure set forth herein, and the ballot title for such ballot measure shall be the text of the ballot measure itself. Any petition to contest the form or content of the ballot title must be filed with the District Court in and for Garfield County and a copy served on the Town Clerk within five days after publication of this ordinance.

Section 5. The officers and employees of the Town are hereby authorized and directed to take all actions necessary or appropriate to effectuate the provisions of this ordinance.

Section 6. If a majority of the votes cast on the ballot issue are in favor of the measure, the measure shall be deemed to have passed and shall be effective upon passage, and it shall be lawful for the Board of Trustees to provide for the amendment of the Town's municipal code in accordance with the measure approved in order to codify a new Climate Action Excise Tax as part of Chapter 4 of the Municipal Code.

Section 7. At least thirty (30) days prior to the election, the Town Clerk, who may use the services of the Garfield County Clerk & Recorder, shall mail, at the least cost, a titled notice or set of notices addressed to "All Registered Voters" at each address of one or more active registered voters concerning the ballot measure referenced in this ordinance. The notice shall be entitled "NOTICE OF ELECTION TO INCREASE TAXES" and shall include all information required by Article X, Section 20(3)(b) of the Colorado Constitution (the "Taxpayer's Bill of Rights").

Section 8. This ordinance is necessary to protect the public health, safety and welfare of the residents of the city, and covers matters of local concern.

Section 9. This ordinance shall remain in effect only until June 30, 2022, at which time the ordinance shall be automatically repealed.

Section 10. If any section, paragraph, clause or provision of this ordinance shall be held to be invalid or unenforceable, the invalidity or unenforceability of each section, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance.

Section 11. If this ordinance does not for any reason become effective, or is declared invalid by a court, the provisions hereof shall have no force or effect, and all other acts, orders or ordinances of the Town shall continue to be effective as if this ordinance was never adopted.

Section 12. Upon adoption, this ordinance shall be posted and published in accordance with the Home Rule Charter.

INTRODUCED, READ, AND PASSED this 13th day of January, 2016.

THE TOWN OF CARBONDALE

By: Stacey Patch Bernot
Stacey Patch Bernot, Mayor

ATTEST:

Cathy Derby
Cathy Derby, Town Clerk



POSTED: 1/14/16
PUBLISHED:
EFFECTIVE: