

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

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LLS NO. 20-0643.01 Esther van Mourik x4215

COMMITTEE BILL

Capital Development Committee

BILL TOPIC: "State Higher Ed Cap Constr Long-range Planning"

A BILL FOR AN ACT

101 **CONCERNING LONG-RANGE PLANNING OF CAPITAL CONSTRUCTION FOR**
102 **STATE INSTITUTIONS OF HIGHER 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/>.)

Capital Development Committee. Current statute requires the Colorado commission on higher education (commission) to request annually from the governing board of each state institution of higher education (institution) a 2-year projection (projection) of capital construction projects to be undertaken by an institution that is estimated to require total project expenditures exceeding \$2 million if the capital

*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

construction project is for new acquisitions of real property or new construction and funded solely from cash funds held by the institution or the project is funded through the higher education revenue bond intercept program, or exceeding \$10 million if the project is not for new acquisitions of real property or new construction and is funded solely from cash funds held by the institution.

The bill adjusts the law to current practice and instead requires the projection to be reviewed at the commission's next available meeting and repeals the requirement that an institution amend the projection prior to commencing a project if the project is not in the institution's most recent projection.

The bill repeals the requirement that the commission annually prepare a unified, 2-year report for capital construction or capital renewal projects acquired or constructed and operated and maintained solely from cash funds held by the institution that are not for new acquisitions of real property or new construction and are estimated to require total project expenditures exceeding \$10 million.

The bill repeals the requirement that the commission annually prepare a unified, 2-year report for capital construction projects for new acquisitions of real property or for new construction, estimated to require total project expenditures exceeding \$2 million.

Current law requires the capital development committee (CDC) to review the projections at a hearing but does not specify what to do when the legislature is not in session. The bill clarifies deadlines for when such hearings must be held. The bill also requires each state institution of higher education, for informational purposes only, to annually present its current projections at the capital development committee's December hearings.

Current law requires the CDC to have a hearing regarding projections whenever a projection is amended. The bill repeals this requirement.

Current law specifies that the CDC is required to review and approve guidelines prepared by the office of the state architect regarding the classification of facilities as academic facilities or auxiliary facilities. The bill repeals this requirement.

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

2 **SECTION 1.** In Colorado Revised Statutes, 23-1-106, **amend**
3 (6)(b), (7)(c), (9)(a), (9)(b), and (10.2)(b)(I) introductory portion; and
4 **repeal** (9)(e) as follows:

5 **23-1-106. Duties and powers of the commission with respect**

1 to capital construction and long-range planning - legislative
2 declaration - report - definitions. (6) (b) The commission shall request
3 ~~annually from the governing board of each state institution of higher~~
4 ~~education a~~ REVIEW, AT ITS NEXT AVAILABLE MEETING, ANY two-year
5 projection of capital construction projects SUBMITTED BY A STATE
6 INSTITUTION OF HIGHER EDUCATION to be undertaken pursuant to
7 subsection (9) of this section and estimated to require total project
8 expenditures exceeding two million dollars if the capital construction
9 project is for new acquisitions of real property or new construction and
10 funded solely from cash funds held by the institution or the project is
11 funded through the higher education revenue bond intercept program
12 established pursuant to section 23-5-139, or exceeding ten million dollars
13 if the project is not for new acquisitions of real property or new
14 construction and is funded solely from cash funds held by the institution.
15 The projection must include the estimated cost, the method of funding,
16 and a schedule for project completion for each project. ~~A state institution~~
17 ~~of higher education shall amend the projection prior to commencing a~~
18 ~~project that is not included in the institution's most recent projection:~~
19 (7) (c) (I) (A) ~~The commission annually shall prepare a unified,~~
20 ~~two-year report for capital construction or capital renewal projects~~
21 ~~described in subsection (9) of this section that are not for new~~
22 ~~acquisitions of real property or new construction and are estimated to~~
23 ~~require total project expenditures exceeding ten million dollars,~~
24 ~~coordinated with education plans. The commission shall transmit the~~
25 ~~report to the office of state planning and budgeting, the governor, the~~
26 ~~capital development committee, and the joint budget committee,~~
27 ~~consistent with the executive budget timetable.~~

1 ~~(B) The commission annually shall prepare a unified, two-year~~
2 ~~report for capital construction projects for new acquisitions of real~~
3 ~~property or for new construction, estimated to require total project~~
4 ~~expenditures exceeding two million dollars, coordinated with education~~
5 ~~plans. The commission shall transmit the report to the office of state~~
6 ~~planning and budgeting, the governor, the capital development~~
7 ~~committee, and the joint budget committee, consistent with the executive~~
8 ~~budget timetable.~~

9 (II) ~~(A)~~ The commission shall submit the two-year projections
10 prepared by each A state institution of higher education for each two-year
11 period to the office of state planning and budgeting and the capital
12 development committee. The capital development committee shall
13 conduct a hearing ~~in each regular legislative session~~ on the projections
14 WITHIN THIRTY DAYS AFTER SUBMISSION DURING A REGULAR LEGISLATIVE
15 SESSION OF THE GENERAL ASSEMBLY OR WITHIN FORTY-FIVE DAYS AFTER
16 SUBMISSION DURING ANY PERIOD THAT THE GENERAL ASSEMBLY IS NOT IN
17 REGULAR LEGISLATIVE SESSION and either approve the projections or
18 return the projections to the state institution of higher education for
19 modification. The commission and the office of state planning and
20 budgeting shall provide the capital development committee with
21 comments concerning each projection. IN ADDITION, FOR INFORMATIONAL
22 PURPOSES ONLY, EACH STATE INSTITUTION OF HIGHER EDUCATION SHALL
23 ANNUALLY PRESENT ITS CURRENT PROJECTIONS AT THE CAPITAL
24 DEVELOPMENT COMMITTEE'S DECEMBER HEARINGS. <{*This last sentence*
25 *was added based on feedback from Sen. Sonnenberg.*>

26 ~~(B) A state institution of higher education may submit to the staff~~
27 ~~of the capital development committee, the commission, and the office of~~

1 ~~state planning and budgeting an amendment to its approved two-year~~
2 ~~projection. The capital development committee shall conduct a hearing~~
3 ~~on the amendment within thirty days after submission during a regular~~
4 ~~legislative session of the general assembly or within forty-five days after~~
5 ~~submission during any period that the general assembly is not in regular~~
6 ~~legislative session. The capital development committee shall either~~
7 ~~approve the projections or return the projections to the state institution of~~
8 ~~higher education for modification. The commission and the office of state~~
9 ~~planning and budgeting shall provide the capital development committee~~
10 ~~with comments concerning each amendment.~~

11 (9) (a) Except as provided in paragraph (d) of this subsection (9)
12 SUBSECTION (9)(d) OF THIS SECTION, a capital construction or capital
13 renewal project for an auxiliary facility initiated by the governing board
14 of a state institution of higher education that is contained in the most
15 recent two-year projection approved pursuant to subparagraph (H) of
16 paragraph (c) of subsection (7) of this section, as the projection may be
17 amended from time to time HAS BEEN APPROVED BY THE CAPITAL
18 DEVELOPMENT COMMITTEE AS PART OF A TWO-YEAR PROJECTION WITHIN
19 THE LAST TWO CALENDAR YEARS, and that is to be acquired or constructed
20 and operated and maintained solely from cash funds held by the
21 institution is not subject to additional review or approval by the
22 commission, the office of state planning and budgeting, the capital
23 development committee, or the joint budget committee; except that, if the
24 capital construction or capital renewal project for an auxiliary facility is
25 to be acquired or constructed in whole or in part using moneys subject to
26 the higher education revenue bond intercept program established pursuant
27 to section 23-5-139, then the governing board of a state institution of

1 higher education must obtain approval from the general assembly as
2 specified in that section.

3 (b) Except as provided in ~~paragraph (d) of this subsection (9)~~
4 SUBSECTION (9)(d) OF THIS SECTION, a capital construction or capital
5 renewal project for an academic facility initiated by the governing board
6 of a state institution of higher education that ~~is contained in the most~~
7 ~~recent two-year projection approved pursuant to subparagraph (II) of~~
8 ~~paragraph (c) of subsection (7) of this section, as the projection may be~~
9 ~~amended from time to time~~ HAS BEEN APPROVED BY THE CAPITAL
10 DEVELOPMENT COMMITTEE AS PART OF A TWO-YEAR PROJECTION WITHIN
11 THE LAST TWO CALENDAR YEARS, and that is to be acquired or constructed
12 solely from cash funds held by the institution and operated and
13 maintained from such funds or from state moneys appropriated for such
14 purpose, or both, is not subject to additional review or approval by the
15 commission, the office of state planning and budgeting, the capital
16 development committee, or the joint budget committee; except that, if the
17 capital construction or capital renewal project for an academic facility is
18 to be acquired or constructed in whole or in part using moneys subject to
19 the higher education revenue bond intercept program established pursuant
20 to section 23-5-139, then the governing board of a state institution of
21 higher education must obtain approval from the general assembly as
22 specified in that section. Any capital construction or capital renewal
23 project subject to this ~~paragraph (b)~~ SUBSECTION (9)(b) must comply with
24 the high performance standard certification program established pursuant
25 to section 24-30-1305.5. ~~C.R.S.~~

26 (e) ~~A capital construction or acquisition project approved and~~
27 ~~appropriated prior to January 1, 2010, may be contained in the most~~

1 ~~recent unified two-year capital improvements project projection approved~~
2 ~~pursuant to subparagraph (II) of paragraph (c) of subsection (7) of this~~
3 ~~section. The projection may be amended from time to time and is not~~
4 ~~subject to additional review or approval by the commission, the office of~~
5 ~~state planning and budgeting, the capital development committee, or the~~
6 ~~joint budget committee.~~

7 (10.2) (b) (I) The general assembly hereby finds, determines, and
8 declares that the classification of facilities as academic facilities or
9 auxiliary facilities can be difficult, and such classifications often change
10 as academic needs, student needs, and new construction and design
11 practices emerge. Therefore, the office of the state architect, in
12 collaboration with the department of higher education and the office of
13 state planning and budgeting, shall develop guidelines in order to assist
14 such classification. ~~The guidelines shall be annually reviewed and~~
15 ~~approved by the capital development committee.~~ The guidelines must
16 address the following two factors that have historically been considered
17 when classifying academic facilities and auxiliary facilities:

18 **SECTION 2. Act subject to petition - effective date.** This act
19 takes effect at 12:01 a.m. on the day following the expiration of the
20 ninety-day period after final adjournment of the general assembly (August
21 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
22 referendum petition is filed pursuant to section 1 (3) of article V of the
23 state constitution against this act or an item, section, or part of this act
24 within such period, then the act, item, section, or part will not take effect
25 unless approved by the people at the general election to be held in
26 November 2020 and, in such case, will take effect on the date of the
27 official declaration of the vote thereon by the governor.