

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Joint Budget Committee Members
FROM JBC Staff
DATE APRIL 24, 2019
SUBJECT JBC Bill Drafts

This memo includes the following bill drafts for the Committee's consideration:

1. LLS 19-0986 "Increase Tier B Special Education Funding" (Craig Harper)
2. LLS 19-1107 "General Fund Transfer to Highway Users Tax Fund" (Steve Allen)
3. LLS 19-0896 "State Capital Asset Management and Finance Auth" (Alfredo Kemm)

First Regular Session
Seventy-second General Assembly
STATE OF COLORADO

DRAFT
3.15.19

DRAFT

LLS NO. 19-0986.01 Julie Pelegrin x2700

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Increase Tier B Special Education Funding"

A BILL FOR AN ACT

101 **CONCERNING INCREASING THE AMOUNT OF TIER B STATE FUNDING FOR**
102 **SPECIAL EDUCATION.**

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://leg.colorado.gov/>.)

Joint Budget Committee. Under existing law, the state appropriates a certain amount per pupil to fund services for all children with disabilities, which is referred to as tier A funding, and a separate amount to fund services for children identified with certain disabilities, which is referred to as tier B funding. The bill increases the amount of tier B funding from \$20 million to \$■ million and allows the amount to be

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Dashes through the words indicate deletions from existing statute.*

appropriated from the state education fund or the general fund.

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

2 **SECTION 1.** In Colorado Revised Statutes, 22-20-114, **amend**
3 (1)(c)(III) as follows:

4 **22-20-114. Funding of programs - legislative declaration.**

5 (1) Subject to the provisions of subsection (3) of this section, for the
6 2005-06 budget year and each budget year thereafter, the total amount
7 appropriated to the department for the payment of costs incurred by
8 administrative units for the provision of special education programs shall
9 be distributed to each administrative unit that provides educational
10 services for children with disabilities as follows:

11 (c) (III) (A) For the 2013-14 budget year and each budget year
12 thereafter THROUGH THE 2018-19 BUDGET YEAR, in addition to any
13 amount that is available pursuant to ~~subparagraph (I) of this paragraph (c)~~
14 SUBSECTION (1)(c)(I) OF THIS SECTION, the general assembly shall
15 appropriate twenty million dollars from the state education fund to the
16 department for the purposes of this ~~paragraph (c)~~ SUBSECTION (1)(c).

17 (B) FOR THE 2019-20 BUDGET YEAR AND EACH BUDGET YEAR
18 THEREAFTER, IN ADDITION TO ANY AMOUNT THAT IS AVAILABLE PURSUANT
19 TO SUBSECTION (1)(c)(I) OF THIS SECTION, THE GENERAL ASSEMBLY SHALL
20 APPROPRIATE MILLION DOLLARS, WHICH AMOUNT MAY BE
21 APPROPRIATED FROM THE STATE EDUCATION FUND OR THE GENERAL FUND
22 OR AS AMOUNTS FROM BOTH FUNDS, TO THE DEPARTMENT FOR THE
23 PURPOSES OF THIS SUBSECTION (1)(c).

24 ~~(B)~~ (C) The general assembly hereby finds and declares that, for
25 the purposes of section 17 of article IX of the state constitution, providing

1 additional ~~moneys~~ MONEY to children with one or more disabilities, as
2 described in ~~subparagraph (H) of this paragraph (c)~~ SUBSECTION (1)(c)(II)
3 OF THIS SECTION, for a percentage of such children receiving special
4 education services from an administrative unit is a program for
5 accountable education reform and may therefore receive funding from the
6 state education fund created in section 17 (4) of article IX of the state
7 constitution.

8 **SECTION 2. Safety clause.** The general assembly hereby finds,
9 determines, and declares that this act is necessary for the immediate
10 preservation of the public peace, health, and safety.

First Regular Session
Seventy-second General Assembly
STATE OF COLORADO

DRAFT
4.15.19

DRAFT

LLS NO. 19-1107.01 Jason Gelender x4330

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "General Fund Transfer To Highway Users Tax Fund"

A BILL FOR AN ACT

101 CONCERNING A ONE-TIME TRANSFER OF ONE HUNDRED MILLION
102 DOLLARS FROM THE GENERAL FUND TO THE HIGHWAY USERS
103 TAX FUND.

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://leg.colorado.gov/>.)

Joint Budget Committee. The bill requires the state treasurer to transfer \$100 million from the general fund to the highway users tax fund on July 1, 2019, for allocation to the state highway fund, counties, and municipalities in accordance with the existing "second stream" allocation

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formula, which allocates the money as follows:

- 60% to the state highway fund;
- 22% to counties; and
- 18% to municipalities.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-75-219, **add**
3 (5)(b.5) as follows:

4 **24-75-219. Transfers - transportation - capital construction -**
5 **definitions - repeal.** (5) (b.5) ON JULY 1, 2019, THE STATE TREASURER
6 SHALL TRANSFER ONE HUNDRED MILLION DOLLARS FROM THE GENERAL
7 FUND TO THE HIGHWAY USERS TAX FUND.

8 **SECTION 2.** In Colorado Revised Statutes, 43-4-205, **amend**
9 (6.5)(a); and **add** (6.7) as follows:

10 **43-4-205. Allocation of fund.** (6.5) (a) EXCEPT AS OTHERWISE
11 PROVIDED IN SUBSECTIONS (6.4) AND (6.7) OF THIS SECTION, the ~~revenues~~
12 REVENUE accrued to and transferred to the highway users tax fund
13 pursuant to section 39-26-123 (4)(a) or 24-75-219 ~~C.R.S.~~, or appropriated
14 to the highway users tax fund pursuant to House Bill 02-1389, enacted
15 ~~during the second regular session of the sixty-third general assembly,~~
16 ~~shall~~ IN 2002, MUST be paid to the state highway fund for allocation to the
17 department of transportation and ~~shall be~~ expended as provided in section
18 43-4-206 (2).

19 (6.7) MONEY TRANSFERRED FROM THE GENERAL FUND TO THE
20 HIGHWAY USERS TAX FUND PURSUANT TO SECTION 24-75-219 (5)(b.5)
21 MUST BE ALLOCATED AND EXPENDED IN ACCORDANCE WITH THE FORMULA
22 SPECIFIED IN SUBSECTION (6)(b) OF THIS SECTION.

23 **SECTION 3. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.

First Regular Session
Seventy-second General Assembly
STATE OF COLORADO

UNEDITED
UNREVISED
DRAFT
4.24.19

DRAFT

LLS NO. 19-0896.01 Jason Gelender x4330

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "State Capital Asset Management and Finance Auth"

A BILL FOR AN ACT

101 CONCERNING THE CREATION OF THE STATE CAPITAL ASSET
102 MANAGEMENT AND FINANCE AUTHORITY.

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://leg.colorado.gov/>.)

The bill creates the state capital asset management and finance authority (authority) as an independent special purpose authority to provide coordinated lifecycle management, from financing, construction or acquisition by purchase or lease, operation, controlled maintenance, capital renewal, expansion, and demolition or other disposal by sale or otherwise, of capital assets used by state agencies. The authority is

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1 COLORADO TO SPEND TAXPAYER DOLLARS ON CAPITAL ASSETS IN A
2 PRUDENT AND FISCALLY RESPONSIBLE MANNER THAT MINIMIZES THE
3 TOTAL COSTS TO THE STATE OF USING THE CAPITAL ASSETS OVER THE
4 ENTIRE LIFECYCLE OF THE CAPITAL ASSETS AND PROPERLY MAINTAIN THE
5 CAPITAL ASSETS THAT IT OWNS IN ORDER TO MAXIMIZE THE VALUE OF THE
6 CAPITAL ASSETS;

7 (c) PRUDENT AND FISCALLY RESPONSIBLE MANAGEMENT OF
8 CAPITAL ASSETS THAT MINIMIZES THE COSTS TO THE STATE OF USING THE
9 ASSETS AND MAXIMIZES THE VALUE OF THE CAPITAL ASSETS REQUIRES
10 COORDINATED MANAGEMENT THROUGHOUT THE ENTIRE LIFECYCLE OF
11 EACH CAPITAL ASSET FROM FINANCING, CONSTRUCTION OR ACQUISITION
12 BY PURCHASE OR LEASE, OPERATION, CONTROLLED MAINTENANCE,
13 CAPITAL RENEWAL, EXPANSION, AND DEMOLITION OR OTHER DISPOSAL BY
14 SALE OR OTHERWISE OF THE CAPITAL ASSET.

15 (d) IN ORDER TO PROVIDE SUCH COORDINATED MANAGEMENT OF
16 CAPITAL ASSETS USED BY STATE AGENCIES AND THEREBY ADEQUATELY
17 MEET THE STATE'S CAPITAL ASSET NEEDS IS A PRUDENT AND FISCALLY
18 RESPONSIBLE MANNER THAT MINIMIZES THE COSTS TO THE STATE OF USING
19 THE ASSETS AND MAXIMIZES THE VALUE OF THE CAPITAL ASSETS, IT IS
20 NECESSARY, APPROPRIATE, AND IN THE BEST INTEREST OF THE STATE TO
21 CREATE A STATE CAPITAL ASSET MANAGEMENT AND FINANCE AUTHORITY
22 TO MANAGE CAPITAL ASSETS THROUGHOUT THEIR ENTIRE LIFECYCLE AND
23 TO LEASE THE CAPITAL ASSETS THAT IT MANAGES TO STATE AGENCIES.

24 **24-82.3-103. Definitions.** AS USED IN THIS ARTICLE 82.3, UNLESS
25 THE CONTEXT OTHERWISE REQUIRES:

26 (1) "AUTHORITY" MEANS THE STATE CAPITAL ASSET MANAGEMENT
27 AND FINANCE AUTHORITY CREATED IN SECTION 24-82.3-104 (1).

1 (2) "BOARD" MEANS THE BOARD OF DIRECTORS OF THE AUTHORITY
2 DESCRIBED IN SECTION 24-82.3-104 (2)(a).

3 (3) "BONDS" MEANS BONDS, NOTES, OR OTHER FINANCIAL
4 OBLIGATIONS OF THE AUTHORITY ISSUED PURSUANT TO THIS ARTICLE 82.3.

5 (4) "CAPITAL ASSET" MEANS REAL PROPERTY, INCLUDING
6 BUILDINGS, FACILITIES, UTILITIES, AND ASSOCIATED GROUNDS, THAT IS
7 OWNED, LEASED, CONTROLLED, OR OCCUPIED OR USED BY THE STATE OR
8 ANY STATE AGENCY FOR THE BENEFIT OF ONE OR MORE STATE AGENCIES;
9 EXCEPT THAT, "CAPITAL ASSET" DOES NOT INCLUDE ANY BUILDING,
10 FACILITY, UTILITY, OR ASSOCIATED GROUNDS THAT:

11 (a) IS OWNED, LEASED, CONTROLLED, OR OCCUPIED BY THE STATE
12 OR A STATE AGENCY BEFORE THE EFFECTIVE DATE OF THIS PARAGRAPH (a);

13 (b) IS LAND OR ANY INTEREST IN LAND:

14 (I) ACQUIRED BY THE DEPARTMENT OF TRANSPORTATION AND
15 USED, OR INTENDED TO BE USED, FOR RIGHT-OF-WAY PURPOSES; OR

16 (II) HELD BY THE DIVISION OF PARKS AND WILDLIFE AND THE
17 PARKS AND WILDLIFE COMMISSION IN THE DEPARTMENT OF NATURAL
18 RESOURCES;

19 (c) IS PUBLIC LANDS OF THE STATE OR ANY INTEREST IN PUBLIC
20 LANDS OF THE STATE THAT ARE SUBJECT TO THE JURISDICTION OF THE
21 STATE BOARD OF LAND COMMISSIONERS; OR

22 (d) IS OWNED, LEASED, CONTROLLED, OR OTHERWISE OCCUPIED BY
23 A STATE INSTITUTION OF HIGHER EDUCATION, AS DEFINED IN SECTION
24 23-18-102 (10).

25 (5) "MANAGEMENT" MEANS THE LIFECYCLE MANAGEMENT OF A
26 CAPITAL ASSET INCLUDING THE FINANCING, CONSTRUCTION, OR
27 ACQUISITION BY PURCHASE OR LEASE, OPERATION, CONTROLLED

1 MAINTENANCE, CAPITAL RENEWAL, EXPANSION, AND DEMOLITION OR
2 OTHER DISPOSAL BY SALE OR OTHERWISE OF THE CAPITAL ASSET.

3 (6) "STATE AGENCY" OR "AGENCY" MEANS ANY PRINCIPAL
4 DEPARTMENT OR AGENCY OF A PRINCIPAL DEPARTMENT OF STATE
5 GOVERNMENT, INCLUDING THE OFFICE OF THE GOVERNOR AND THE
6 LEGISLATIVE AND JUDICIAL DEPARTMENTS OF THE STATE, BUT DOES NOT
7 INCLUDE A STATE INSTITUTION OF HIGHER EDUCATION, AS DEFINED IN
8 SECTION 23-18-102 (10).

9 **24-82.3-104. State capital asset management and finance**
10 **authority- creation - board - open meetings and records - expenses.**

11 (1) THE STATE CAPITAL ASSET MANAGEMENT AND FINANCE AUTHORITY
12 IS HEREBY CREATED AS A PUBLIC INSTRUMENTALITY, AND THE EXERCISE
13 OF ITS POWERS AS AUTHORIZED BY THIS ARTICLE IS THE PERFORMANCE OF
14 AN ESSENTIAL PUBLIC FUNCTION. THE AUTHORITY IS A BODY CORPORATE
15 AND A POLITICAL SUBDIVISION OF THE STATE, IS NOT AN AGENCY OF STATE
16 GOVERNMENT, AND IS NOT SUBJECT TO ADMINISTRATIVE DIRECTION BY
17 ANY DEPARTMENT, COMMISSION, BOARD, OR AGENCY OF THE STATE.

18 (2) (a) THE AUTHORITY IS GOVERNED BY A BOARD OF DIRECTORS
19 THAT CONSISTS OF THE FOLLOWING SEVEN EX OFFICIO MEMBERS, EACH OF
20 WHOM HAS FULL VOTING PRIVILEGES AND FOUR OF WHOM CONSTITUTE A
21 QUORUM OF THE BOARD FOR THE PURPOSE OF CONDUCTING BUSINESS AND
22 EXERCISING THE POWERS OF THE BOARD:

23 (I) THE CHAIR OF THE JOINT BUDGET COMMITTEE OF THE GENERAL
24 ASSEMBLY;

25 (II) THE VICE-CHAIR OF THE JOINT BUDGET COMMITTEE OF THE
26 GENERAL ASSEMBLY;

27 (III) THE CHAIR OF THE CAPITAL DEVELOPMENT COMMITTEE OF

1 THE GENERAL ASSEMBLY;

2 (IV) THE VICE-CHAIR OF THE CAPITAL DEVELOPMENT COMMITTEE

3 OF THE GENERAL ASSEMBLY;

4 (V) THE DIRECTOR OF THE OFFICE OF STATE PLANNING AND

5 BUDGETING;

6 (VI) THE STATE ARCHITECT; AND

7 (VII) THE STATE TREASURER.

8 (b) THE AUTHORITY IS SUBJECT TO THE OPEN MEETINGS

9 PROVISIONS OF THE COLORADO SUNSHINE LAW CONTAINED IN PART 4 OF

10 ARTICLE 6 OF TITLE 24 AND THE "COLORADO OPEN RECORDS ACT",

11 ARTICLE 72 OF TITLE 24.

12 (3) BOARD MEMBERS RECEIVE NO COMPENSATION FOR THEIR

13 SERVICES BUT ARE ENTITLED TO NECESSARY EXPENSES, INCLUDING

14 TRAVEL AND LODGING EXPENSES, INCURRED IN THE DISCHARGE OF THEIR

15 OFFICIAL DUTIES. PAYMENT FOR EXPENSES SHALL BE MADE SOLELY FROM

16 AUTHORITY FUNDS.

17 **24-82.3-105. General powers of the authority.** (1) IN ADDITION

18 TO ANY OTHER POWERS GRANTED TO THE AUTHORITY BY THIS ARTICLE,

19 THE AUTHORITY HAS THE FOLLOWING POWERS:

20 (a) TO HAVE PERPETUAL EXISTENCE AND SUCCESSION AS A BODY

21 POLITIC AND CORPORATE;

22 (b) TO ADOPT AND FROM TIME TO TIME AMEND OR REPEAL BYLAWS

23 FOR THE REGULATION OF ITS AFFAIRS AND THE CONDUCT OF ITS BUSINESS,

24 CONSISTENT WITH THE PROVISIONS OF THIS ARTICLE;

25 (c) TO SUE AND BE SUED;

26 (d) TO HAVE, USE, AND ALTER A SEAL;

27 (e) TO MAINTAIN AN OFFICE AT SUCH PLACE OR PLACES AS IT MAY

1 DESIGNATE;

2 (f) TO HIRE AN EXECUTIVE DIRECTOR AND SUCH OTHER
3 EMPLOYEES AS IT MAY REQUIRE TO EXERCISE ITS POWERS AND FUNCTIONS
4 UNDER THIS ARTICLE, AND, TO THE EXTENT DEEMED APPROPRIATE BY THE
5 BOARD, TO COMPENSATE THE EXECUTIVE DIRECTOR AND EMPLOYEES IN A
6 MANNER THAT INCENTIVIZES MEETING AND EXCEEDING ANNUAL GOALS OF
7 COST CONTAINMENT AND VALUE GENERATION IN ASSET MANAGEMENT
8 AND THE PROVISION OF EXCELLENT CUSTOMER SERVICE;

9 (g) TO DETERMINE, SUBJECT TO THE REQUIREMENTS OF THIS
10 ARTICLE, THE LOCATION AND CHARACTER OF ANY CAPITAL ASSET TO BE
11 UNDER THE MANAGEMENT OF THE AUTHORITY AS AUTHORIZED BY THIS
12 ARTICLE, TO MANAGE THE CAPITAL ASSET AS LESSOR, AND TO ENTER INTO
13 CONTRACTS NEEDED TO FURTHER THOSE PURPOSES AND FOR THE
14 MANAGEMENT AND OPERATION OF CAPITAL ASSETS;

15 (h) TO LEASE TO A STATE AGENCY ANY CAPITAL ASSET UPON SUCH
16 TERMS AND CONDITIONS AS THE AUTHORITY DEEMS PROPER, INCLUDING,
17 BUT NOT LIMITED TO RENEWABLE, ONE-YEAR LEASES WITH OR WITHOUT
18 A LEASE-PURCHASE AGREEMENT AUTHORIZED PURSUANT TO SECTIONS
19 24-82-102 (1)(b) AND 24-82-801, AND, IN CONNECTION WITH THE LEASE:

20 (I) TO CHARGE AND COLLECT REASONABLE AND NECESSARY
21 MANAGEMENT FEES AND RENT FOR THE LEASE OR LEASE-PURCHASE
22 AGREEMENT, AND TO TERMINATE ANY LEASE UPON THE FAILURE OF THE
23 STATE AGENCY LESSEE TO MAKE LEASE PAYMENTS OR OTHERWISE COMPLY
24 WITH LEASE OBLIGATIONS;

25 (II) TO INCLUDE IN ANY SUCH LEASE, IF DESIRED, PROVISIONS
26 THAT:

27 (A) THE STATE AGENCY LESSEE MAY RENEW THE TERM OF THE

1 LEASE FOR SUCH PERIOD OR PERIODS, AT SUCH RENT, AND UPON SUCH
2 TERMS OR CONDITIONS AS THE AUTHORITY DETERMINES;

3 (B) THE STATE AGENCY LESSEE MAY PURCHASE THE CAPITAL
4 ASSET; OR

5 (III) UPON PAYMENT OF ALL OF THE INDEBTEDNESS INCURRED BY
6 THE AUTHORITY FOR THE FINANCING OF THE CAPITAL ASSET, THE
7 AUTHORITY WILL CONVEY ANY OR ALL OF THE CAPITAL ASSET TO THE
8 STATE AGENCY LESSEE WITH OR WITHOUT CONSIDERATION;

9 (i) TO BORROW MONEY AND TO ISSUE BONDS, NOTES, BOND
10 ANTICIPATION NOTES, OR OTHER OBLIGATIONS FOR ANY OF ITS CORPORATE
11 PURPOSES AND TO FUND OR REFUND THE BONDS, NOTES, OR OTHER
12 OBLIGATIONS AS AUTHORIZED BY THIS ARTICLE;

13 (j) TO ESTABLISH RULES FOR THE USE OF ANY CAPITAL ASSET
14 UNDER THE MANAGEMENT OF THE AUTHORITY;

15 (k) TO EMPLOY OR CONTRACT FOR THE SERVICES OF CONSULTING
16 ENGINEERS, ARCHITECTS, ATTORNEYS, ACCOUNTANTS, CONSTRUCTION
17 AND FINANCIAL EXPERTS, SUPERINTENDENTS, MANAGERS, AND ANY OTHER
18 EMPLOYEES AND AGENTS NEEDED TO ALLOW THE AUTHORITY TO EXERCISE
19 ITS POWERS AND DUTIES UNDER THIS ARTICLE;

20 (l) TO RECEIVE AND ACCEPT FROM THE FEDERAL GOVERNMENT OR
21 ANY OTHER PUBLIC AGENCY LOANS, GRANTS, OR CONTRIBUTIONS FOR THE
22 CONSTRUCTION OR EQUIPPING OF CAPITAL ASSETS, AND TO RECEIVE AND
23 ACCEPT GRANTS, GIFTS, OR OTHER CONTRIBUTIONS FROM ANY SOURCE;

24 (m) TO MORTGAGE OR PLEDGE ALL OR ANY PORTION OF A CAPITAL
25 ASSET, AND ITS SITE OR SITES, WHETHER THEN OWNED OR THEREAFTER
26 ACQUIRED, FOR THE BENEFIT OF THE HOLDERS OF BONDS ISSUED TO
27 FINANCE THE CAPITAL ASSET OR PORTION OF THE CAPITAL ASSET;

1 (n) TO CHARGE TO AND EQUITABLY APPORTION AMONG STATE
2 AGENCY LESSEES THE ADMINISTRATIVE COSTS AND EXPENSES OF THE
3 AUTHORITY INCURRED IN THE EXERCISE OF THE POWERS GRANTED AND
4 THE DUTIES CONFERRED BY THIS ARTICLE;

5 (o) TO MAKE AND EXECUTE CONTRACTS AND ALL OTHER
6 INSTRUMENTS NECESSARY OR CONVENIENT FOR THE EXERCISE OF ITS
7 POWERS AND FUNCTIONS UNDER THIS ARTICLE; AND

8 (p) TO DO ALL OTHER THINGS NECESSARY AND CONVENIENT TO
9 CARRY OUT THE PURPOSES OF THIS ARTICLE.

10 (2) THE AUTHORITY SHALL NOT OPERATE A CAPITAL ASSET AS A
11 BUSINESS OTHER THAN AS THE LESSOR OF THE FACILITY.

12 **24-82.3-106. Acquisition of property.** THE AUTHORITY MAY
13 ACQUIRE BY PURCHASE, LEASE, GIFT, DEVISE, OR ANY OTHER LEGAL
14 MEANS OTHER THAN CONDEMNATION SUCH LANDS, STRUCTURES, REAL OR
15 PERSONAL PROPERTY, RIGHTS-OF-WAY, FRANCHISES, EASEMENTS, AND
16 OTHER INTERESTS IN LANDS, INCLUDING LANDS LYING UNDER WATER AND
17 RIPARIAN RIGHTS WHICH ARE LOCATED WITHIN OR WITHOUT THE STATE,
18 AS IT MAY DEEM NECESSARY OR CONVENIENT FOR THE MANAGEMENT OF
19 CAPITAL ASSETS, UPON SUCH TERMS AS MAY BE CONSIDERED BY THE
20 AUTHORITY TO BE REASONABLE, AND MAY TAKE TITLE TO THE
21 ACQUISITIONS IN THE NAME OF THE AUTHORITY.

22 **24-82.3-107. Bonds - investments - bonds eligible for**
23 **investment and exempt from taxation - state agreement to not impair**
24 **rights of obligees.** (1) (a) THE AUTHORITY MAY ISSUE BONDS FOR ANY OF
25 ITS CORPORATE PURPOSES. BONDS MUST BE ISSUED PURSUANT TO A
26 RESOLUTION OF THE BOARD AND ARE PAYABLE FROM PAYMENTS RECEIVED
27 FROM STATE AGENCIES PURSUANT TO THE TERMS OF LEASE OR

1 LEASE-PURCHASE AGREEMENTS EXECUTED AS AUTHORIZED BY THIS
2 ARTICLE.

3 (b) BONDS MAY BE EXECUTED AND DELIVERED BY THE AUTHORITY
4 AT SUCH TIMES; MAY BE IN SUCH FORM AND DENOMINATIONS AND
5 INCLUDE SUCH TERMS AND MATURITIES; MAY BE SUBJECT TO OPTIONAL OR
6 MANDATORY REDEMPTION PRIOR TO MATURITY WITH OR WITHOUT A
7 PREMIUM; MAY BE IN FULLY REGISTERED FORM OR BEARER FORM
8 REGISTRABLE AS TO PRINCIPAL OR INTEREST OR BOTH; MAY BEAR SUCH
9 CONVERSION PRIVILEGES; MAY BE PAYABLE IN SUCH INSTALLMENTS AND
10 AT SUCH TIMES NOT EXCEEDING FIFTY YEARS FROM THE DATE THEREOF;
11 MAY BE PAYABLE AT SUCH PLACE OR PLACES WHETHER WITHIN OR
12 WITHOUT THE STATE; MAY BEAR INTEREST AT SUCH RATE OR RATES PER
13 ANNUM, WHICH MAY BE FIXED OR VARY ACCORDING TO INDEX,
14 PROCEDURE, OR FORMULA OR AS DETERMINED BY THE AUTHORITY OR ITS
15 AGENTS, WITHOUT REGARD TO ANY INTEREST RATE LIMITATION
16 APPEARING IN ANY OTHER LAW OF THE STATE; MAY BE SUBJECT TO
17 PURCHASE AT THE OPTION OF THE HOLDER OR THE AUTHORITY; MAY BE
18 EVIDENCED IN SUCH MANNER; MAY BE EXECUTED BY SUCH OFFICERS OF
19 THE AUTHORITY, INCLUDING THE USE OF ONE OR MORE FACSIMILE
20 SIGNATURES SO LONG AS AT LEAST ONE MANUAL SIGNATURE APPEARS ON
21 THE BONDS, WHICH MAY BE EITHER OF AN OFFICER OF THE AUTHORITY OR
22 OF AN AGENT AUTHENTICATING THE SAME; MAY BE IN THE FORM OF
23 COUPON BONDS THAT HAVE ATTACHED INTEREST COUPONS BEARING A
24 MANUAL OR FACSIMILE SIGNATURE OF AN OFFICER OF THE AUTHORITY;
25 AND MAY CONTAIN SUCH PROVISIONS NOT INCONSISTENT WITH THIS
26 ARTICLE 82.3, ALL AS PROVIDED IN THE RESOLUTION OF THE AUTHORITY
27 UNDER WHICH THE BONDS ARE AUTHORIZED TO BE ISSUED OR AS PROVIDED

1 IN A TRUST INDENTURE BETWEEN THE AUTHORITY AND ANY COMMERCIAL
2 BANK OR TRUST COMPANY HAVING FULL TRUST POWERS.

3 (c) BONDS MAY BE SOLD AT PUBLIC OR PRIVATE SALE AT SUCH
4 PRICE OR PRICES, IN SUCH MANNER, AND AT SUCH TIMES AS DETERMINED
5 BY THE BOARD, AND THE BOARD MAY PAY ALL FEES, EXPENSES, AND
6 COMMISSIONS THAT IT DEEMS NECESSARY OR ADVANTAGEOUS IN
7 CONNECTION WITH THE SALE OF THE BONDS. THE POWER TO FIX THE DATE
8 OF SALE OF THE BONDS, TO RECEIVE BIDS OR PROPOSALS, TO AWARD AND
9 SELL BONDS, TO FIX INTEREST RATES, AND TO TAKE ALL OTHER ACTION
10 NECESSARY TO SELL AND DELIVER THE BONDS MAY BE DELEGATED TO AN
11 OFFICER OR AGENT OF THE AUTHORITY. ANY OUTSTANDING BONDS MAY
12 BE REFUNDED BY THE AUTHORITY PURSUANT TO ARTICLE 56 OF TITLE 11,
13 ALL BONDS AND ANY APPLICABLE INTEREST COUPONS ARE DECLARED TO
14 BE NEGOTIABLE INSTRUMENTS.

15 (d) THE RESOLUTION OR TRUST INDENTURE AUTHORIZING THE
16 ISSUANCE OF BONDS MAY PLEDGE ALL OR A PORTION OF THE REVENUE TO
17 BE RECEIVED BY THE AUTHORITY FROM LEASE OR LEASE-PURCHASE
18 PAYMENTS UNDER LEASE OR LEASE-PURCHASE AGREEMENTS WITH STATE
19 AGENCIES AUTHORIZED BY THIS ARTICLE OR ANY OF ITS OTHER LEGALLY
20 AVAILABLE REVENUE OR PROPERTY; MAY CONTAIN SUCH PROVISIONS FOR
21 PROTECTING AND ENFORCING THE RIGHTS AND REMEDIES OF HOLDERS OF
22 ANY OF THE BONDS AS THE AUTHORITY DEEMS APPROPRIATE; MAY SET
23 FORTH THE RIGHTS AND REMEDIES OF THE HOLDERS OF ANY OF THE BONDS;
24 AND MAY CONTAIN PROVISIONS THAT THE AUTHORITY DEEMS
25 APPROPRIATE FOR THE SECURITY OF THE HOLDERS OF THE BONDS,
26 INCLUDING, BUT NOT LIMITED TO, PROVISIONS FOR LETTERS OF CREDIT,
27 INSURANCE, STANDBY CREDIT AGREEMENTS, OR OTHER FORMS OF CREDIT

1 ENSURING TIMELY PAYMENT OF THE BONDS, INCLUDING THE REDEMPTION
2 PRICE OR THE PURCHASE PRICE.

3 (e) ANY PLEDGE OF REVENUE OR PROPERTY MADE BY THE
4 AUTHORITY OR BY ANY PERSON OR GOVERNMENTAL UNIT WITH WHICH THE
5 AUTHORITY CONTRACTS IS VALID AND BINDING FROM THE TIME THE
6 PLEDGE IS MADE. THE PLEDGED SPECIAL FUND OR OTHER PLEDGED
7 PROPERTY IS IMMEDIATELY SUBJECT TO THE LIEN OF THE PLEDGE WITHOUT
8 ANY PHYSICAL DELIVERY OR FURTHER ACT, AND THE LIEN OF THE PLEDGE
9 SHALL BE VALID AND BINDING AGAINST ALL PARTIES HAVING CLAIMS OF
10 ANY KIND IN TORT, CONTRACT, OR OTHERWISE AGAINST THE PLEDGING
11 PARTY REGARDLESS OF WHETHER THE CLAIMING PARTY HAS NOTICE OF
12 THE LIEN. THE INSTRUMENT BY WHICH THE PLEDGE IS CREATED NEED NOT
13 BE RECORDED OR FILED.

14 (f) NEITHER THE MEMBERS OF THE BOARD, EMPLOYEES OF THE
15 AUTHORITY, NOR ANY PERSON EXECUTING BONDS IS LIABLE PERSONALLY
16 ON THE BONDS OR SUBJECT TO ANY PERSONAL LIABILITY BY REASON OF
17 THE ISSUANCE OF BONDS.

18 (g) THE AUTHORITY MAY PURCHASE ITS BONDS OUT OF ANY
19 AVAILABLE MONEYS AND MAY HOLD, PLEDGE, CANCEL, OR RESELL SUCH
20 BONDS SUBJECT TO AND IN ACCORDANCE WITH AGREEMENTS WITH THE
21 HOLDERS THEREOF.

22 (2) THE AUTHORITY MAY INVEST OR DEPOSIT ANY PROCEEDS AND
23 ANY INTEREST FROM THE SALE OF BONDS IN THE MANNER PROVIDED BY
24 PART 6 OF ARTICLE 75 OF TITLE 24.

25 (3) ALL BANKS, TRUST COMPANIES, SAVINGS AND LOAN
26 ASSOCIATIONS, INSURANCE COMPANIES, EXECUTORS, ADMINISTRATORS,
27 GUARDIANS, TRUSTEES, AND OTHER FIDUCIARIES MAY LEGALLY INVEST

1 ANY MONEY WITHIN THEIR CONTROL IN BONDS ISSUED BY THE AUTHORITY
2 AS AUTHORIZED BY THIS ARTICLE 82.3. PUBLIC ENTITIES, AS DEFINED IN
3 SECTION 24-75-601 (1), MAY INVEST PUBLIC MONEYS IN BONDS ISSUED BY
4 THE AUTHORITY ONLY IF THE BONDS SATISFY THE INVESTMENT
5 REQUIREMENTS ESTABLISHED IN PART 6 OF ARTICLE 75 OF TITLE 24.

6 (4) THE INCOME OR OTHER REVENUE OF THE AUTHORITY, ALL
7 CAPITAL ASSETS OR OTHER PROPERTY OWNED BY THE AUTHORITY, BONDS
8 ISSUED BY THE AUTHORITY, AND THE TRANSFER OF AND THE INCOME FROM
9 ANY BONDS ISSUED BY THE AUTHORITY ARE EXEMPT FROM ALL TAXATION
10 AND ASSESSMENTS IN THE STATE. IN THE RESOLUTION OR INDENTURE
11 AUTHORIZING THE BONDS, THE AUTHORITY MAY WAIVE THE EXEMPTION
12 FROM FEDERAL INCOME TAXATION FOR INTEREST ON THE BONDS. BONDS
13 ARE EXEMPT FROM THE PROVISIONS OF ARTICLE 51 OF TITLE 11.

14 (5) THE STATE HEREBY PLEDGES TO AND AGREES WITH THE
15 HOLDERS OF ANY BONDS AND WITH THOSE PARTIES WHO MAY ENTER INTO
16 CONTRACTS WITH THE AUTHORITY THAT THE STATE WILL NOT LIMIT,
17 ALTER, RESTRICT, OR IMPAIR THE RIGHTS VESTED IN THE AUTHORITY WITH
18 RESPECT TO THE MANAGEMENT OF CAPITAL ASSETS OR THE COLLECTION
19 OF LEASE OR LEASE-PURCHASE PAYMENTS OR MANAGEMENT FEES TO
20 PRODUCE SUFFICIENT REVENUE TO MEET THE EXPENSES OF MANAGEMENT
21 OF CAPITAL ASSETS AND TO FULFILL THE TERMS OF ANY AGREEMENTS
22 MADE WITH BONDHOLDERS AND WITH PARTIES WHO MAY ENTER INTO
23 CONTRACTS WITH THE AUTHORITY PURSUANT TO THIS ARTICLE 82.3. THE
24 STATE FURTHER AGREES THAT IT WILL NOT IN ANY WAY IMPAIR THE
25 RIGHTS OR REMEDIES OF BONDHOLDERS OR SUCH PARTIES UNTIL THE
26 BONDS, TOGETHER WITH INTEREST, INTEREST ON ANY UNPAID
27 INSTALLMENT OF INTEREST, AND ALL COSTS AND EXPENSES IN

1 CONNECTION WITH ANY ACTION OR PROCEEDING BY OR ON BEHALF OF THE
2 BONDHOLDERS ARE FULLY MET AND DISCHARGED AND THE CONTRACTS
3 ARE FULLY PERFORMED BY THE AUTHORITY. THE AUTHORITY MAY
4 INCLUDE THIS PLEDGE AND UNDERTAKING FOR THE STATE IN ITS BONDS
5 AND CONTRACTS.

6 **24-82.3-108. Management of capital assets - leasing of capital**
7 **assets to state agencies.** ON AND AFTER THE EFFECTIVE DATE OF THIS
8 ACT, WHEN A STATE AGENCY SEEKS TO OCCUPY OR OTHERWISE USE ALL OR
9 A PORTION OF EITHER AN AS-YET UNCONSTRUCTED CAPITAL ASSET OR AN
10 EXISTING CAPITAL ASSET THAT IS NOT ALREADY OWNED BY OR BEING USED
11 BY THE STATE OR A STATE AGENCY, THE STATE AGENCY, AFTER OBTAINING
12 ALL REQUIRED APPROVALS FOR THE ACQUISITION AND USE OF THE CAPITAL
13 ASSET AND FOR THE EXECUTION OF A LEASE AGREEMENT OR
14 LEASE-PURCHASE AGREEMENT SET FORTH IN ARTICLE 82 OF THIS TITLE 24,
15 SHALL LEASE THE CAPITAL ASSET BY ENTERING INTO A LEASE AGREEMENT
16 OR A LEASE-PURCHASE AGREEMENT WITH THE AUTHORITY.

17 **24-82.3-109. Asset management plan - reporting - authority**
18 **subject to audit.** (1) THE AUTHORITY SHALL PREPARE AN ANNUAL
19 CAPITAL ASSET MANAGEMENT PLAN THAT INCLUDES SPECIFIC,
20 MEASURABLE, ACHIEVABLE, RELEVANT, AND TIME-BOUND ASSET
21 MANAGEMENT GOALS, INCLUDING GOALS RELATING TO MINIMIZATION OF
22 CAPITAL ASSET MANAGEMENT COSTS, MAXIMIZATION OF CAPITAL ASSET
23 VALUE, AND CUSTOMER SERVICE. THE AUTHORITY SHALL ANNUALLY
24 REPORT TO THE JOINT BUDGET AND CAPITAL DEVELOPMENT COMMITTEES
25 OF THE GENERAL ASSEMBLY, OR ANY SUCCESSOR COMMITTEES REGARDING
26 THE PLAN AND ITS PERFORMANCE IN IMPLEMENTING THE PLAN.

27 (2) IN ACCORDANCE WITH SECTION 2-3-103 (1)(b), THE STATE

1 AUDITOR HAS THE AUTHORITY TO CONDUCT OR CAUSE TO BE CONDUCTED
2 POSTAUDITS OF ALL FINANCIAL TRANSACTIONS KEPT BY OR FOR THE
3 AUTHORITY.

4 **SECTION 2.** In Colorado Revised Statutes, 24-77-102, **add**
5 (15)(b)(XIX) as follows:

6 **24-77-102. Definitions.**

7 (15) (b) "Special purpose authority" includes, but is not limited to:
8 (XIX) THE STATE CAPITAL ASSET MANAGEMENT AND FINANCING
9 AUTHORITY CREATED IN SECTION 24-82.3-104 (1).

10 **SECTION 3. Act subject to petition - effective date.** This act
11 takes effect at 12:01 a.m. on the day following the expiration of the
12 ninety-day period after final adjournment of the general assembly (August
13 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a
14 referendum petition is filed pursuant to section 1 (3) of article V of the
15 state constitution against this act or an item, section, or part of this act
16 within such period, then the act, item, section, or part will not take effect
17 unless approved by the people at the general election to be held in
18 November 2020 and, in such case, will take effect on the date of the
19 official declaration of the vote thereon by the governor.