

Colorado Revised Statutes 2021

TITLE 7

CORPORATIONS AND ASSOCIATIONS

ARTICLE 42

Ditch and Reservoir Companies

Cross references: For definitions applicable to this article, see § 7-90-102.

Law reviews: For article, "Cities and Ditch Companies: Can They Live Together? -- Parts I and II", see 16 Colo. Law. 815 and 996 (1987); for article, "Ownership of Mutual Ditch Company Assets", see 20 Colo. Law. 2081 (1991); for article, "Title Fight Avoiding a Water Right Conveyancing TKO", see 44 Colo. Law. 41 (March 2015).

7-42-101. Additional statements in certificates - mutual ditch corporation shares.

(1) When three or more persons associate under the provisions of law to form a corporation for the purpose of constructing a ditch, reservoir, pipeline, or any part thereof to convey water from any natural or artificial stream, channel, or source whatever to any mines, mills, or lands or for storing the same, they shall in their articles of incorporation, in addition to the matters otherwise required, state: The stream, channel, or source from which the water is to be taken; the point or place at or near which the water is to be taken; the location, as near as may be, of any reservoir intended to be constructed; the line, as near as may be, of any ditch or pipeline intended to be constructed; and the use to which the water is intended to be applied.

(2) A corporation formed under the "Colorado Revised Nonprofit Corporation Act", articles 121 to 137 of this title, shall have all of the rights and powers granted by this article to the extent not inconsistent with said act, if such nonprofit corporation otherwise complies with the terms and provisions of this article.

(3) In the case of a municipal corporation, county, special district, or entity, as that term is defined in section 7-90-102, that is a member or stockholder of a corporation described in subsection (1) or (2) of this section, an individual officer, partner, member, manager, agent, or employee of the municipal corporation, county, special district, or entity as designated by the municipal corporation, county, special district, or entity is eligible for election to serve as a director of the corporation irrespective of the fact that such individual is not a member or stockholder of the corporation.

(4) (a) Subject to any decree for the water rights held in the name of a mutual ditch corporation and to a mutual ditch corporation's articles of incorporation or bylaws, a mutual ditch corporation delivering direct flow water rights may provide water to only water-requesting stockholders, including stockholders that own shares for which a change in use has been adjudicated or approved. Consistent with each stockholder's request and the available water

supply, a mutual ditch corporation may provide water at rates of flow greater or less than each stockholder's pro rata ownership of shares in the corporation. When total stockholder demand exceeds available water supply, a mutual ditch corporation shall provide, to the extent possible, a pro rata amount of water to all stockholders that are requesting water, either simultaneously or, if necessary, by rotating among stockholders in sections or by other equitable methods as determined by the corporation.

(b) Subject to subsection (4)(c)(IV) of this section, if a water court decree authorizing the change in use of the water rights represented by mutual ditch corporation shares contains volumetric limits on the amount of water deliverable to the changed shares, water diverted and delivered by the mutual ditch corporation only counts against the changed stockholder's volumetric limits if the stockholder, or its lessee or designee, takes delivery in accordance with the change in use decree.

(c) A court shall not construe this subsection (4):

(I) (A) To supersede or abrogate the conditions of any final water court decree entered before September 7, 2021; or

(B) To apply to any water court application for which a trial was held before September 7, 2021, or to an appeal of any water court decision or decree resulting from such a trial;

(II) To impede or prevent a stockholder from changing the type of, place of, time of use of, or point of diversion of the water rights represented by the shares in a mutual ditch corporation;

(III) To require or prohibit a reduction in the flow rate available to a stockholder or mutual ditch corporation when the type of, place of, time of use of, or point of diversion of the water rights represented by the shares is lawfully changed;

(IV) (A) To amend or modify the standards in section 37-92-305 for water court approval of a change in use; or

(B) To amend or modify the court's ability to order conditions necessary to prevent an enlargement upon the historical use of water rights for which a change is sought or to prevent a diminution of return flow historically resulting from the use of the changed shares to the detriment of other appropriators; or

(V) To impair the ability of a stockholder to enter into a program identified in section 37-92-305 (3)(c) or to enter into an acquisition transaction provided for in either section 37-92-102 (3) or 37-83-105.

Source: G.L. § 274. G.S. § 308. L. 1891: p. 97, § 1. R.S. 08: § 988. C.L. § 2353. CSA: C. 41, § 141. CRS 53: § 31-14-1. C.R.S. 1963: § 31-14-1. L. 67: p. 656, § 5. L. 92: Entire section amended, p. 248, § 1, effective March 24. L. 97: (2) amended, p. 756, § 8, effective July 1, 1998. L. 2003: (1) and (2) amended, p. 2205, § 14, effective July 1, 2004. L. 2009: (3) amended, (HB 09-1248), ch. 252, p. 1136, § 23, effective May 14. L. 2021: (4) added, (HB 21-1046), ch. 161, p. 915, § 1, effective September 7.

7-42-101.5. Acequia ditch corporation - definition - powers. (1) For purposes of this section, "acequia" means a ditch that:

(a) Originated prior to Colorado's statehood;

(b) Has historically treated water diverted by the acequia as a community resource and has therefore attempted to allocate water in the acequia based upon equity in addition to priority;

- (c) Relies essentially on gravity-fed surface water diversions;
- (d) Repealed.
- (e) Has historically been operated pursuant to a one landowner-one vote system; and
- (f) Has historically relied on labor supplied by the owners of irrigated land served by the acequia.

(2) Subject to any contrary provision of subsection (3) of this section, the procedural and substantive requirements of this article other than this section that apply to the creation, powers, duties, and governance of a ditch corporation subject to this article shall be deemed to apply to the creation, powers, duties, and governance of an acequia ditch corporation.

(3) An acequia ditch corporation may be organized pursuant to this article, a ditch corporation organized pursuant to this article may convert to an acequia ditch corporation, an unincorporated acequia ditch association may be formed, and an unincorporated ditch association may operate as an unincorporated acequia ditch association, if the ditch meets the definition of an acequia ditch and, as applicable:

- (a) Repealed.
- (b) Surface water rights provide all of the water rights used for irrigation in the ditch, and such water rights have had substantially uninterrupted use since before Colorado's statehood;
- (c) The irrigated land served by the ditch is located wholly in one or more of the counties of Costilla, Conejos, Huerfano, and Las Animas; and

- (d) Either:
 - (I) As required pursuant to section 7-42-101, the stockholders of the ditch file articles of incorporation, or an amendment to the articles of incorporation, that state the stockholders' intention to create or convert to an acequia ditch corporation; or

- (II) The members of an unincorporated ditch association have agreed to operate in accordance with this section.

(4) An acequia ditch corporation, if its articles of incorporation so state, or an unincorporated acequia ditch association, may specify in its bylaws that:

- (a) Its elections may be held pursuant to a one landowner-one vote system;
- (b) Owners of land irrigated by the ditch can be required to contribute labor to the maintenance and repair of the acequia or, in the alternative, to pay an assessment in lieu of such labor;

- (c) Water in the ditch may be allocated on a basis other than pro rata ownership of the corporation; and

- (d) The corporation or association has a right of first refusal regarding the sale, lease, or exchange of any surface water right that has historically been used to irrigate land by the acequia.

Source: L. 2009: Entire section added, (HB 09-1233), ch. 168, p. 739, § 2, effective April 22. **L. 2013:** (1)(d) and (3)(a) repealed and IP(3), (3)(d), IP(4), and (4)(d) amended, (HB 13-1168), ch. 87, p. 279, § 1, effective August 7.

Cross references: For the legislative declaration contained in the 2009 act adding this section, see section 1 of chapter 168, Session Laws of Colorado 2009.

7-42-102. Work after organization. (1) Any corporation formed under the provisions of law for the purpose of constructing any ditch, flume, bridge, ferry, or telegraph line, within ninety days from the effective date of its articles of incorporation, shall commence work on such ditch, flume, bridge, ferry, or telegraph line, as shall be named in the articles, and shall complete the work with due diligence. The time of the completion of any such ditch, bridge, ferry, or telegraph line shall not be extended beyond a period of two years from the time work was commenced.

(2) Any corporation failing to commence work within ninety days after the effective date of the articles of incorporation, or failing to complete the same within two years after the time of commencement, shall forfeit all right to the water so claimed, and the same shall be subject to be claimed by any other company. The time for the completion of any flume constructed under the provisions of law shall not be extended beyond a period of four years.

(3) This section shall not apply to any ditch or flume for mining or other purposes constructed through and upon any grounds owned by the corporation. Any company formed to construct a ditch for domestic, agricultural, irrigating, milling, and manufacturing purposes or any of them shall have three years from the time of commencing work thereon within which to complete the same but no longer.

Source: G.L. § 296. G.S. § 314. R.S. 08: § 989. C.L. § 2354. CSA: C. 41, § 142. CRS 53: § 31-14-2. C.R.S. 1963: § 31-14-2. L. 2008: (1) and (2) amended, p. 22, § 11, effective August 5.

7-42-103. Right-of-way. Any ditch, reservoir, or pipeline corporation formed under the provisions of law shall have the right-of-way over the line named in the articles of incorporation, and shall also have the right to run water from the stream, channel, or water source, whether natural or artificial, named in the articles through its ditch or pipeline, and store the same in any reservoir of the company when not needed for immediate use. The line proposed shall not interfere with any other ditch, pipeline, or reservoir having prior rights, except the right to cross by pipe or flume; nor shall the water of any stream, channel, or other water course, whether natural or artificial, be diverted from its original channel or source to the detriment of any person or persons having priority of right thereto, but this shall not be construed to prevent the appropriation and use of any water not utilized and applied to beneficial uses.

Source: G.L. § 275. G.S. § 309. L. 1891: p. 98, § 2. R.S. 08: § 990. C.L. § 2355. CSA: C. 41, § 143. CRS 53: § 31-14-3. C.R.S. 1963: § 31-14-3. L. 2008: Entire section amended, p. 22, § 12, effective August 5.

7-42-104. Assessment on stock. (1) If any corporation owning any ditch or canal for conveying or reservoir for storing water for irrigation purposes deems it necessary to raise funds to keep its ditch, canal, or reservoir in good repair or to pay any indebtedness theretofore contracted or the interest thereon, the corporation shall have power to make an assessment on the capital stock thereof, to be levied pro rata on the shares of stock payable in money, labor, or both, for the purpose of keeping the property of the corporation in good repair and for the payment of any indebtedness or interest thereon.

(2) But no such assessment shall be made unless the question of making the assessment is first submitted to the stockholders of the corporation at an annual meeting or at a special meeting called for that purpose, if a quorum is present, and the majority of stock represented at such meeting, either by the owner in person or by proxy, entitled to vote thereon shall vote in favor of making such assessment; and if said stockholders fail to hold any such meeting or fail to make or authorize any assessment within ninety days after the close of the company's fiscal year, the directors shall have power to make any such assessment at any regular or special meeting called therefor for that year.

(3) Such corporation may provide for the sale and forfeiture of shares of stock for such assessment as provided in subsection (4) of this section and may have the benefit of said subsection (4) for the recovery of such assessments by forfeiture or sale of the stock in default, and such corporation shall have a perpetual lien upon such shares of stock and the water rights represented by the same for any and all such assessments until the same are fully paid. Such corporation may also provide that no water shall be delivered until all assessments are paid.

(4) The shares of stock shall be deemed personal property and transferable as such in the manner provided by the bylaws, and subscriptions thereof shall be made payable to the corporation and shall be payable in such installments and at such times as shall be determined by the directors or trustees. An action may be maintained in the name of the corporation to recover any installment which shall remain due and unpaid for the period of twenty days after personal demand therefor or, if personal demand is not made, within thirty days after a written or printed demand has been deposited in the post office properly addressed to the post office address of the delinquent stockholder. The directors or trustees may prescribe by bylaws for a forfeiture or sale of stock on failure to pay the installments or assessments that from time to time may become due, but no forfeiture of stock or of the amount paid thereon shall be declared as against any estate or against any stockholder before demand has been made for the amount due thereon either in person or by written or printed notice duly mailed to the last known address of such stockholder at least thirty days prior to the time the forfeiture is to take effect; but the proceeds of any sale, over and above the amount due on said shares, shall be paid to the delinquent stockholder.

Source: G.L. § 276. G.S. § 310. R.S. 08: § 991. L. 17: p. 149, § 1. C.L. § 2356. L. 27: p. 263, § 1. CSA: C. 41, § 144. CRS 53: § 31-14-4. C.R.S. 1963: § 31-14-4. L. 65: p. 443, § 1. L. 79: (2) R&RE, p. 333, § 1, effective June 15.

7-42-105. Right to purchase own stock. (1) It is lawful for any corporation owning any ditch or canal for conveying or reservoir for storing water for irrigation purposes for its stockholders to purchase and acquire any of its outstanding capital stock, but no purchase or payment for its own shares shall be made at a time when the purchase or payment would make it insolvent.

(2) Any sale, exchange, lease, or other disposition of any part or all of the business, assets, property, or franchise of any such corporation to any conservancy district, irrigation district, or to the United States or any agency of the United States shall be deemed to be in the usual course of the corporation's business.

Source: L. 21: p. 212, § 1. C.L. § 2357. CSA: C. 41, § 145. CRS 53: § 31-14-5. C.R.S. 1963: § 31-14-5. L. 67: p. 312, § 1.

7-42-106. Assessments to pay purchase price. When any such stock has been purchased or contract entered into for the purchase of the same, the corporation shall have the power to use its funds and to levy and collect assessments on the remaining outstanding capital stock in the manner provided by law for the payment of any other indebtedness, for the purpose of paying the purchase price of the stock so purchased.

Source: L. 21: p. 212, § 2. C.L. § 2358. CSA: C. 41, § 146. CRS 53: § 31-14-6. C.R.S. 1963: § 31-14-6.

7-42-107. Shall furnish water to whom - rate. Any corporation constructing a ditch under the provisions of law shall furnish water to the class of persons using the water in the way named in the articles of incorporation, in the way the water is designated to be used, whether to miners, millmen, farmers, or for domestic use, whenever it has water in its ditch unsold, and it shall at all times give the preference to use of the water in said ditch to the class named in the articles. The rates at which water shall be furnished are to be fixed by the board of county commissioners as soon as the ditch is completed and prepared to furnish water.

Source: G.L. § 277. G.S. § 311. R.S. 08: § 992. C.L. § 2359. CSA: C. 41, § 147. CRS 53: § 31-14-7. C.R.S. 1963: § 31-14-7. L. 2008: Entire section amended, p. 22, § 13, effective August 5.

Cross references: For the duty of county commissioners to fix rates for water, see Colo. Const., art. XVI, § 8; for the right to continue purchasing water, see § 37-85-102 et seq.

7-42-108. Shall keep ditch in repair. Every ditch corporation formed under the provisions of law shall be required to keep its ditch in good condition so that the water shall not be allowed to escape from the same to the injury of any mining claim, road, ditch, or other property. If it is necessary to convey any ditch over, across, or above any lode or mining claim or to keep the water so conveyed therefrom, the corporation, if necessary to keep the water of the ditch out or from any claim, shall flume the ditch so far as necessary to protect the claim or property from the water of said ditch.

Source: G.L. § 278. G.S. § 312. R.S. 08: § 993. C.L. § 2360. CSA: C. 41, § 148. CRS 53: § 31-14-8. C.R.S. 1963: § 31-14-8. L. 2003: Entire section amended, p. 2206, § 15, effective July 1, 2004.

Cross references: For the duty to maintain ditch in good repair, see § 37-84-119; for the duty to keep embankments in repair, see §§ 37-84-101 and 37-84-107.

7-42-109. Penalty for damage. *[Editor's note: This version of this section is effective until March 1, 2022.]* Any person who willfully or maliciously damages or interferes with any road, ditch, flume, bridge, ferry, railroad, or telegraph line or any of the fixtures, tools,

implements, appurtenances, or property of any corporation that is formed under the provisions of law is guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than five hundred dollars, or by imprisonment in the county jail for not more than one year, or by both such fine and imprisonment. Any such fine shall be paid into the county treasury, and the offender shall also pay all damages that any such corporation sustains, together with costs of suit.

7-42-109. Penalty for damage. [*Editor's note: This version of this section is effective March 1, 2022.*] Any person who willfully or maliciously damages or interferes with any road, ditch, flume, bridge, ferry, railroad, or telegraph line or any of the fixtures, tools, implements, appurtenances, or property of any corporation that is formed under the provisions of law commits a class 2 misdemeanor. Any such fine shall be paid into the county treasury, and the offender shall also pay all damages that any such corporation sustains, together with costs of suit.

Source: G.L. § 297. G.S. § 315. R.S. 08: § 994. C.L. § 2361. CSA: C. 41, § 149. CRS 53: § 31-14-9. C.R.S. 1963: § 31-14-9. L. 2003: Entire section amended, p. 2206, § 16, effective July 1, 2004. L. 2021: Entire section amended, (SB 21-271), ch. 462, p. 3136, § 70, effective March 1, 2022.

Editor's note: Section 803(2) of chapter 462 (SB 21-271), Session Laws of Colorado 2021, provides that the act changing this section applies to offenses committed on or after March 1, 2022.

Cross references: For the penalty for damaging a ditch or flume, see § 37-89-101.

7-42-110. Consolidation of ditch companies - repeal. (Repealed)

Source: L. 1876: p. 68, § 1. G.L. omitted. G.S. § 313. R.S. 08: § 995. C.L. § 2362. CSA: C. 41, § 150. CRS 53: § 31-14-10. C.R.S. 1963: § 31-14-10. L. 2002: Entire section amended, p. 1811, § 6, effective July 1; entire section amended, p. 1675, § 4, effective October 1. L. 2003: (2) added by revision, pp. 2356, 2357, §§ 347, 348.

Editor's note: Subsection (2) provided for the repeal of this section, effective July 1, 2004. (See L. 2003, pp. 2356, 2357.)

7-42-111. Extension of term. When the term of years for which any corporation has been incorporated as a ditch company for the purpose of carrying water for irrigation purposes or as a reservoir company for the storage of water for irrigation purposes has expired or is about to expire by lawful limitation, and such corporation has not been administered upon as an expired corporation or gone into liquidation and settlement and division of its affairs, it may have its term of incorporation extended and continued the same as if originally incorporated, as provided in section 7-42-112.

Source: L. 1891: p. 96, § 1. R.S. 08: § 996. C.L. § 2363. CSA: C. 41, § 151. CRS 53: § 31-14-11. C.R.S. 1963: § 31-14-11.

7-42-112. Procedure to extend term. (1) Whenever the corporate life of any such ditch or reservoir company has expired or is about to expire, the stockholders may vote upon the question of extending the life of such company for another twenty years, or for any other term provided by statute, by first giving notice of such intention by publication for two successive weeks in the newspaper printed nearest the place where the principal operations of said company are carried on. Such notice shall be signed by stockholders owning at least ten percent of the entire capital stock of said company, and shall state the place where and the time when the question of renewal shall be submitted to the votes of the stockholders of said company at the meeting held in pursuance of such notice, if a majority of the stock of the corporation is represented.

(2) The votes shall be taken by ballot, and each stockholder shall be entitled to as many votes as the stockholder owns shares of stock in the company or holds proxies therefor. If a majority of the votes cast is in favor of a renewal of the corporation, the president and secretary of the company, under the corporate seal of the company, shall certify the fact, and shall make as many certificates as may be necessary. The company shall record one certificate in the office of the recorder of deeds in each county in which the company does business and shall deliver to the secretary of state for filing pursuant to part 3 of article 90 of this title a statement of extension of term that states that the term of the company has been extended, the principal office address of the company, and the registered agent name and registered agent address of the company. The corporate life of the company shall be renewed upon such recording and filing of the declaration, and all stockholders shall have the same rights in the renewed corporation as they had in the company as originally formed.

Source: L. 1891: p. 96, § 2. R.S. 08: § 997. C.L. § 2364. L. 31: p. 247, § 21. CSA: C. 41, § 152. CRS 53: § 31-14-12. C.R.S. 1963: § 31-14-12. L. 83: (2) amended, p. 870, § 21, effective July 1. L. 2002: (2) amended, p. 1811, § 7, effective July 1; (2) amended, p. 1676, § 5, effective October 1. L. 2003: (2) amended, p. 2206, § 17, effective July 1, 2004. L. 2004: (2) amended, p. 1402, § 9, effective July 1. L. 2009: (2) amended, (HB 09-1248), ch. 252, p. 1128, § 1, effective December 1.

7-42-113. Duplicate certificate issued - when. Any owner of capital stock, as shown by the records of a corporation formed under the law of this state, entitling the stockholder to the services of a ditch or to the use of water subject to the payment of assessments, the legal representative or assignee of any such stockholder, or any lienholder named in the books of the corporation as a lienholder on the lost certificate, whose stock certificate has been lost, mislaid, or destroyed, may have a duplicate certificate issued in accordance with sections 7-42-114 to 7-42-117.

Source: L. 51: p. 278, § 1. CSA: C. 41, § 152(1). CRS 53: § 31-14-13. C.R.S. 1963: § 31-14-13. L. 2003: Entire section amended, p. 2207, § 18, effective July 1, 2004. L. 2012: Entire section amended, (HB 12-1010), ch. 12, p. 30, § 1, effective August 8.

7-42-114. Statement of loss. If a certificate of capital stock has been lost, mislaid, or destroyed, and the stockholder, legal representative, or assignee has paid all assessments levied by the corporation against the stock, the stockholder, the stockholder's legal representative or

assignee, and any lienholder named in the books of the corporation as a lienholder on the lost certificate may file with the secretary of the corporation a statement under oath that the certificate of stock has been lost, mislaid, or destroyed and that the certificate is the property of the person making the statement and has not been transferred or hypothecated by the stockholder, and demand the issuance of a duplicate certificate in accordance with this section and sections 7-42-115 to 7-42-117.

Source: L. 51: p. 278, § 2. CSA: C. 41, § 152(2). CRS 53: § 31-14-14. C.R.S. 1963: § 31-14-14. L. 2004: Entire section amended, p. 1402, § 10, effective July 1. L. 2012: Entire section amended, (HB 12-1010), ch. 12, p. 30, § 2, effective August 8.

7-42-115. Publication of notice of demand. Upon receipt of a demand pursuant to section 7-42-114, the corporation shall publish, at the expense of the person making the demand, at least once a week for five successive weeks, the fifth publication being on the twenty-eighth day after the first publication, in a newspaper of general circulation in the county in which the principal office of the corporation is located or, if there is no newspaper in such county, then in such a newspaper of an adjoining county, a notice that such a demand has been filed with the corporation in accordance with sections 7-42-114 to 7-42-117, stating the demand in full and stating that the corporation will issue, on or after a date therein stated, following the last publication of the notice by at least thirty days, a duplicate certificate to the registered owner, the registered owner's legal representative or assignee, or any lienholder named in the books of the corporation as a lienholder on the lost certificate unless a contrary claim is filed with the corporation prior to the date stated in the notice.

Source: L. 51: p. 278, § 3. CSA: C. 41, § 152(3). CRS 53: § 31-14-15. C.R.S. 1963: § 31-14-15. L. 2003: Entire section amended, p. 2207, § 19, effective July 1, 2004. L. 2004: Entire section amended, p. 1403, § 11, effective July 1. L. 2012: Entire section amended, (HB 12-1010), ch. 12, p. 31, § 3, effective August 8.

7-42-116. Duplicate conclusive against original. If no claim of interest or ownership other than that made by the person filing a notice pursuant to section 7-42-114 or such person's legal representative or assignee is on file in the records of the secretary of the corporation prior to the date stated in the notice, the corporation shall issue, on or after said date, a duplicate certificate to the person, the person's legal representative or assignee, or any lienholder named in the books of the corporation as a lienholder on the lost certificate. All rights under the original certificate shall immediately cease and no person shall at any time thereafter assert any claim or demand against the corporation or any other person on account of the original certificate.

Source: L. 51: p. 279, § 4. CSA: C. 41, § 152(4). CRS 53: § 31-14-16. C.R.S. 1963: § 31-14-16. L. 2002: Entire section amended, p. 1812, § 8, effective July 1; entire section amended, p. 1676, § 6, effective October 1. L. 2003: Entire section amended, p. 2207, § 20, effective July 1, 2004. L. 2004: Entire section amended, p. 1403, § 12, effective July 1. L. 2012: Entire section amended, (HB 12-1010), ch. 12, p. 31, § 4, effective August 8.

7-42-117. Proof of right to certificate. The corporation may require any legal representative or assignee of a stockholder of record to prove the stockholder's legal right to such certificate as a legal representative or assignee of the stockholder of record. The corporation may require any lienholder named in the books of the corporation as a lienholder on the lost certificate to prove the lienholder's legal right to such certificate.

Source: **L. 51:** p. 279, § 5. **CSA:** C. 41, § 152(5). **CRS 53:** § 31-14-17. **C.R.S. 1963:** § 31-14-17. **L. 2004:** Entire section amended, p. 1403, § 13, effective July 1. **L. 2012:** Entire section amended, (HB 12-1010), ch. 12, p. 31, § 5, effective August 8.

7-42-118. Liability of stockholders, directors, and officers. Stockholders, directors, and officers of corporations formed under the provisions of this article shall enjoy the same measure of immunity from liability for corporate acts or omissions as stockholders, directors, and officers of corporations formed under the "Colorado Business Corporation Act", articles 101 to 117 of this title, or as members, directors, and officers of nonprofit corporations formed under the "Colorado Revised Nonprofit Corporation Act", articles 121 to 137 of this title.

Source: **L. 86:** Entire section added, p. 1092, § 2, effective May 16. **L. 93:** Entire section amended, p. 855, § 8, effective July 1, 1994. **L. 97:** Entire section amended, p. 756, § 9, effective July 1, 1998.