CHAPTER 378

GOVERNMENT - STATE

HOUSE BILL 14-1387

BY REPRESENTATIVE(S) Szabo and Fischer, Vigil, Labuda, Tyler, Becker, Fields, Lebsock; also SENATOR(S) Schwartz. Jahn.

AN ACT

CONCERNING REVISIONS OF CAPITAL RELATED STATUTES IN THE COLORADO REVISED STATUTES, AND, IN CONNECTION THEREWITH, AMENDING OR REPEALING OBSOLETE, INCONSISTENT, AND CONFLICTING PROVISIONS OF LAW AND CLARIFYING THE LANGUAGE TO REFLECT LEGISLATIVE INTENT AND CURRENT APPLICATION OF THE LAW.

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

SECTION 1. Legislative declaration. (1) The general assembly hereby finds and declares that:

- (a) The capital-related statutes have not been amended as a whole since they were established in 1979;
- (b) Piecemeal amendments of the capital-related statutes have created inconsistencies in practice;
- (c) There are overlapping responsibilities in the capital statutes among the department of personnel, the capital development committee, the joint budget committee, the office of state planning and budgeting, and the Colorado commission on higher education so that the statutes need to be harmonized to make them more accessible, organized, and clear;
- (d) The capital development committee's review of capital-related projects need to be updated to conform to current practice;
- (e) The department of personnel's capital-related statutes, including statutes related to overseeing approved projects, need to be updated to conform to current practice;

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

- (f) The definitions of critical words in the capital-related statutes need to be modernized to reflect the current practice;
- (g) Specific laws need to be rearranged in order for the capital process to be more accessible, organized, and clear;
- (h) The deadlines for the submission of capital budget requests from the office of state planning and budgeting to the capital development committee need to be modified; and
- (i) Current practice shows that the thresholds governing the procurement of various services associated with capital projects are too low and need to be modified.
- (2) The general assembly further finds and declares that the capital development committee approved, by letter dated March 6, 2014, that the department of public safety purchase an existing lab facility in lieu of renovating capitol complex leased space for use as additional testing labs to comply with House Bill 13-1020 for the Colorado bureau of investigation in Denver. The capital development committee found that this option would ensure there is sufficient space to meet the need for additional DNA lab setups to comply with House Bill 13-1020 and to accommodate the future forensic needs of the department. The capital development committee also found that this will allow the department of public safety to relocate other work units within the department from commercial leased space in Denver to the capitol complex buildings, resulting in lease savings. The joint budget committee and the general assembly supported the capital development committee's findings by appropriating \$7.2 million to the department of public safety for the purchase of the building, some minor renovations, and the purchase of needed equipment in House Bill 14-1336. It is thus appropriate to grant the department of public safety the authority to purchase the building as approved by the general assembly.

SECTION 2. Department of public safety authority to acquire real property.

- (1) The state of Colorado, acting by and through the department of public safety, is authorized to purchase real property located in Jefferson county in the Marshall Office Park 2 in the city of Arvada, the legal description of which is Lot 1 B Sigman Industrial Park Minor Subdivision 2nd amendment, Jefferson county, for the Colorado bureau of investigation's regional Denver forensic laboratory.
- (2) The department of public safety must seek approval prior to closing from the office of state planning and budgeting and the capital development committee for any material changes to the plan that may become necessary during the negotiation.
- (3) Any renovation of the real property must be completed by following the requirements set forth in articles 91 to 93 of title 24, Colorado Revised Statutes.
- (4) The real property may not be subject to any restrictive covenants, contracts, or zoning requirements that restrict public access to the property or restrict any alternative state use of the property.
- (5) The state controller may not enter into any agreement for a payment in lieu of property taxes from which the state is statutorily exempt under section 39-3-124

- (1), Colorado Revised Statutes.
- (6) The state controller must approve all agreements relating to the purchase of the real property prior to closing.
- (7) Any title to real property received by the department of public safety will be held by the state for the benefit and use of the Colorado bureau of investigation.
 - **SECTION 3.** In Colorado Revised Statutes, **amend** 24-30-1301 as follows:
- **24-30-1301. Definitions.** As used in this part 13, unless the context otherwise requires:
 - (1) "CAPITAL ASSET" MEANS:
 - (a) REAL PROPERTY;
 - (b) Information technology;
 - (c) FIXED EQUIPMENT;
 - (d) MOVABLE EQUIPMENT; OR
- (e) Instructional or scientific equipment with a cost that exceeds fifty thousand dollars; except that "capital asset" does not include instructional or scientific equipment purchased by a state institution of higher education if the institution uses moneys other than those appropriated pursuant to section 24-75-303.
 - (1) (2) "Capital construction" means:
- (a) Purchase of land, regardless of the value thereof Acquisition of a Capital ASSET OR DISPOSITION OF REAL PROPERTY;
- (b) Purchase, construction, or demolition of buildings or other physical facilities, including utilities, or remodeling or renovation of existing buildings or other physical facilities, including utilities, to make physical changes Construction, Demolition, remodeling, or renovation of real property necessitated by changes in the program, to meet standards required by applicable codes, to correct other conditions hazardous to the health and safety of persons which are not covered by codes, to effect conservation of energy resources, to effect cost savings for staffing, operations, or maintenance of the facility, or to improve appearance;
 - (c) Site improvement or development OF REAL PROPERTY;
- (d) Purchase and Installation of the fixed and OR movable equipment necessary for the operation of new, remodeled, or renovated buildings and other physical facilities and for the conduct of programs REAL PROPERTY, IF THE FIXED OR MOVABLE EQUIPMENT IS initially housed therein IN OR ON THE REAL PROPERTY upon completion of the new construction, remodeling, or renovation;

- (e) Installation of the fixed or movable equipment necessary for the conduct of programs in or on real property upon completion of the new construction, remodeling, or renovation;
- (e) (f) Purchase of Contracting for the services of architects, engineers, and other consultants to prepare plans, program documents, life-cycle cost studies, energy analyses, and other studies associated with any capital construction project and to supervise the construction or execution of such capital construction; projects OR
- (f) Any item of instructional or scientific equipment if the cost will exceed fifty thousand dollars; except that "capital construction" includes the purchase of instructional or scientific equipment by a state institution of higher education or by the Auraria higher education center created in article 70 of title 23, C.R.S., only if the institution or the center uses moneys appropriated pursuant to section 24-75-303 to purchase the instructional or scientific equipment.
- (g) Installation, development, or upgrade of information technology, including the purchase of services from the office of information technology on the condition that the use of such services is the most cost beneficial option or falls within the duties and responsibilities of the office of information technology or the office's chief information officer as described in sections 24-37.5-105 and 24-37.5-106.
- (3) "Capital Renewal" means a controlled maintenance project of real property or more than one integrated controlled maintenance projects of real property with costs exceeding two million dollars in a fiscal year and that is more cost effective or better addressed by corrective repairs or replacement to the real property rather than by limited fixed equipment repair, replacement, or smaller individual controlled maintenance projects.
 - (2) (a) (4) "Controlled maintenance" means:
- (f)(a) Corrective repairs or replacement, INCLUDING IMPROVEMENTS FOR HEALTH, LIFE SAFETY, AND CODE REQUIREMENTS, used for existing state-owned, general-funded buildings and other physical facilities, including, but not limited to, utilities and site improvements, which are suitable for retention and use for at least five years REAL PROPERTY; and
- (b) Replacement and repair Corrective Repairs or Replacement, including IMPROVEMENTS FOR HEALTH, LIFE SAFETY, AND CODE REQUIREMENTS, of the fixed equipment necessary for the operation of such facilities REAL PROPERTY, when such work is not funded in an a state agency's or state institution of higher Education's operating budget. to be accomplished by the agency's physical plant staff:
 - (II) That controlled maintenance funds may not be used for:
- (A) Corrective repairs or replacement for buildings and other physical facilities and replacement or repair of the fixed and movable equipment necessary for the

operation of physical facilities, when such work is funded in an agency's operating budget to be accomplished by the agency's physical plant staff; for the repair and replacement of fixed and movable equipment necessary for the conduct of programs (such repair and replacement is funded as capital outlay); or for rented or leased facilities or facilities constructed and maintained by self-liquidating property funds. Minor maintenance items shall not be accumulated to create a controlled maintenance project, nor shall minor maintenance work be accomplished as a part of a controlled maintenance project unless the work is directly related.

- (B) Any work properly categorized as capital construction or capital outlay.
- (b) (c) "Controlled maintenance" may include the purchase of CONTRACTING FOR the services of architects, engineers, and other consultants to investigate conditions and prepare recommendations for the correction thereof, to prepare plans and specifications, and to supervise the execution of such controlled maintenance projects as provided by THROUGH AN appropriation by the general assembly.
 - $\frac{3}{5}$ (5) "Department" means the department of personnel.
- (4) (6) "Economic life" means the projected or anticipated useful life of a facility REAL PROPERTY.
- (5) "Energy consumption analysis" means the evaluation of all energy-consuming systems and components by demand and type of energy, including the internal energy load imposed on a facility by its occupants, equipment, and components and the external energy load imposed on the facility by climatic conditions.
- (6) (7) "Executive director" means the executive director of the department of personnel.
- (7) (8) "Facility" means any public building or facility of the state but does not include highways. "Facility" also includes an academic or auxiliary facility that qualifies for controlled maintenance as specified in section 23-1-106 (10.2), C.R.S. A STATE-OWNED BUILDING OR UTILITY. "FACILITY" DOES NOT INCLUDE HIGHWAYS OR PUBLICLY ASSISTED HOUSING PROJECTS AS DEFINED IN SECTION 24-32-718.
- (9) "FIXED EQUIPMENT" INCLUDES, BUT IS NOT LIMITED TO, MECHANICAL, ELECTRICAL, OR PLUMBING COMPONENTS BUILT INTO REAL PROPERTY THAT ARE NECESSARY FOR THE OPERATION OF THE REAL PROPERTY.
- (7.5) "High performance standard certification program" means a building renovation, design, and construction standard that:
- (a) Is quantifiable, measurable, and verifiable as certified by an independent third party;
- (b) Reduces the operating costs of state-assisted facilities by reducing the consumption of energy, water, and other resources;
- (c) Results in the recovery of the increased initial capital costs attributable to compliance with the program over a time period by reducing long-term energy,

maintenance, and operating costs;

- (d) Improves the indoor environmental quality of state-assisted facilities for a healthier work environment:
- (e) Encourages the use of products harvested, created, or mined within Colorado, regardless of product certification status;
 - (f) Protects Colorado's environment; and
- (g) Complies with the federal secretary of the interior's standards for the treatment of historic properties when such work will affect properties fifty years of age or older, unless the state historical society, designated in section 24-80-201, determines that such property is not of historical significance, as that term is defined in section 24-80.1-102 (6).
- (10) "Information technology" means information technology as defined in section 24-37.5-102(2), the majority of the components of which have a useful life of at least five years and a total project cost that equals or exceeds five hundred thousand dollars; except that "information technology" does not include personal computer replacement or maintenance, unless such personal computer replacement or maintenance is a component of a larger computer system upgrade, and except that "information technology" does not include information technology purchased by a state institution of higher education if the institution uses moneys other than those appropriated pursuant to section 24-75-303.
- (8) (11) "Initial cost" means the required cost necessary to construct or RENOVATE a facility. or construct or renovate a major facility.
- (9) (12) "Life-cycle cost" means the cost alternatives, over the economic life of a facility, including its initial cost, the cost of the energy consumed, replacement costs, and the cost of operation and maintenance of the facility, SUCH AS ENERGY AND WATER.
- (10) "Major facility" means any building or facility of twenty thousand or more gross square feet and wherein significant energy demands will exist.
 - (13) "MOVABLE EQUIPMENT" MEANS:
- (a) ALL EQUIPMENT THAT IS NOT DEFINED AS FIXED EQUIPMENT THAT IS NECESSARY FOR THE CONDUCT OF A PROGRAM IN OR ON REAL PROPERTY;
- (b) THE ROLLING STOCK AND FIXED STOCK NECESSARY FOR RUNNING A STATE-OWNED RAILWAY; AND
- (c) Aircraft as defined in section 43-10-102 (1), C.R.S., that is used for state purposes.
 - (11) (14) "Principal representative" means the governing board of a state

department, institution, or agency or STATE INSTITUTION OF HIGHER EDUCATION, OR THE GOVERNING BOARD'S DESIGNEE, or, if there is no governing board, the executive head of a state department, institution, or agency or STATE INSTITUTION OF HIGHER EDUCATION, as designated by the governor or the general assembly, or SUCH EXECUTIVE HEAD'S DESIGNEE.

- (15) (a) "Real property" means a facility, state-owned grounds around a facility, a campus of more than one facility and the grounds around such facilities, state-owned fixtures and improvements on land, and every state-owned estate, interest, privilege, tenement, easement, right-of-way, and other right in land, legal or equitable, but not including leasehold interests.
 - (b) "REAL PROPERTY" DOES NOT INCLUDE:
- (I) Land or any interest therein acquired by the department of transportation and used, or intended to be used, for right-of-way purposes;
- (II) LAND OR ANY INTEREST THEREIN HELD BY THE DIVISION OF PARKS AND WILDLIFE AND THE PARKS AND WILDLIFE COMMISSION IN THE DEPARTMENT OF NATURAL RESOURCES; AND
- (III) Public lands of the state or any interest therein that are subject to the jurisdiction of the state board of land commissioners.
- (16) "State" means the government of this state, every state agency, and every state institution of higher education. "State" does not include a county, municipality, city and county, school district, special district, or any other kind of local government organized pursuant to law.
- (12) (17) "State agency" means this state or any department, institution, or other agency of the state, including institutions of higher education ANY DEPARTMENT, COMMISSION, COUNCIL, BOARD, BUREAU, COMMITTEE, OFFICE, AGENCY, OR OTHER GOVERNMENTAL UNIT OF THE STATE.
- (18) "State institution of higher education" means a state institution of higher education as defined in section 23-18-102 (10), C.R.S., and the Auraria higher education center created in article 70 of title 23, C.R.S.
- (13) "State-assisted facility" means a facility constructed, or a major facility constructed or renovated, in whole or in part, with state funds or with funds guaranteed or insured by a state agency; except that, for purposes of section 24-30-1305 (9):
 - (a) "State-assisted facility" means a facility that:
- (I) Is substantially renovated, designed, or constructed with state funds or with funds guaranteed or insured by a state agency and such funds constitute at least twenty-five percent of the project cost;

- (II) Contains five thousand or more gross square feet;
- (III) Includes a heating, ventilation, or air conditioning system; and
- (IV) Has not entered the design phase prior to January 1, 2008.
- (b) "State-assisted facility" does not include:
- (I) A facility specified in section 23-1-106 (9), C.R.S.; or
- (II) A publicly-assisted housing project, as that term is defined in section 24-32-718.
 - (III) (Deleted by amendment, L. 2008, p. 1307, § 1, effective August 5, 2008.)
- (14) "State facility" means a facility constructed, or a major facility constructed or renovated, by a state agency.
- (15) "Substantial renovation" means any renovation the cost of which exceeds twenty-five percent of the value of the property.
- **SECTION 4.** In Colorado Revised Statutes, 24-30-1303, **amend** (1) (a), (1) (b), (1) (d), (1) (i), (1) (k), (1) (l), (1) (n) (II), (1) (p), (1) (q), (1) (s) (II), (1) (s) (IV), (1) (t) (I), (1) (w), (1) (z), (3) (a), and (5); and **add** (3) (c) and (6) as follows:
- **24-30-1303. Department of personnel responsibilities.** (1) The department shall:
- (a) With the approval of the governor, negotiate and execute leases on behalf of the state government for land, buildings, and office or other space REAL PROPERTY NEEDED FOR STATE USE and, as provided in section 24-82-102 (2), negotiate and execute leases of state-owned REAL property not presently needed for state use;
- (b) With the approval of the governor, negotiate and approve easements and rights-of-way across nonstate land on behalf of the state government and, as provided in section 24-82-202, negotiate and approve easements and rights-of-way across land owned by or under the control of the state; or its institutions, departments, or agencies;
- (d) Supervise and be responsible for the expenditure of funds appropriated by the general assembly for capital construction, projects and CAPITAL RENEWAL, AND controlled maintenance projects at the institutions and agencies of the FOR state AGENCIES AND STATE INSTITUTIONS OF HIGHER EDUCATION;
- (i) Develop a construction procedures manual for state facilities and state-assisted facilities REAL PROPERTY, with the approval of the governor;
- (k) Coordinate initiation of budget requests for those capital construction OR CAPITAL RENEWAL projects for which the executive director shall be designated as principal representative by the governor;

- (l) Develop, or cause to be developed, after consultation with the office of state planning and budgeting pursuant to section 24-37-201, standards for the preparation of current facilities master plans coordinated with operational master plans, and facility program plans coordinated with operational program plans for each state institution and agency, except state schools, colleges, and universities INSTITUTIONS OF HIGHER EDUCATION as provided in section 23-1-106, C.R.S., for review and recommendation by the capital development committee;
- (n) (II) Develop, or cause to be developed, methods of control on a standardized basis for all state agencies AND STATE INSTITUTIONS OF HIGHER EDUCATION to ensure conformity of physical planning with approved building codes and of construction with approved physical planning.
- (p) Develop and maintain, or cause to be developed and maintained, at state agencies AND STATE INSTITUTIONS OF HIGHER EDUCATION approved lists of qualified architects, industrial hygienists, engineers, landscape architects, land surveyors, and consultants from which the principal representative shall make a selection, including therein such information as may be required by part 14 of this article;
- (q) Develop and maintain, or cause to be developed and maintained, at state agencies AND STATE INSTITUTIONS OF HIGHER EDUCATION approved lists of qualified contractors to bid on construction projects and promulgate rules and regulations as may be necessary for contractor prequalification processes for bidding on construction projects;
- (s) (II) In cooperation with the project architect, engineer, or consultant, be responsible for the administration of the bid procedure for state agencies AND STATE INSTITUTIONS OF HIGHER EDUCATION without staff capability and perform such additional functions as the department may determine;
- (IV) Promulgate, with the assistance of the attorney general and the state controller, standardized contract language for agreements between architects, engineers, or consultants and state agencies OR STATE INSTITUTIONS OF HIGHER EDUCATION and language for construction contracts between contractors or construction managers and state agencies OR STATE INSTITUTIONS OF HIGHER EDUCATION;
- (t) (I) Review and make recommendations on capital construction OR CAPITAL RENEWAL project requests, if requested by the office of state planning and budgeting or the capital development committee;
- (w) Develop and maintain, or cause to be developed and maintained, life-cycle cost analysis methods for state facilities and state-assisted facilities REAL PROPERTY and, prior to beginning construction, assure that such methods are reviewed by an independent third party to ensure compliance with sections 24-30-1304 and 24-30-1305. The department shall review and approve specific exceptions to systems selected for construction, which systems are not found to be the best choice on a life-cycle basis.
- (z) Establish minimum building codes, with the approval of the governor and the general assembly after the recommendations and review of the capital development

committee, for all construction by state agencies and STATE INSTITUTIONS OF HIGHER EDUCATION on state-owned REAL PROPERTY or state lease-purchased properties or facilities BUILDINGS. At the discretion of the department, said codes may apply to state-leased facilities BUILDINGS where local building codes may not exist.

- (3) (a) All buildings and facilities REAL PROPERTY, except public roads and highways, and projects under the supervision of the division of parks and wildlife, AND REAL PROPERTY UNDER THE SUPERVISION OF THE JUDICIAL DEPARTMENT, erected for state purposes shall be constructed in conformity with a construction procedures manual for state facilities and state-assisted facilities REAL PROPERTY prepared by the department and approved by the governor. Such construction shall be made only upon plans, designs, and construction documents that comply with approved state standards and rules promulgated pursuant to this section.
- (c) (I) All real property under the supervision of the judicial department erected for state purposes shall be constructed in conformity with a construction procedures manual for real property based on acceptable industry standards. Such construction shall be made only upon plans, designs, and construction documents that comply with approved state standards.
- (II) The judicial department is authorized to hire private construction managers to supervise their capital construction, controlled maintenance, or capital renewal projects. The cost of such construction managers shall be paid for from moneys appropriated for the specific capital construction, controlled maintenance, or capital renewal project.
- (III) The judicial department is authorized to perform the responsibilities and functions described in paragraph (a) of subsection (1) of this section for any real property under the supervision of the judicial department.
- (5) (a) The department may delegate to state agencies OR STATE INSTITUTIONS OF HIGHER EDUCATION any or all of the responsibilities and functions outlined in this part 13 and the department's responsibilities and functions under part 14 of this article, pursuant to rules and regulations promulgated by the department, when the state agency OR STATE INSTITUTION OF HIGHER EDUCATION has the professional or technical capability on staff to perform such functions competently.
- (b) The department may authorize state agencies or STATE INSTITUTIONS OF HIGHER EDUCATION to hire private construction managers to supervise the capital construction, CONTROLLED MAINTENANCE, OR CAPITAL RENEWAL projects. The cost of such construction manager shall be paid from moneys appropriated for the specific capital construction, CONTROLLED MAINTENANCE, OR CAPITAL RENEWAL projects. This subsection (5) (b) shall PARAGRAPH (b) DOES not apply to projects under the supervision of the department of transportation.
- (c) If the executive director determines that the governing board of a state institution of higher education has adopted procedures that adequately meet the

safeguards set forth in the requirements of part 14 of this article and article 92 of this title, the executive director may exempt the institution from any of the procedural requirements of part 14 of this article and article 92 of this title in regard to a capital construction project to be constructed pursuant to the provisions of section 23-1-106 (9) or (10), C.R.S.; except that the selection of any contractor to perform professional services as defined in section 24-30-1402 (6) shall MUST be made in accordance with the criteria set forth in section 24-30-1403 (2).

- (d) Upon application by any state agency OR STATE INSTITUTION OF HIGHER EDUCATION that demonstrates internal expertise related to the leasing and acquisition of commercial real property, the department may delegate an individual employed by the state agency OR STATE INSTITUTION OF HIGHER EDUCATION to act on behalf of the department in the performance of the responsibilities and functions described in paragraph (a) of subsection (1) of this section. The delegation authorized pursuant to this paragraph (d) may include, with the consent of the department, the authority to waive the use of the department-approved real estate lease form or real estate lease amendment form.
- (6) Nothing in this article is intended to diminish the authority granted to the judicial department or the state court administrator in Senate Bill 08-206.

SECTION 5. In Colorado Revised Statutes, **amend** 24-30-1303.5 as follows:

- 24-30-1303.5. Department to prepare and maintain inventory of state property vacant facilities. (1) The department shall obtain and maintain a correct and current inventory of all real property with improvements thereon, owned by or held in trust for the state of Colorado or any state department, agency or institution, including state institutions INSTITUTION of higher education, and, in cooperation with the attorney general, correct any defects in title to said real property necessary to vest marketable title in the state. For purposes of this section, "real property" does not include land or any interest therein acquired by the department of transportation and used, or intended to be used, for right-of-way purposes, nor does "real property" include the public lands of the state which are subject to the jurisdiction of the state board of land commissioners.
- (2) Such inventory shall be comprised of MUST INCLUDE sufficient information to identify such REAL property with respect to which unit of THE state government has control thereof, where such REAL property is located, and when and from what source the REAL property was acquired, including subsequent improvements. The department shall establish and maintain an accurate index system which will assure that inquiries as to the location and control of all such REAL property will be promptly answered.
- (3) The department shall establish procedures whereby each state department, agency, or institution, including each AGENCY AND state institution of higher education is required to report all acquisitions of real property, including improvements, and all dispositions thereof to the department to enable the inventory to be promptly and accurately maintained with respect to such changes. The report shall consist of MUST INCLUDE a copy of each purchase or sale agreement pertaining to the acquisition or disposition of real property, including improvements, or, if such

agreements are not available, such other documents describing the terms and conditions of the transaction as the department finds to be appropriate in order to maintain the information required by subsection (2) of this section. For each transaction involving the acquisition or disposition of real property, the state department, agency, or institution AGENCY OR THE STATE INSTITUTION OF HIGHER EDUCATION shall also provide to the department a copy of the deed pertaining to the real property after the deed has been recorded.

- (3.5) (a) With respect to all real property owned by or held in trust for the state of Colorado or any state department, agency or institution, including state institutions INSTITUTION of higher education, each state department, agency or STATE institution OF HIGHER EDUCATION shall identify any vacant facility under its control. As used in this section, "vacant" means:
 - (I) Unoccupied;
- (II) Unused in whole or in part for the purposes for which the improvement was designed, intended, or remodeled; or
- (III) Without current defined plans by the state department, agency or institution STATE INSTITUTION OF HIGHER EDUCATION for the next fiscal year.
- (b) For any facility that becomes vacant after July 1, 2003, the A state department, agency or institution shall be required to STATE INSTITUTION OF HIGHER EDUCATION MUST submit for the approval of the department a facility management plan FOR ANY VACANT FACILITY consistent with the procedures established by the department. The state department, agency or institution shall STATE INSTITUTION OF HIGHER EDUCATION MUST submit the facility management plan to the department within thirty days after the facility becomes vacant. In addition to any other information required by the department, the facility management plan shall MUST include the following:
 - (I) A financial analysis of the possible uses of the facility;
- (II) Any plans for the disposal of the facility through sale, lease, demolition, or otherwise;
- (III) If the state department, agency or institution STATE INSTITUTION OF HIGHER EDUCATION does not intend to dispose of the facility during the next fiscal year, a plan for the proposed controlled maintenance, if any, necessary to avoid the deterioration of the vacant facility; and
- (IV) Whether the facility has or is eligible to receive a national, state, or local historic designation or listing.
- (c) (I) For each year after the department approves a facility management plan, the state department, agency or institution STATE INSTITUTION OF HIGHER EDUCATION shall submit an annual facility management plan update consistent with the procedures established by the department. The update shall MUST be submitted on or before November 1 of the year following the approval of a facility management plan and each November 1 thereafter until such time that the facility

is no longer vacant. In addition to any other information required by the department, the update shall MUST identify all actions taken by the state department, agency or institution STATE INSTITUTION OF HIGHER EDUCATION within the last year consistent with the facility management plan. If based on the update or on any other information known by the department, the department determines that the state department, agency or institution STATE INSTITUTION OF HIGHER EDUCATION has failed to comply with the provisions of an approved facility management plan, the department may revoke the approval of the facility management plan. If the department revokes approval of the facility management plan, a state department, agency or institution shall be STATE INSTITUTION OF HIGHER EDUCATION IS required to submit a new facility management plan for the vacant facility subject to the provisions of this subsection (3.5).

- (II) In addition to any other requirements of subparagraph (I) of this paragraph (c), the facility management plan update shall MUST describe any changes proposed by the state department, agency or institution STATE INSTITUTION OF HIGHER EDUCATION to the facility management plan. Any proposed changes to the facility management plan shall be ARE subject to the approval of the department, and any approved changes shall become part of the facility management plan for purposes of future updates.
- (d) Any facility management plan or update required to be submitted by a state institution of higher education pursuant to this subsection (3.5) shall MUST be submitted to the Colorado commission on higher education instead of the department. The commission shall submit a copy of the facility management plan or update and the commission's recommendations regarding it to the department.

(e) Repealed.

- (f) No state department, agency or institution shall be STATE INSTITUTION OF HIGHER EDUCATION IS eligible for any capital construction appropriations until the department approves a facility management plan for all vacant facilities controlled by the state department, agency or institution STATE INSTITUTION OF HIGHER EDUCATION; except that the capital development committee may exempt a state department, agency or institution STATE INSTITUTION OF HIGHER EDUCATION from the provisions of this paragraph (f).
- (4) For purposes of maintaining a current inventory, no acquisition or disposition of real property may be made and no funds or other valuable consideration may be given by a state department, agency or institution STATE INSTITUTION OF HIGHER EDUCATION for such acquisition, nor may any final document of conveyance of state REAL property be transmitted to a purchaser, until a complete report on such transaction as required pursuant to subsection (3) of this section has been filed with the department and the department has issued a written acknowledgment of the receipt of such report to the STATE agency OR STATE INSTITUTION OF HIGHER EDUCATION. Such written acknowledgment shall MUST be issued without delay, and nothing in this section shall SHOULD be construed to give the department any power to approve or disapprove any acquisition or disposition of real property, improvements thereon, or other capital assets.
 - (5) In addition to obtaining and maintaining a correct and current inventory of all

real property, with improvements thereon, the department shall also establish a separate inventory of computer equipment and all other capital assets valued in excess of one hundred thousand dollars, owned by or held in trust for the state of Colorado or any state department, agency, or institution, including state institutions of higher education. Such capital assets inventory shall be maintained and kept current in the same manner as specified by subsections (3) and (4) of this section for real property and improvements thereon.

- (5.5) The department shall cause to be developed performance criteria for state real property. An analysis shall must be made upon selected real property against such the performance criteria to assess whether such the selected real property should be considered for sale or other disposition if such real property is not performing and is determined not to be of sound investment value, or should be held for an identified future state need. The department may contract to maintain such inventories, develop such performance criteria, and perform such analysis and may enter exclusive brokerage agreements on behalf of state executive agencies AND STATE INSTITUTIONS OF HIGHER EDUCATION to the extent necessary to accomplish the maintenance of such inventory and such analysis. The department shall make recommendations to the capital development committee regarding various real property management strategies resulting from such analysis. This subsection (5.5) shall does not apply to property which THAT is subject to the provisions of section 43-1-106 (8) (n), C.R.S.
- (6) The department shall prepare an annual report of the acquisitions and dispositions of REAL property subject to this section and make the report available to the members of the capital development committee. Such report shall MUST include a description of such THE REAL property and its present use and value.

SECTION 6. In Colorado Revised Statutes, 24-30-1303.9, **amend** (1); and **add** (6), (7), (8), (9), and (10) as follows:

- **24-30-1303.9.** Eligibility for state controlled maintenance funding legislative declaration. (1) The office of the state architect shall develop guidelines in order to establish when a state-owned, general-funded building or other physical facility REAL PROPERTY is eligible for controlled maintenance funding, SUBJECT TO THE LIMITATIONS SET FORTH IN THIS SECTION. The guidelines shall MUST address the timing of such eligibility with respect to the dates on which acquisition, construction, additions, renovations, or corrective repairs of a state-owned, general-funded building or other physical facility REAL PROPERTY occurred.
- (6) Any corrective repairs or replacement as part of a controlled maintenance project must be suitable for retention or use for at least five years.
 - (7) (a) CONTROLLED MAINTENANCE FUNDS MAY NOT BE USED FOR:
- (I) CORRECTIVE REPAIRS OR REPLACEMENT OF REAL PROPERTY AND REPLACEMENT OR REPAIR OF THE FIXED OR MOVABLE EQUIPMENT NECESSARY FOR THE OPERATION OF REAL PROPERTY, WHEN SUCH WORK IS FUNDED IN A STATE AGENCY'S OR STATE INSTITUTION OF HIGHER EDUCATION'S OPERATING BUDGET;

- (II) AUXILIARY FACILITIES AS DEFINED IN SECTION 23-1-106 (10.3), C.R.S.;
- (III) LEASEHOLD INTERESTS IN REAL PROPERTY; OR
- (IV) ANY WORK PROPERLY CATEGORIZED AS CAPITAL CONSTRUCTION.
- (b) Minor maintenance items shall not be accumulated to create a controlled maintenance project, nor shall minor maintenance work be accomplished as a part of a controlled maintenance project unless the work is directly related to the project.
- (8) NOTWITHSTANDING THIS SECTION, CONTROLLED MAINTENANCE FUNDS MAY BE USED FOR REAL PROPERTY LEASED AND OPERATED BY THE DEPARTMENT OF HUMAN SERVICES OR THE DEPARTMENT OF CORRECTIONS.
- (9) Notwithstanding this section, controlled maintenance funds may be used for real property that is transferred from the San Juan basin area vocational school to Pueblo community college as part of a merger transaction between the San Juan basin area vocational school and Pueblo community college.
- (10) Notwithstanding this section, controlled maintenance funds may be used for academic facility as defined in section 23-1-106 (10.3), C.R.S.
 - **SECTION 7.** In Colorado Revised Statutes, **amend** 24-30-1304 as follows:
- **24-30-1304.** Life-cycle cost legislative findings and declaration. (1) The general assembly hereby finds:
- (a) That state-owned and state-assisted facilities have REAL PROPERTY HAS a significant impact on the state's consumption of energy;
- (b) That energy conservation practices adopted for the design, construction, and utilization of these facilities THIS REAL PROPERTY will have a beneficial effect on the state's overall supply of energy;
- (c) That the cost of the energy consumed by these facilities THIS REAL PROPERTY over the life of the facilities REAL PROPERTY must be considered, in addition to the initial cost of constructing such facilities REAL PROPERTY; and
- (d) That the cost of energy is significant, and facility designs must take into consideration the total life-cycle cost, including the initial construction cost, the cost, over the economic life of the facility REAL PROPERTY, of the energy consumed, replacement costs, and the cost of operation and maintenance of the facility REAL PROPERTY, including energy consumption.
- (2) The general assembly declares that it is the policy of this state to insure that energy conservation practices are employed in the design of state-owned and state-assisted facilities REAL PROPERTY. To this end the general assembly requires all state agencies AND STATE INSTITUTIONS OF HIGHER EDUCATION to analyze the life-cycle cost of each facility ALL REAL PROPERTY constructed or each major facility

constructed or renovated, over its economic life, in addition to the initial construction or renovation cost.

SECTION 8. In Colorado Revised Statutes, 24-30-1305, **amend** (1), (2), (3), (5), (6), and (7); and **add** (10) as follows:

- **24-30-1305. Life-cycle cost application definitions.** (1) The general assembly authorizes and directs that state agencies AND STATE INSTITUTIONS OF HIGHER EDUCATION shall employ design and construction methods for state facilities and design and construction methods for state-assisted facilities REAL PROPERTY under their jurisdiction, in such a manner as to further the policy declared in section 24-30-1304, insuring that life-cycle cost analyses and energy conservation practices are employed in new state-owned and state-assisted facilities and in new or renovated major state-owned and state-assisted facilities REAL PROPERTY.
- (2) The life-cycle cost analysis shall MUST include but not be limited to such elements as:
- (a) The coordination, orientation, and positioning of the facility on its physical site;
 - (b) The amount and type of fenestration employed in the facility;
- (c) Thermal performance and efficiency characteristics of materials incorporated into the facility design;
- (d) The variable occupancy and operating conditions of the facility, including illumination levels; AND
 - (e) Architectural features which affect energy consumption. and
- (f) An energy consumption analysis of a major facility's heating, ventilating, and air conditioning system, lighting system, and all other energy-consuming systems. The energy consumption analysis of the operation of energy-consuming systems in the major facility should include but not be limited to:
 - (I) The comparison of two or more system alternatives;
- (II) The simulation or engineering evaluation of each system over the entire range of operation of the major facility for a year's operating period; and
- (III) The engineering evaluation of the energy consumption of component equipment in each system considering the operation of such components at other than full or rated outputs.
- (3) The life-cycle cost analysis performed for each major facility shall REAL PROPERTY WITH A FACILITY OF TWENTY THOUSAND OR MORE GROSS SQUARE FEET WITH SIGNIFICANT ENERGY DEMANDS MUST provide but not be limited to the following information:
 - (a) The initial estimated cost of each energy-consuming system being compared

and evaluated;

- (b) The estimated annual operating cost of all utility requirements, including consideration of possible escalating costs of energy. The department may rely on any national or locally appropriate fuel escalating methodology approved by the department in performing life-cycle cost analyses.
 - (c) The estimated annual cost of maintaining each energy-consuming system;
- (d) The average estimated replacement cost for each system expressed in annual terms for the economic life of the major facility; and
- (e) (f) The use of biofuel to provide supplemental or exclusive heating, power, or both for the major facility. For a renovation of a major SUCH A facility, the cost analysis regarding the use of biofuel shall MUST consider any stranded utility costs; AND
- (II) As used in this paragraph (e), "biofuel" means nontoxic plant matter consisting of agricultural or silvicultural crops or their byproducts, urban wood waste, mill residue, slash, or brush.
- (f) An energy consumption analysis of such real property's heating, ventilating, and air conditioning system, lighting system, and all other energy-consuming systems. The energy consumption analysis of the operation of energy-consuming systems in the real property should include but not be limited to:
 - (I) THE COMPARISON OF TWO OR MORE SYSTEM ALTERNATIVES;
- (II) The simulation or engineering evaluation of each system over the entire range of operation of the real property for a year's operating period; and
- (III) THE ENGINEERING EVALUATION OF THE ENERGY CONSUMPTION OF COMPONENT EQUIPMENT IN EACH SYSTEM CONSIDERING THE OPERATION OF SUCH COMPONENTS AT OTHER THAN FULL OR RATED OUTPUTS.
- (5) In order to protect the integrity of historic buildings, no provision of section 24-30-1304 or this section shall SHOULD be interpreted to require such analysis with respect to any REAL property eligible for, nominated to, or entered in the national register of historic places, designated by statute, or included in an established list of places compiled by the state historical society.
- (6) Selection of the optimum system or combination of systems to be incorporated into the design of state facilities and state-assisted facilities shall REAL PROPERTY MUST be based on the life-cycle cost analysis over the economic life of the facility REAL PROPERTY, unless a request for an alternative system is made and approved by the department prior to beginning construction.
- (7) The principal representatives of all state agencies shall be and state institutions of higher education are responsible for implementing the

provisions of this section and the policy established in section 24-30-1304.

- (10) As used in this section, unless the context otherwise requires:
- (a) "BIOFUEL" MEANS NONTOXIC PLANT MATTER CONSISTING OF AGRICULTURAL OR SILVICULTURAL CROPS OR THEIR BYPRODUCTS, URBAN WOOD WASTE, MILL RESIDUE, SLASH, OR BRUSH.
- (b) "ENERGY CONSUMPTION ANALYSIS" MEANS THE EVALUATION OF ALL ENERGY-CONSUMING SYSTEMS AND COMPONENTS BY DEMAND AND TYPE OF ENERGY, INCLUDING THE INTERNAL ENERGY LOAD IMPOSED ON REAL PROPERTY BY ITS OCCUPANTS, EQUIPMENT, AND COMPONENTS AND THE EXTERNAL ENERGY LOAD IMPOSED ON THE REAL PROPERTY BY CLIMATIC CONDITIONS.

SECTION 9. In Colorado Revised Statutes, **add** 24-30-1305.5 as follows:

- **24-30-1305.5.** High performance standards report legislative declaration definition. (1) The office of the state architect, or an analogous successor office in the department, shall, in consultation with the Colorado commission on higher education, adopt and update from time to time a high performance standard certification program.
- (2) A STATE AGENCY OR STATE INSTITUTION OF HIGHER EDUCATION CONTROLLING THE SUBSTANTIAL RENOVATION, DESIGN, OR NEW CONSTRUCTION OF A BUILDING SHALL, PURSUANT TO THE PROGRAM ADOPTED IN SUBSECTION (1) OF THIS SECTION, PERFORM THE SUBSTANTIAL RENOVATION, DESIGN, OR NEW CONSTRUCTION TO ACHIEVE THE HIGHEST PERFORMANCE CERTIFICATION ATTAINABLE AS CERTIFIED BY AN INDEPENDENT THIRD PARTY PURSUANT TO THE HIGH PERFORMANCE STANDARD CERTIFICATION PROGRAM. A CERTIFICATION IS ATTAINABLE IF THE INCREASED INITIAL COSTS OF THE SUBSTANTIAL RENOVATION, DESIGN, OR NEW CONSTRUCTION, INCLUDING THE TIME VALUE OF MONEY, TO ACHIEVE THE HIGHEST PERFORMANCE CERTIFICATION ATTAINABLE CAN BE RECOUPED FROM DECREASED OPERATIONAL COSTS WITHIN FIFTEEN YEARS.
- (3) (a) For all buildings that started the design process on or after January 1, 2010, each state agency or state institution of higher education shall monitor, track, and verify utility vendor bill data pertaining to the building and must annually report to the office of the state architect, or an analogous successor office in the department. The annual report must also include information related to building performance based on the building's utility consumption.
- (b) The general assembly hereby finds, determines, and declares that buildings that have achieved the highest performance certification attainable and started the design process prior to January 1, 2010, are strongly encouraged to monitor, track, and verify utility vendor bill data pertaining to such building in order to ensure that the increased initial costs to achieve the highest performance certification attainable are in fact recouped. If such data is monitored, tracked, and verified, then the state agency or state institution of higher education must annually report to the office of the state architect, or an analogous

SUCCESSOR OFFICE IN THE DEPARTMENT. IF SUCH DATA IS NOT MONITORED, TRACKED, AND VERIFIED, THEN THE STATE AGENCY OR STATE INSTITUTION OF HIGHER EDUCATION MUST PROVIDE THE STATE ARCHITECT, IN WRITING, A REASONABLE EXPLANATION AND ALSO MUST WORK WITH THE STATE ARCHITECT TO FIND A WAY TO START MONITORING, TRACKING, VERIFYING, AND REPORTING SUCH DATA.

- (c) The state agency or state institution of higher education, not a utility company, shall compile the utility vendor bill data.
- (4) If the state agency or state institution of higher education estimates that the increased initial costs of the substantial renovation, design, or new construction, including the time value of money, to achieve the highest performance certification attainable will exceed five percent of the total cost of the substantial renovation, design, or new construction, the capital development committee shall specifically examine such estimate before approving any appropriation for the substantial renovation, design, or new construction.
- (5) If a building undergoing substantial renovation cannot achieve high performance due to either the historical nature of the building or because the increased costs of renovating the building cannot be recouped from decreased operational costs within fifteen years, an accredited professional shall assert in writing that, as much as possible, the substantial renovation has been consistent with the high performance standard certification program.
- (6) Any design or new construction of a building of less than five thousand square feet that is, but for its size, otherwise subject to this section and any minor renovation and controlled maintenance of a building that is subject to this section must be executed to the high performance standards adopted in the high performance standard certification program even if high performance certification is not sought at that time.
- (7) The department shall report annually to the capital development committee regarding contracting documents, project guidelines, and reporting and tracking procedures related to the implementation of this section.
 - (8) As used in this section, unless the context otherwise requires:
 - (a) (I) "BUILDING" MEANS A FACILITY THAT:
- (A) IS SUBSTANTIALLY RENOVATED, DESIGNED, OR CONSTRUCTED WITH STATE MONEYS OR WITH MONEYS GUARANTEED OR INSURED BY A STATE AGENCY OR STATE INSTITUTION OF HIGHER EDUCATION AND SUCH MONEYS CONSTITUTE AT LEAST TWENTY-FIVE PERCENT OF THE PROJECT COST;
 - (B) CONTAINS FIVE THOUSAND OR MORE GROSS SQUARE FEET;

- (C) INCLUDES A HEATING, VENTILATION, OR AIR CONDITIONING SYSTEM; AND
- (D) DID NOT ENTER THE DESIGN PHASE PRIOR TO JANUARY 1, 2008.
- (II) "Building" includes an academic facility as defined in section 23-1-106(10.3) (a), C.R.S., including an academic facility as defined in the guidelines described in section 23-1-106(10.2) (b) (I), C.R.S.
 - (III) "BUILDING" DOES NOT INCLUDE:
- (A) An auxiliary facility as defined in section 23-1-106 (10.3) (b), C.R.S., including an auxiliary facility as defined in the guidelines described in section 23-1-106 (10.2) (b) (I), C.R.S.; or
 - (B) A PUBLICLY ASSISTED HOUSING PROJECT AS DEFINED IN SECTION 24-32-718.
- (b) "High performance standard certification program" means a real property renovation, design, and construction standard that:
- (I) IS QUANTIFIABLE, MEASURABLE, AND VERIFIABLE AS CERTIFIED BY AN INDEPENDENT THIRD PARTY;
- (II) REDUCES THE OPERATING COSTS OF REAL PROPERTY BY REDUCING THE CONSUMPTION OF ENERGY, WATER, AND OTHER RESOURCES;
- (III) RESULTS IN THE RECOVERY OF THE INCREASED INITIAL CAPITAL COSTS ATTRIBUTABLE TO COMPLIANCE WITH THE PROGRAM OVER TIME BY REDUCING LONG-TERM ENERGY, MAINTENANCE, AND OPERATING COSTS;
- (IV) Improves the indoor environmental quality of real property for a healthier work environment;
- (V) Encourages the use of products harvested, created, or mined within Colorado, regardless of product certification status;
 - (VI) PROTECTS COLORADO'S ENVIRONMENT; AND
- (VII) Complies with the federal secretary of the interior's standards for the treatment of historic real property when such work will affect real property fifty years of age or older, unless the state historical society, designated in section 24-80-201, determines that such real property is not of historical significance as defined in section 24-80.1-102 (6).
- (c) "Substantial renovation" means any renovation with a cost that exceeds twenty-five percent of the value of the building.
- (d) "Utility vendor bill data" means information or data limited to the usage data measured by the state agency, state institution of higher education, or department or the information or data required to meet minimum program standards by an independent third party pursuant to

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THE HIGH PERFORMANCE STANDARD CERTIFICATION PROGRAM.

SECTION 10. In Colorado Revised Statutes, **amend** 24-30-1307 as follows:

24-30-1307. Legislative declaration. The purpose of this part 13 is to allow the department of personnel to develop the policies and standards for state agencies AND STATE INSTITUTIONS OF HIGHER EDUCATION to follow for the major renovation or new construction of state facilities REAL PROPERTY and to allow the department of personnel to delegate the authority to implement such policies and standards to the individual state agencies OR STATE INSTITUTIONS OF HIGHER EDUCATION. It is not the purpose of this part 13 to require state agencies OR STATE INSTITUTIONS OF HIGHER EDUCATION to add FTEs or incur additional expenditures to implement the provisions of this part 13.

SECTION 11. In Colorado Revised Statutes, **repeal** 24-30-1308 as follows:

24-30-1308. Controlled maintenance funds - leased or rented facilities - secure facilities. Notwithstanding section 24-30-1301 (2) (a) (II) (A), controlled maintenance funds may be used for secure facilities and related auxiliary facilities leased and operated by the department of human services or the department of corrections.

SECTION 12. In Colorado Revised Statutes, **repeal** 24-30-1309 as follows:

24-30-1309. Eligibility of certain buildings for controlled maintenance. Notwithstanding the provisions of section 24-30-1301 (2) (a) (II) (A), on and after July 1, 2009, controlled maintenance funds may be used for facilities that are transferred from the San Juan basin area vocational school to Pueblo community college as part of a merger transaction between the San Juan basin area vocational school and Pueblo community college.

SECTION 13. In Colorado Revised Statutes, **amend** 2-3-1301 as follows:

- **2-3-1301. Definitions.** As used in this part 13, unless the context otherwise requires:
- (1) "Capital asset" means any building, structure, facility, or physical betterment or improvement or any land or rights in land HAS THE SAME MEANING AS SET FORTH IN SECTION 24-30-1301 (1), C.R.S.
- (2) "Institution" includes institutions of higher education "Capital construction" has the same meaning as set forth in section 24-30-1301 (2), C.R.S.
- (3) "Capital Renewal" has the same meaning as set forth in section 24-30-1301 (3), C.R.S.
- (4) "Controlled maintenance" has the same meaning as set forth in section 24-30-1301 (4), C.R.S., including the limitations specified in section 24-30-1303.9, C.R.S.

- (5) "Real property" has the same meaning as set forth in section 24-30-1301 (15), C.R.S.
- (6) "State" has the same meaning as set forth in section 24-30-1301 (16), C.R.S.
- (7) "STATE AGENCY" HAS THE SAME MEANING AS SET FORTH IN SECTION 24-30-1301 (17), C.R.S.
- (8) "STATE INSTITUTION OF HIGHER EDUCATION" HAS THE SAME MEANING AS SET FORTH IN SECTION 24-30-1301 (18), C.R.S.
 - **SECTION 14.** In Colorado Revised Statutes, 2-3-1304, **amend** (1) as follows:
- **2-3-1304.** Powers and duties of capital development committee. (1) The capital development committee has the following powers and duties:
- (a) To study the capital construction, and controlled maintenance, AND CAPITAL RENEWAL requests and proposals for the acquisition, sale, demolition, or disposal of capital assets of each state department, institution, and agency AND STATE INSTITUTION OF HIGHER EDUCATION;
- (a.3) To review and make required recommendations on reports from state agencies AND STATE INSTITUTIONS OF HIGHER EDUCATION, including reports from:
- (I) The department of personnel on the approved and unapproved facility management plans and facility management plan updates pursuant to section 24-30-1303.5 (3.5), C.R.S., and acquisitions and dispositions pursuant to section SECTIONS 24-30-1303.5 (6) AND 24-82-102, C.R.S.;
- (II) The adjutant general in the department of military and veterans affairs on the ACQUISITION OR disposition of property pursuant to section 28-3-106 (1) (s) (I), C.R.S.;
- (III) The parks and wildlife commission in the department of natural resources on the acquisition OR DISPOSITION of certain real property interests pursuant to section 33-1-105 (3) (a) 33-1-105 (3), C.R.S., and the acquisition of certain interest in real property or water pursuant to section 33-1-105.5 (9), C.R.S.; and
- (IV) The parks and wildlife commission in the department of natural resources on the acquisition OR DISPOSITION of certain interests in real property pursuant to section 33-10-107 (2), C.R.S.;
- (a.5) To study the eapital construction request from the transportation commission for state highway reconstruction, repair, and maintenance projects to be funded from money transferred to the capital construction fund pursuant to section 24-75-302 (2), C.R.S., specifically for such purpose. On or before October 1 of each year, the transportation commission shall submit its eapital construction request, based on the statewide transportation improvement programs, with a prioritized list of recommended state highway reconstruction, repair, and maintenance projects with the priority of projects on the list determined on the basis

of greatest need without regard to location in the state. except that, for the 1998-99 fiscal year, the prioritized list of projects to be funded by the revenues appropriated for such year by House Bill 98-1202, as enacted at the second regular session of the sixty-first general assembly, shall consist only of state highway reconstruction, repair, maintenance, and capacity expansion projects. The capital development committee shall determine the number of projects on the list that may be funded from money available in the capital construction fund for state highway reconstruction, repair, or maintenance projects. Only projects on the list may be funded from money available in the capital construction fund for state highway reconstruction, repair, or maintenance projects, and the projects must be funded in the priority determined by the transportation commission; except that, if a project on the list cannot be funded because an alternative source of funding for the project has become available, a court order has enjoined the project, or an act of God has made the project construction unfeasible, the transportation commission shall submit the next phase of that project or the next project on that regional priority list to the capital development committee for approval as an addition to the list in lieu of the project that cannot be funded. No substitute project submitted by the transportation commission from the regional priority list shall be approved by the capital development committee if funding said project would result in the delay of any other project on the list. Upon approval of an amended list, the department of transportation shall provide a copy of the amended list to the members of the joint budget committee, the transportation and energy committee in the house of representatives, and the transportation committee in the senate. Projects on the list submitted by the transportation commission by October 1 or on an amended list submitted as provided in this paragraph (a.5) may be funded from money transferred to the capital construction fund and available in the current fiscal year or money to be transferred to the capital construction fund for the fiscal year beginning the following July 1.

- (a.6) (Deleted by amendment, L. 2008, p. 1064, § 8, effective July 1, 2008.)
- (b) To hold such hearings as may be necessary to consider reports from each STATE department, institution, or agency OR STATE INSTITUTION OF HIGHER EDUCATION itself with respect to any such capital construction, controlled maintenance, or acquisition of capital assets OR CAPITAL RENEWAL;
- (c) To make determinations of the priority to be accorded to the proposals made by the various departments, institutions, and STATE agencies AND STATE INSTITUTIONS OF HIGHER EDUCATION with respect to capital construction, and controlled maintenance, AND CAPITAL RENEWAL proposals, and capital asset acquisitions, including any proposals or recommendations submitted as priorities for institutions of higher education, based upon information made available to the capital development committee from any sources with respect to estimates of revenues available for such purposes;
- (d) To forecast the state's requirements for capital construction, controlled maintenance, and acquisition of capital assets CAPITAL RENEWAL as may be necessary or desirable for adequate presentation of the planning and implementation or construction of such projects for the next fiscal year and for the following four fiscal years AND TO FORECAST THE PROJECTED AVAILABLE REVENUE TO MEET THE STATE'S REQUIREMENTS FOR CAPITAL CONSTRUCTION, CONTROLLED MAINTENANCE,

AND CAPITAL RENEWAL. SUCH REVENUE FORECAST MUST CONFORM WITH THE ECONOMIC FORECAST PERIOD USED IN THE QUARTERLY REVENUE ESTIMATES PREPARED BY THE STAFF OF THE LEGISLATIVE COUNCIL.

- (e) To review facilities program plans of the department of corrections for correctional facilities pursuant to section 17-1-104.8, C.R.S., and facilities program plans of the department of human services for juvenile facilities pursuant to section 27-90-106, C.R.S., and make recommendations regarding those plans to the joint budget committee;
- (f) To review the annual capital construction and maintenance requests from the chief information officer of the office of information technology regarding the public safety communications trust fund created pursuant to section 24-37.5-506, C.R.S.;
- (g) Prior to January 1, 2016, to develop and make recommendations concerning new methods of financing the state's ongoing capital construction needs and controlled maintenance. No later than February 1, 2016, the committee shall recommend legislation to implement the recommendations.
- (h) To review all acquisitions of real property by a state agency or STATE INSTITUTION OF HIGHER EDUCATION; EXCEPT THAT, FOR ANY STATE AGENCY OR STATE INSTITUTION OF HIGHER EDUCATION THAT HAS STATUTORY AUTHORITY AS OF THE EFFECTIVE DATE OF THIS SUBSECTION (1), AS AMENDED, TO ACQUIRE REAL PROPERTY AND SUCH STATUTORY AUTHORITY SPECIFIES A PROCESS WHEREBY THE CAPITAL DEVELOPMENT COMMITTEE EITHER REVIEWS, REVIEWS AND APPROVES, OR APPROVES SUCH AN ACQUISITION, THEN SUCH STATUTORY AUTHORITY CONTROLS. IF A STATE AGENCY OR STATE INSTITUTION OF HIGHER EDUCATION HAS STATUTORY AUTHORITY AS OF THE EFFECTIVE DATE OF THIS SUBSECTION (1), AS AMENDED, TO ACQUIRE REAL PROPERTY AND SUCH STATUTORY AUTHORITY DOES NOT INCLUDE A PROCESS WHEREBY THE CAPITAL DEVELOPMENT COMMITTEE EITHER REVIEWS, REVIEWS AND APPROVES, OR APPROVES SUCH ACQUISITION, THEN THIS PARAGRAPH (h) CONTROLS. SECTION 23-1-106, C.R.S., AND ANY BUDGET INSTRUCTIONS OF THE OFFICE OF STATE PLANNING AND BUDGETING THAT SPECIFY THRESHOLDS REGARDING THE SUBMISSION OF ACQUISITIONS OF REAL PROPERTY AS CAPITAL BUDGET REQUESTS OPERATE TO LIMIT THE REVIEW SPECIFIED IN THIS PARAGRAPH (h).

SECTION 15. In Colorado Revised Statutes, 2-3-1304.5, **amend** (2) as follows:

2-3-1304.5. Reports from departments, institutions, and agencies in connection with capital construction requests - repeal. (2) This section is repealed, effective July 1, 2016 July 1, 2015.

SECTION 16. In Colorado Revised Statutes, **amend** 2-3-1304.6 as follows:

2-3-1304.6. Capital construction and long-range planning by state agencies and state institutions of higher education - policy. It is declared to be the policy of the general assembly not to acquire sites A CAPITAL ASSET or authorize or initiate any program or activity requiring capital construction, or acquisition of a capital asset, except programs or activities for controlled maintenance OR CAPITAL RENEWAL, for any state department or subdivision thereof AGENCY OR STATE

INSTITUTION OF HIGHER EDUCATION unless the program or activity is an element of the facilities program plan for the department AGENCY OR INSTITUTION.

SECTION 17. In Colorado Revised Statutes, **amend** 2-3-1305 as follows:

2-3-1305. Recommendations and findings. The capital development committee shall make written reports setting forth its recommendations, PRIORITIZATION, findings, and comments as to each recommendation concerning capital assets which that it submits to the joint budget committee. The Capital Development COMMITTEE SHALL SUBMIT ITS PRIORITIZATION FOR SUPPLEMENTAL CAPITAL CONSTRUCTION, CAPITAL RENEWAL, OR CONTROLLED MAINTENANCE BUDGET REQUESTS TO THE JOINT BUDGET COMMITTEE NO LATER THAN JANUARY 15 OF EACH YEAR, AND SHALL SUBMIT ITS PRIORITIZATION FOR NEW OR AMENDED CAPITAL CONSTRUCTION, CAPITAL RENEWAL, OR CONTROLLED MAINTENANCE BUDGET REQUESTS FOR THE UPCOMING FISCAL YEAR TO THE JOINT BUDGET COMMITTEE NO LATER THAN FEBRUARY 15 OF EACH YEAR. Other reports may be issued from time to time by the committee whenever it deems such action to be appropriate or whenever requested by the general assembly.

SECTION 18. In Colorado Revised Statutes, **repeal** 2-3-1305.5 as follows:

- 2-3-1305.5. Continuation projects future appropriations. (1) For the purpose of making funding recommendations, capital construction projects which are related to the projects for which an appropriation was made by section 2 (4) of Senate Bill 94-207, enacted at the Second Regular Session of the Fifty-ninth General Assembly, shall be considered continuation projects in the same manner as other capital construction projects in Senate Bill 94-207 with out-year expenses.
- (2) Nothing in this section shall be construed to require that such continuation projects be accorded a higher funding priority than health and life safety projects and controlled maintenance projects.

SECTION 19. In Colorado Revised Statutes, **amend** 2-3-1306 as follows:

2-3-1306. Staff assistance. In carrying out its duties under this part 13, the capital development committee may request staff assistance from the offices providing other legislative services or from the department of personnel and the office of state planning and budgeting in the governor's office. The legislative council shall provide any necessary secretarial and elerical assistance.

SECTION 20. In Colorado Revised Statutes, **repeal** 2-3-1308 as follows:

- 2-3-1308. Repeal of part. (1) This part 13 is repealed, effective July 1, 2014.
- (2) If this part 13 is repealed pursuant to the provisions of subsection (1) of this section, pursuant to section 2-3-203 (1) (b.1) (I) (A) the joint budget committee shall have the authority to make determinations of priority.
- **SECTION 21.** In Colorado Revised Statutes, 2-3-203, **amend** (1) (b.1) (I) as follows:

- **2-3-203. Powers and duties of the joint budget committee repeal.** (1) The committee has the following power and duties:
- (b.1) (I) (A) Effective July 1, 2004, to hold hearings as required and to review the executive budget and the budget requests of each state agency and institution, including proposals for construction of capital improvements CAPITAL CONSTRUCTION, CAPITAL RENEWAL, OR CONTROLLED MAINTENANCE BUDGET REQUESTS AS PRIORITIZED BY THE CAPITAL DEVELOPMENT COMMITTEE, and to make appropriation recommendations to the appropriations committees, or any successor committees, of each house.
- (B) If the joint budget committee's recommendations to the appropriations committees in the general appropriations bill alter the determinations of priority established by the capital development committee, prior to making the recommendations, the joint budget committee shall notify the capital development committee and allow for a joint meeting of the two committees. If part 13 of this article is repealed, this sub-subparagraph (B) is repealed, effective July 1, 2014.
 - **SECTION 22.** In Colorado Revised Statutes, 12-23-101, add (3.7) as follows:
- **12-23-101. Definitions.** As used in this article, unless the context otherwise requires:
- (3.7) "Qualified state institution of higher education" means one of the state institutions of higher education established under, specified in, and located upon the campuses described in sections 23-20-101 (1) (a) and 23-31-101, C.R.S., limited to the buildings owned or leased by those institutions on said campuses.
- **SECTION 23.** In Colorado Revised Statutes, 12-23-104, **amend** (2) (a), (2) (k), (2) (l), and (2) (m) as follows:
- **12-23-104. Board powers and duties rules.** (2) In addition to all other powers and duties conferred or imposed upon the board by this article, the board is authorized to:
- (a) Adopt, and from time to time revise, such rules and regulations not inconsistent with the law as may be necessary to enable it to carry into effect the provisions of this article. In adopting such rules and regulations, the board shall be governed when appropriate by the standards in the most current edition of the national electrical code or by any modifications to such standards made by the board after a hearing is held pursuant to the provisions of article 4 of title 24, C.R.S. These standards are adopted as the minimum standards governing the planning, laying out, and installing or the making of additions, alterations, and repairs in the installation of wiring apparatus and equipment for electric light, heat, and power in this state. A copy of such code shall be kept in the office of the board and open to public inspection. Nothing contained in this section shall prohibit PROHIBITS any city, town, county, or city and county, OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION from making and enforcing any such standards that are more stringent than the minimum standards adopted by the board, and any city, town, county, or city and county, which OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION

THAT adopts such more stringent standards shall furnish a copy thereof to the board. The standards adopted by the board shall be prima facie evidence of minimum approved methods of construction for safety to life and property. The affirmative vote of two-thirds of all appointed members of the board shall be is required to set any standards that are different from those set forth in the national electrical code. If requested in writing, the board shall send a copy of newly adopted standards and rules and regulations to any interested party at least thirty days before the implementation and enforcement of such standards or rules and regulations. Such copies may be furnished for a fee established pursuant to section 24-34-105, C.R.S.

- (k) Find, upon holding a hearing, that an incorporated town or city, county, or city and county, OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION fails to meet the minimum requirements of this article if the local inspection authority, INCLUDING A QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION, has failed to adopt or adhere to the minimum standards required by this article within twelve months after the board has adopted the standards by rule pursuant to this subsection (2);
- (1) Issue an order to cease and desist from issuing permits or performing inspections under this article to an incorporated town or city, county, or city and county, OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION upon finding that the public entity OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION fails to meet the minimum requirements of this article pursuant to paragraph (k) of this subsection (2);
- (m) Apply to a court to enjoin an incorporated town or city, county, or city and county, OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION from violating an order issued pursuant to paragraph (l) of this subsection (2).

SECTION 24. In Colorado Revised Statutes, 12-23-111, **amend** (15) as follows:

12-23-111. Exemptions. (15) Inasmuch as electrical licensing and the examination of persons performing electrical work is a matter of statewide concern, no examination, certification, licensing, or registration of electrical contractors, master electricians, journeymen electricians, residential wiremen, or apprentices who are licensed, registered, or certified under this article shall be required by any city, town, county, or city and county, or QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION; however, any such local governmental authority OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION may impose reasonable registration requirements on any electrical contractor as a condition of performing services within the jurisdiction of such authority OR WITHIN THE BUILDINGS OF SUCH QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION. No fee shall be charged for such registration.

SECTION 25. In Colorado Revised Statutes, 12-23-115, **amend** (1) (b) as follows:

12-23-115. Inspectors - qualifications. (1) (b) Any employee of a private, municipal, or cooperative electric utility rendering service to the ultimate public shall be prohibited from employment as an electrical inspector only when in the performance of any electrical work as defined in this article. Electrical inspectors

performing electrical inspections who are employed by any city, town, county, or city and county, or QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION shall possess the same qualifications required of state electrical inspectors under this section, shall be registered with the board prior to the assumption of their duties, shall not inspect any electrical work in which such inspector has any financial or other personal interest, and shall not be engaged, within the jurisdiction employing such inspector, in the electrical business by contracting, supplying material, or performing electrical work as defined in this article. A SUPERVISOR OVERSEEING THE WORK OF AN ELECTRICAL INSPECTOR WHO IS EMPLOYED BY A QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION SHALL NOT DIRECT SUCH ELECTRICAL INSPECTOR TO VIOLATE ANY PROVISION OF THIS ARTICLE. AN ELECTRICAL INSPECTOR EMPLOYED BY A QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION SHALL NOT BE COERCED BY A SUPERVISOR WHEN FILING A COMPLAINT WITH THE BOARD, OR WHEN SUCH ELECTRICAL INSPECTOR DISAPPROVES AN ELECTRICAL INSTALLATION THAT VIOLATES THE PROVISIONS OF THIS ARTICLE.

SECTION 26. In Colorado Revised Statutes, 12-23-116, **amend** (1) (a), (2) (a), (8), and (10) as follows:

- 12-23-116. Inspection application standards. (1) (a) An individual required to have electrical inspection under this article shall apply to the board for an electrical permit, except where an incorporated town or city, county, or city and county, of this state OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION has a building department that meets the minimum standards of this article and that processes applications for building permits and inspections, in which case the individual shall apply to such building department. A QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION WITH A BUILDING DEPARTMENT THAT MEETS OR EXCEEDS THE MINIMUM STANDARDS ADOPTED BY THE BOARD UNDER THIS ARTICLE SHALL PROCESS APPLICATIONS FOR PERMITS AND INSPECTIONS ONLY FROM THE INSTITUTION AND FROM CONTRACTORS WORKING FOR THE INSTITUTION, AND SHALL CONDUCT INSPECTIONS ONLY OF WORK PERFORMED FOR THE BENEFIT OF THE INSTITUTION. EACH INSPECTION MUST INCLUDE A CONTEMPORANEOUS REVIEW TO ENSURE THAT THE REQUIREMENTS OF THIS ARTICLE, AND SPECIFICALLY SECTION 12-23-110.5, HAVE BEEN MET.
- (2) (a) The owner of an electrical installation in any new construction, other than manufactured units certified by the division of housing pursuant to section 24-32-3311, C.R.S., or remodeling or repair of an existing construction, except in any incorporated town or city, county, or city and county, or QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION having its own electrical code and inspection program equal to the minimum standards as are provided in this article, shall have the electrical portion of the installation, remodeling, or repair inspected by a state electrical inspector. A QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION WITH A BUILDING DEPARTMENT THAT MEETS OR EXCEEDS THE MINIMUM STANDARDS ADOPTED BY THE BOARD UNDER THIS ARTICLE SHALL PROCESS APPLICATIONS FOR PERMITS AND INSPECTIONS ONLY FROM THE INSTITUTION AND FROM CONTRACTORS WORKING FOR THE INSTITUTION, AND SHALL CONDUCT INSPECTIONS ONLY OF WORK PERFORMED FOR THE BENEFIT OF THE INSTITUTION.
- (8) In the event that any incorporated town or city, any county, or any city and county, OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION intends to

commence or cease performing electrical inspections in its respective jurisdiction it OR, IN THE CASE OF A QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION, FOR ITS BUILDINGS, SUCH PUBLIC ENTITY OR INSTITUTION shall commence or cease the same only as of July 1 of any year, and written notice of such intent shall be given to the board on or before October 1 of the preceding calendar year. If such notice is not given and the use of state electrical inspectors is required within such notice requirement, the respective local government OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION of the RESPECTIVE jurisdiction OR BUILDING requiring such inspections shall reimburse the state electrical board for any expenses incurred in performing such inspections, in addition to transmitting the required permit fees.

(10) An inspector performing an inspection for the state, an incorporated town or city, a county, or a city and county, or a QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION may verify compliance with any provision of this article and may file a complaint with the board for a violation of this article.

SECTION 27. In Colorado Revised Statutes, 12-23-117, **amend** (2) as follows:

12-23-117. Permit fees. (2) Because electrical inspections are matters of statewide concern, the maximum fees, established annually, chargeable for electrical inspections by any city, town, county, or city and county, OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION shall not be more than fifteen percent above those provided for in this section, and no such local government OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION shall impose or collect any other fee or charge related to electrical inspections or permits. A QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION MAY CHOOSE NOT TO REQUIRE FEES AS PART OF THE PERMITTING PROCESS. A DOCUMENTED PERMITTING AND INSPECTION SYSTEM MUST BE INSTITUTED BY EACH QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION AS A TRACKING SYSTEM THAT IS AVAILABLE TO THE BOARD FOR THE PURPOSE OF INVESTIGATING ANY ALLEGED VIOLATION OF THIS ARTICLE. THE PERMITTING AND INSPECTION SYSTEM MUST INCLUDE INFORMATION SPECIFYING THE PROJECT, THE NAME OF THE INSPECTOR, THE DATE OF THE INSPECTION, THE JOB SITE ADDRESS, THE SCOPE OF THE PROJECT, THE TYPE OF THE INSPECTION, THE RESULT OF THE INSPECTION, THE REASON AND APPLICABLE CODE SECTIONS FOR PARTIALLY PASSED OR FAILED INSPECTIONS, AND THE NAMES OF THE CONTRACTORS ON THE PROJECT WHO ARE SUBJECT TO INSPECTION.

SECTION 28. In Colorado Revised Statutes, 12-58-102, add (8.5) as follows:

12-58-102. Definitions. As used in this article, unless the context otherwise requires:

(8.5) "Qualified state institution of higher education" means one of the state institutions of higher education established under, specified in, and located upon the campuses described in sections 23-20-101 (1) (a) and 23-31-101, C.R.S., limited to the buildings owned or leased by those institutions on said campuses.

SECTION 29. In Colorado Revised Statutes, 12-58-104, **amend** (1) (l), (1) (m), and (1) (n) as follows:

- **12-58-104. Powers of board fees rules.** (1) In addition to all other powers and duties conferred or imposed upon the board by this article, the board is authorized and empowered to:
- (l) Find, upon holding a hearing, that an incorporated town or city, county, or city and county, OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION fails to meet the minimum requirements of this article if the A local inspection authority OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION has failed to adhere to the minimum standards required by this article within twelve months after the board has adopted the standards by rule pursuant to this subsection (1);
- (m) Issue an order to cease and desist from issuing permits or performing inspections under this article to an incorporated town or city, county, or city and county, OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION upon finding that the public entity OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION fails to meet the minimum requirements of this article under this subsection (1);
- (n) Apply to a court to enjoin an incorporated town or city, county, or city and county, OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION from violating an order issued pursuant to paragraph (m) of this subsection (1).

SECTION 30. In Colorado Revised Statutes, 12-58-114.2, **add** (4) as follows:

- 12-58-114.2. Plumbing inspectors qualifications. (4) (a) Plumbing inspectors performing inspections who are employed by a qualified state institution of higher education shall possess a valid journeyman or master plumber license issued by the state. In addition, such plumbing inspectors shall possess the same qualifications required of state plumbing inspectors under this article, shall be registered with the board prior to the assumption of their duties, shall not inspect any plumbing work in which the inspector has any financial or other personal interest, and shall not be engaged in the plumbing business by contracting, supplying material, or performing plumbing work as defined in this article.
- (b) As part of their duties, plumbing inspectors performing inspections who are employed by a qualified state institution of higher education have the authority to verify the plumbing licenses or apprenticeship registration cards issued by the state for those people performing the plumbing work on a project.
- **SECTION 31.** In Colorado Revised Statutes, 12-58-114.5, **amend** (1), (6), and (8); and **add** (9) as follows:
- **12-58-114.5. Inspection application standards.** (1) Any plumbing or gas piping installation in any new construction or remodeling or repair, other than manufactured units inspected in accordance with the provisions of part 7 of article 32 of title 24, C.R.S., except for such new construction or remodeling or repair in any incorporated town or city, any county, or any city and county, that or IN A BUILDING OWNED OR LEASED BY A QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION WHERE SUCH LOCAL ENTITY OR QUALIFIED STATE INSTITUTION OF

HIGHER EDUCATION conducts inspections and issues permits, must be inspected by a state plumbing inspector. A state plumbing inspector shall inspect any new construction, remodeling, or repair subject to the provisions of this subsection (1) within three working days after the receipt of the application for inspection. Prior to the commencement of any such plumbing or gas piping installation, the person making such installation shall apply for a permit and pay the required fee. Every mobile home or movable structure owner shall have the plumbing and gas piping hookup for such mobile home or movable structure inspected prior to obtaining new or different plumbing or gas service. A QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION WITH A BUILDING DEPARTMENT THAT MEETS OR EXCEEDS THE MINIMUM STANDARDS ADOPTED BY THE BOARD UNDER THIS ARTICLE SHALL PROCESS APPLICATIONS FOR PERMITS AND INSPECTIONS ONLY FROM THE INSTITUTION AND FROM CONTRACTORS WORKING FOR THE INSTITUTION, AND SHALL CONDUCT INSPECTIONS ONLY OF WORK PERFORMED FOR THE BENEFIT OF THE INSTITUTION. EACH INSPECTION MUST INCLUDE A CONTEMPORANEOUS REVIEW TO ENSURE THAT THE REQUIREMENTS OF SECTION 12-58-105 HAVE BEEN MET.

- (6) In the event that any IF AN incorporated town or city, any county, or any city and county, OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION intends to commence or cease performing plumbing or gas piping inspections in its respective jurisdiction OR FOR ITS RESPECTIVE BUILDINGS, written notice of such intent shall be given to the board.
- (8) If an incorporated town or city, county, or city and county, or QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION intends to commence or cease performing plumbing inspections in its jurisdiction OR FOR THE BUILDINGS OWNED OR LEASED BY A QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION, it shall commence or cease the same only as of July 1 of any year, and written notice of such intent must be given to the board on or before October 1 of the preceding calendar year. If such notice is not given and the use of state plumbing inspectors is required within the RESPECTIVE jurisdiction OR BUILDING affected by the notice requirement, the respective local government OR QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION of the RESPECTIVE jurisdiction OR BUILDING requiring such inspections shall reimburse the board for any expenses incurred in performing such inspections, in addition to transmitting the required permit fees.
- (9) A QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION MAY CHOOSE NOT TO REQUIRE FEES AS PART OF THE PERMITTING PROCESS. A DOCUMENTED PERMITTING AND INSPECTION SYSTEM MUST BE INSTITUTED BY EACH QUALIFIED STATE INSTITUTION OF HIGHER EDUCATION AS A TRACKING SYSTEM THAT IS AVAILABLE TO THE BOARD FOR THE PURPOSE OF INVESTIGATING ANY ALLEGED VIOLATION OF THIS ARTICLE. THE PERMITTING AND INSPECTION SYSTEM MUST INCLUDE INFORMATION SPECIFYING THE PROJECT, THE NAME OF THE INSPECTOR, THE DATE OF THE INSPECTION, THE JOB SITE ADDRESS, THE SCOPE OF THE PROJECT, THE TYPE OF THE INSPECTION, THE RESULT OF THE INSPECTION, THE REASON AND APPLICABLE CODE SECTIONS FOR PARTIALLY PASSED OR FAILED INSPECTIONS, AND THE NAMES OF THE CONTRACTORS ON THE PROJECT WHO ARE SUBJECT TO INSPECTION.

SECTION 32. In Colorado Revised Statutes, 22-43.7-103, amend (6) as follows:

22-43.7-103. Definitions. As used in this article, unless the context otherwise

requires:

(6) "Capital construction" shall have HAS the same meaning as set forth in section 24-75-301 (1) SECTION 24-30-1301 (2), C.R.S.

SECTION 33. In Colorado Revised Statutes, 22-43.7-109, **amend** (7) (a) as follows:

22-43.7-109. Financial assistance for public school capital construction application requirements - evaluation criteria - local match requirements. (7) (a) Pursuant to the timelines established pursuant to subsection (2) of this section for any fiscal year for which financial assistance is to be awarded, and after prioritizing public school facility capital construction projects as specified in subsection (5) of this section, the board shall submit to the state board a prioritized list of projects for which the board recommends the provision of financial assistance. The prioritized list must include the board's recommendation as to the amount and type of financial assistance to be provided and a statement of the source and amount of applicant matching moneys for each recommended project based upon information provided by the applicant. The board may recommend that any specific project only receive financial assistance if another higher priority project or group of projects becomes ineligible for financial assistance due to the inability of an applicant to raise required matching moneys by a deadline prescribed by the board as a condition of a financial assistance award for the higher priority project or group of projects. If an applicant is approved for an award of financial ASSISTANCE AS AN ALTERNATE AWARD RECIPIENT AND THE APPLICANT SUCCESSFULLY RAISES REQUIRED MATCHING MONEYS THROUGH VOTER-APPROVAL OF A BALLOT OUESTION FOR CONTRACTING BONDED INDEBTEDNESS BUT DOES NOT ACTUALLY RECEIVE FINANCIAL ASSISTANCE BECAUSE ALL PRIMARY AWARD RECIPIENTS OR HIGHER PRIORITY ALTERNATE AWARD RECIPIENTS ALSO SUCCESSFULLY RAISED REQUIRED MATCHING MONEYS, THE ALTERNATE AWARD RECIPIENT MAY RESUBMIT ITS APPLICATION FOR FINANCIAL ASSISTANCE AS PREVIOUSLY APPROVED DURING THE NEXT APPLICATION CYCLE. IF THE BOARD, IN CONSULTATION WITH THE STATE TREASURER, DETERMINES THAT THE COMBINATION OF MATCHING MONEYS RAISED BY THE ALTERNATE AWARD RECIPIENT, PLUS EITHER UNSPENT PROCEEDS FROM COMPLETED LEASE-PURCHASE AGREEMENTS OR MONEYS TO BE RAISED THROUGH ENTRY INTO AN ADDITIONAL LEASE-PURCHASE AGREEMENT THAT THE STATE HAS THE CAPACITY TO EXECUTE, OR BOTH, ARE SUFFICIENT TO FUND THE APPLICANT'S PROJECT, THE BOARD MAY AWARD FINANCIAL ASSISTANCE TO THE APPLICANT AND, IF NECESSARY, ORDER THE STATE TREASURER TO ENTER INTO A LEASE-PURCHASE AGREEMENT ON BEHALF OF THE STATE. The state board shall review and make decisions regarding the prioritized list no later than June 20 of each year and may approve, disapprove, or modify the provision of financial assistance for any project recommended by the board if the state board concludes that the board misinterpreted the results of the prioritization assessment conducted pursuant to section 22-43.7-108 or misapplied the prioritization criteria specified in subsection (5) of this section. The state board shall specifically explain in writing its reasons for finding that the board misinterpreted the results of the priority assessment or misapplied the prioritization criteria when disapproving or modifying any financial assistance award recommended by the board.

SECTION 34. In Colorado Revised Statutes, **amend** 23-1-106 as follows:

- 23-1-106. Duties and powers of the commission with respect to capital construction and long-range planning legislative declaration definitions. (1) Except as permitted by subsections (9) and (10) of this section, it is declared to be the policy of the general assembly not to authorize or to acquire sites or initiate any program or ANY activity requiring capital construction OR CAPITAL RENEWAL for state-supported STATE institutions of higher education which, for the purposes of this section, shall include the Auraria higher education center established in article 70 of this title, unless approved by the commission.
- (2) The commission shall, after consultation with the appropriate governing boards of the state-supported STATE institutions of higher education and the appropriate state administrative agencies, have authority to prescribe uniform policies, procedures, and standards of space utilization for the development and approval of capital construction OR CAPITAL RENEWAL programs by institutions.
- (3) The commission shall review and approve facility master plans for all state institutions of higher education on land owned or controlled by the state or an institution and capital construction OR CAPITAL RENEWAL program plans for projects other than those projects described in subsection (9) or (10) of this section. Except for those projects described in subsection (9) or (10) of this section, no capital construction OR CAPITAL RENEWAL shall commence except in accordance with an approved facility master plan and program plan.
- (4) The commission shall ensure conformity of facilities master planning with approved educational master plans and facility program plans with approved facilities master plans.
- (5) (a) The commission shall approve plans for any capital construction or CAPITAL RENEWAL project at any STATE institution including a community college, OFHIGHER EDUCATION regardless of the source of funds; except that the commission need not approve plans for any capital construction or CAPITAL RENEWAL project at a local district college or area vocational school or for any capital construction or acquisition CAPITAL RENEWAL project described in subsection (9) or (10) of this section.
- (b) The commission may except from the requirements for program and physical planning any project that shall require REQUIRES less than two million dollars of state moneys.
- (6) (a) The commission shall request annually from each governing board of each state institution of higher education a five-year projection of eapital development CAPITAL CONSTRUCTION OR CAPITAL RENEWAL projects to be constructed but not including those projects described in subsection (9) or (10) of this section. The projection shall MUST include the estimated cost, the method of funding, a schedule for project completion, and the governing board-approved priority for each project. The commission shall determine whether a proposed project is consistent with the role and mission and master planning of the institution and conforms to standards recommended by the commission.
- (b) The commission shall request annually from the governing board of each state institution of higher education a two-year projection of capital construction or

acquisition projects to be undertaken pursuant to subsection (9) or (10) of this section and estimated to require total project expenditures exceeding two million dollars. The projection shall MUST include the estimated cost, the method of funding, and a schedule for project completion for each project. An A STATE institution OF HIGHER EDUCATION shall amend the projection prior to commencing a project that is not included in the institution's most recent projection.

- (7) (a) The commission annually shall prepare a unified, five-year capital improvements report of projects to be constructed, but not including those CAPITAL CONSTRUCTION OR CAPITAL RENEWAL projects constructed or acquired to be undertaken pursuant to subsection (9) or (10) of this section, coordinated with education plans. The commission shall transmit the report to the office of state planning and budgeting, the governor, and the general assembly the Capital Development committee, and the joint budget committee, consistent with the executive budget timetable, together with a recommended priority of funding of capital construction or Capital renewal projects for the system of public higher education. The commission shall annually transmit the recommended priority of funding of capital construction or Capital renewal projects to the capital development committee no later than November 1 of each year.
- (b) Except as provided in subsection (5) of this section, it is the policy of the general assembly to appropriate funds only for CAPITAL CONSTRUCTION OR CAPITAL RENEWAL projects approved by the commission.
- (c) (I) The commission annually shall prepare a unified, two-year capital improvements report for CAPITAL CONSTRUCTION OR CAPITAL RENEWAL projects to be constructed or acquired pursuant to DESCRIBED IN subsection (9) or (10) of this section and estimated to require total project expenditures exceeding two million dollars, coordinated with education plans. The commission shall transmit the report to the office of state planning and budgeting, the governor, and the general assembly THE CAPITAL DEVELOPMENT COMMITTEE, AND THE JOINT BUDGET COMMITTEE, consistent with the executive budget timetable.
- (II) (A) Commencing in the 2010 regular legislative session, and in each regular legislative session thereafter, The commission shall submit the two-year projections prepared by each state institution of higher education for the 2010-11 and 2011-12 fiscal years, and for each two-year period thereafter as applicable, to the office of state planning and budgeting and the capital development committee. Beginning in the 2010 regular legislative session and in each regular legislative session thereafter, The capital development committee shall conduct a hearing IN EACH REGULAR LEGISLATIVE SESSION on the projections and either approve the projections or return the projections to the STATE institution OF HIGHER EDUCATION for modification. The commission and the office of state planning and budgeting shall provide the capital development committee with comments concerning each projection.
- (B) A state institution of higher education may submit to the staff of the capital development committee, the commission, and the office of state planning and budgeting an amendment to its approved two-year projection. The capital development committee shall conduct a hearing on the amendment within thirty days after submission during a regular legislative session of the general assembly or within forty-five days after submission during any period that the general

assembly is not in regular legislative session. The capital development committee shall either approve the projections or return the projections to the STATE institution OF HIGHER EDUCATION for modification. The commission and the office of state planning and budgeting shall provide the capital development committee with comments concerning each amendment.

(8) Repealed.

- (9) (a) Except as provided in paragraph (d) of this subsection (9), a capital construction or acquisition CAPITAL RENEWAL project for an auxiliary facility initiated by the governing board of a state-supported STATE institution of higher education that is contained in the most recent unified, two-year capital improvements project projection approved pursuant to subparagraph (II) of paragraph (c) of subsection (7) of this section, as the projection may be amended from time to time, and that is to be acquired or constructed and operated and maintained solely from cash funds held by the institution shall is not be subject to additional review or approval by the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee.
- (b) Except as provided in paragraph (d) of this subsection (9), a capital construction or acquisition CAPITAL RENEWAL project for an academic facility initiated by the governing board of a state-supported STATE institution of higher education that is contained in the most recent unified, two-year eapital improvements project projection approved pursuant to subparagraph (II) of paragraph (c) of subsection (7) of this section, as the projection may be amended from time to time, and that is to be acquired or constructed solely from cash funds held by the institution and operated and maintained from such funds or from state moneys appropriated for such purpose, or both, shall is not be subject to additional review or approval by the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee. Any capital construction OR CAPITAL RENEWAL project subject to this paragraph (b) shall MUST comply with the high performance standard certification program established pursuant to section 24-30-1305 SECTION 24-30-1305.5, C.R.S.
- (c) Each governing board shall ensure, consistent with its responsibilities as set forth in section 5 (2) of article VIII of the state constitution, that a capital construction or acquisition CAPITAL RENEWAL project initiated pursuant to this subsection (9) shall be is in accordance with its institution's mission, be of a size and scope to provide for the defined program needs, and be designed in accordance with all applicable building codes and accessibility standards.
- (d) (I) The provisions of this subsection (9) shall DO not apply to a CAPITAL CONSTRUCTION OR CAPITAL RENEWAL project that is to be acquired or constructed in whole or in part using moneys subject to the higher education revenue bond intercept program established pursuant to section 23-5-139.
- (II) Any plan for any such capital construction or acquisition CAPITAL RENEWAL project that is estimated to require total expenditures of two million dollars or less shall is not be subject to review or approval by the commission.
 - (e) A capital construction or acquisition project approved and appropriated prior

- to January 1, 2010, may be contained in the most recent unified two-year capital improvements project projection approved pursuant to subparagraph (II) of paragraph (c) of subsection (7) of this section. The projection may be amended from time to time and shall is not be subject to additional review or approval by the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee.
- (10) (a) (I) The commission shall review and approve any plan for a capital construction or acquisition CAPITAL RENEWAL project for an auxiliary facility that is estimated to require total expenditures exceeding two million dollars and that is to be acquired or constructed and operated and maintained solely from cash funds held by the STATE institution OF HIGHER EDUCATION that, in whole or in part, are subject to the higher education revenue bond intercept program established pursuant to section 23-5-139.
- (II) The commission shall review and approve any plan for a capital construction or acquisition CAPITAL RENEWAL project for an academic facility that is estimated to require total expenditures exceeding two million dollars, that is to be acquired or constructed solely from cash funds held by the STATE institution OF HIGHER EDUCATION that, in whole or in part, are subject to the higher education revenue bond intercept program established pursuant to section 23-5-139, and that is operated and maintained from such cash funds or from state moneys appropriated for such purpose, or both. Any capital construction OR CAPITAL RENEWAL project subject to this subparagraph (II) shall MUST comply with the high performance standard certification program established pursuant to section 24-30-1305 SECTION 24-30-1305.5, C.R.S.
- (III) Any plan for any such capital construction or acquisition CAPITAL RENEWAL project that is estimated to require total expenditures of two million dollars or less shall is not be subject to review or approval by the commission.
- (b) Upon approval of a plan for a capital construction or acquisition CAPITAL RENEWAL project pursuant to paragraph (a) of this subsection (10), the commission shall submit the plan to the capital development committee. The capital development committee shall make a recommendation regarding the project to the joint budget committee. Following the receipt of the recommendation, the joint budget committee shall refer its recommendations regarding the project, with written comments, to the commission.
- (c) A capital construction or acquisition project approved and appropriated prior to January 1, 2010, may be contained in the most recent unified two-year capital improvements project projection approved pursuant to subparagraph (II) of paragraph (c) of subsection (7) of this section, and the projection may be amended from time to time.
- (10.2) (a) (I) Notwithstanding any law to the contrary, all academic facilities acquired or constructed, or an auxiliary facility repurposed for use as an academic facility, solely from cash funds held by the STATE institution OF HIGHER EDUCATION and operated and maintained from such cash funds or from state moneys appropriated for such purpose, or both, including, but not limited to, those facilities described in paragraph (b) of subsection (9) of this section and subparagraph (II) of

paragraph (a) of subsection (10) of this section, that did not previously qualify for state controlled maintenance funding will qualify for state controlled maintenance funding, subject to funding approval by the capital development committee and the eligibility guidelines described in section 24-30-1303.9, C.R.S. as enacted by House Bill 12-1318, enacted in 2012.

- (II) For purposes of this paragraph (a), the eligibility for state controlled maintenance funding commences on the date of the acceptance of the construction or repurposing of the facility or the closing date of any acquisition. The date of the acceptance of construction or repurposing shall be determined by the office of the state architect.
- (b) (I) The general assembly hereby finds, determines, and declares that the classification of facilities as academic facilities or auxiliary facilities can be difficult, and such classifications often change as academic needs, student needs, and new construction and design practices emerge. Therefore, the office of the state architect, in collaboration with the department of higher education and the office of state planning and budgeting, shall develop guidelines in order to assist such classification. The guidelines shall be annually reviewed and approved by the capital development committee. The guidelines shall MUST address the following two factors that have historically been considered when classifying academic facilities and auxiliary facilities:
 - (A) The funding source for the facility; and
 - (B) The nature and use of the facility.
- (II) The guidelines established pursuant to this paragraph (b) shall MUST use the definitions set forth in subsection (10.3) of this section.
 - (10.3) As used in this section, unless the context otherwise requires:
- (a) "Academic facility" means any building or other physical facility, including any supporting utility infrastructure AND SITE IMPROVEMENTS, that is central to the role and mission of each STATE institution OF HIGHER EDUCATION as set forth in this title. Examples include, but are not limited to, classrooms, libraries, and administrative buildings.
- (b) "Auxiliary facility" means any building or other physical facility, including any supporting utility infrastructure AND SITE IMPROVEMENTS, funded from an auxiliary source such as housing or parking revenue or any building or other physical facility that has been historically managed as an auxiliary facility and is accounted for in institutional financial statements of STATE INSTITUTIONS OF HIGHER EDUCATION as a self-supporting facility. Examples include, but are not limited to, housing facilities, dining facilities, recreational facilities, and student activities facilities.
- (c) "Capital construction" has the same meaning as set forth in section 24-30-1301 (2), C.R.S.; except that it does not include the installation, development, or upgrade of information technology as specified in section 24-30-1301 (2) (g), C.R.S.

- (d) "Capital Renewal" has the same meaning as set forth in section 24-30-1301 (3), C.R.S.
- (e) "FACILITY" HAS THE SAME MEANING AS SET FORTH IN SECTION 24-30-1301 (8), C.R.S.
- (f) "State institution of higher education" means a state institution of higher education as defined in section 23-18-102 (10), and the Auraria higher education center created in article 70 of this title.
- (10.5) (a) For any project subject to subsection (9) or (10) of this section, if, after commencement of acquisition or construction, the governing board of the STATE institution OF HIGHER EDUCATION receives an additional gift, grant, or donation for the project, the governing board may amend the project without the approval of the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee so long as the governing board notifies the commission, the office of state planning and budgeting, the capital development committee, and the joint budget committee in writing, explaining how the project has been amended and verifying the receipt of the additional gift, grant, or donation.
- (b) For any project subject to subsection (9) or (10) of this section, the governing board may enhance the project in an amount not to exceed fifteen percent of the original estimate of the cost of the project without the approval of the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee so long as the governing board notifies the commission, the office of state planning and budgeting, the capital development committee, and the joint budget committee in writing, explaining how the project has been enhanced and the source of the moneys for the enhancement.
- (c) For any project subject to subsection (9) or (10) of this section, the governing board of the STATE institution OF HIGHER EDUCATION implementing the project is not required to submit for the project quarterly expenditure reports as described in section 24-30-204 (2), C.R.S. The governing board shall submit for the project annual expenditure reports as required in section 24-30-204 (1), C.R.S.
- (11) (a) Each state institution of higher education shall submit to the commission on or before September 1 of each year a list and description of each project for which an expenditure was made during the immediately preceding fiscal year that:
- (I) Was not subject to review by the commission pursuant to subsection (9) of this section;
 - (II) Was approved pursuant to subsection (10) of this section;
 - (III) Was estimated to require total expenditures of two million dollars or less; or
- (IV) Was amended or enhanced after commencement of acquisition or construction pursuant to subsection (10.5) of this section.
- (b) The commission shall submit a compilation of the projects to the capital development committee on or before December 1 of each year.

- (12) Each STATE institution OF HIGHER EDUCATION shall submit to the commission a facility management plan or update required by section 24-30-1303.5 (3.5), C.R.S. The commission shall review the facility management plan or update and make recommendations regarding it to the department of personnel.
- (13) The provisions of this section shall not apply to any local junior college district that is not a part of the state system and not eligible to receive any state funds for capital construction pursuant to section 23-71-202 (3).

SECTION 35. In Colorado Revised Statutes, 23-31-504, **amend** (3) as follows:

23-31-504. Control, investment, and expending of funds. (3) The general assembly of the state of Colorado engages that the principal of such fund shall forever remain REMAINS unimpaired and the income thereof shall be is applied without diminution to the uses and purposes prescribed in said act of congress; except that, as prescribed in said act of congress, a sum not exceeding ten percent of the principal of such fund may be expended by the board of governors of the Colorado state university system for the purchase or exchange of lands for sites or experimental stations, subject to the PROVISIONS OF SECTIONS 24-75-301 TO 24-75-303, C.R.S., AND THE approval of the governor. and the provisions of sections 24-75-301 to 24-75-303, C.R.S.

SECTION 36. In Colorado Revised Statutes, **amend** 24-1-136.5 as follows:

- **24-1-136.5.** Long-range planning for capital construction, controlled maintenance, capital renewal policy heads of principal departments. (1) The executive director of each department, after consultation with the directors of the subordinate agencies, divisions, or offices within the department, shall have HAS THE authority to prescribe uniform policies, procedures, and standards of space utilization in department facilities, except for office space, for the development and approval of capital construction, Controlled Maintenance, and Capital Renewal projects for the department. Nothing in this subsection (1) shall should be construed to alter the authority of the department of personnel to prescribe uniform standards for office space pursuant to section 24-30-1303 (1) (h).
- (2) The executive director shall review and, with the approval of the governor, approve facilities master planning and facilities program planning for all capital construction, CONTROLLED MAINTENANCE, AND CAPITAL RENEWAL projects of the ON department on state-owned or state-controlled land REAL PROPERTY, regardless of the source of funds, and no capital construction, CONTROLLED MAINTENANCE, OR CAPITAL RENEWAL shall commence except in accordance with an approved facilities master plan, facilities program plan, and physical plan.
- (3) The executive director shall ensure conformity of facilities master planning with approved department operational master plans, facilities program plans with approved facilities master plans, and physical plans with approved facilities program plans.
- (4) Plans for any capital construction, CONTROLLED MAINTENANCE, OR CAPITAL RENEWAL project for the department shall be ARE subject to the approval of the executive director, regardless of the source of funds. The executive director may

exempt any project which requires less than five hundred thousand dollars of state moneys from the requirements for master planning and program planning.

- (5) The executive director shall annually request from the director of each subordinate agency, division, or office within the department a five-year projection of ANY capital development CONSTRUCTION, CONTROLLED MAINTENANCE, AND CAPITAL RENEWAL projects. The projection shall MUST include the estimated cost, the method of funding, a schedule for project completion, and the director's priority for each project. The executive director shall determine whether a proposed project is consistent with operational master planning and facilities master planning of the department and conforms to space utilization standards established pursuant to subsection (1) of this section and section 24-30-1303 (1) (h).
- (6) (a) The executive director shall annually establish a department five-year capital improvements CONSTRUCTION, CONTROLLED MAINTENANCE, AND CAPITAL RENEWAL plan coordinated with department operational master plans and facilities master plans and shall transmit to the office of state planning and budgeting, the governor, and the general assembly, consistent with the executive budget timetable, a recommended priority of funding of capital construction, CONTROLLED MAINTENANCE, AND CAPITAL RENEWAL projects for the department.
- (b) Except as provided in subsection (4) of this section, it is the policy of the general assembly to appropriate funds only for projects approved by the executive director.
- (7) Any acquisition or utilization of real property by a department which is conditional upon or requires expenditures of state-controlled STATE funds or federal funds shall be is subject to the approval of the executive director, regardless of whether the acquisition is by lease, lease-purchase, purchase, gift, or otherwise.
- (8) Prior to approving the facilities master plan and facilities program plan for any capital construction, CONTROLLED MAINTENANCE, OR CAPITAL RENEWAL project to be constructed, operated, and maintained solely from fees, gifts and bequests, grants, revolving funds, or a combination of such sources, the executive director shall request and consider recommendations from the capital development committee and the joint budget committee. The executive director, the capital development committee, and the joint budget committee shall by agreement adopt procedures for the review of such projects by the capital development committee and joint budget committee. The agreement shall MUST provide that, whenever possible, the capital development committee and joint budget committee will submit their recommendations to the executive director within thirty days after each committee receives the information prescribed in the agreement as necessary for its review.
- (9) This section shall DOES not apply to the department of higher education, nor shall SHOULD it be construed to alter the duties of the Colorado commission on higher education set forth in section 23-1-106, C.R.S.
 - (10) As used in this section, unless the context otherwise requires:
 - (a) "Capital Construction" has the same meaning as set forth in section

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- 24-30-1301 (2).
- (b) "Capital Renewal" has the same meaning as set forth in section 24-30-1301 (3).
- (c) "Controlled maintenance" has the same meaning as set forth in section 24-30-1301 (4), including the limitations specified in section 24-30-1303.9.
 - (d) "FACILITY" HAS THE SAME MEANING AS SET FORTH IN SECTION 24-30-1301 (8).
- (e) "Real property" has the same meaning as set forth in section 24-30-1301 (15).
- **SECTION 37.** In Colorado Revised Statutes, 24-30-1402, **amend** (1.5), (5), and (7); and **add** (8) as follows:
- **24-30-1402. Definitions.** As used in this part 14, unless the context otherwise requires:
- (1.5) "Continuing contract" means a contract for professional services entered into pursuant to this part 14 between a state agency OR STATE INSTITUTION OF HIGHER EDUCATION and a person, whereby the person provides professional services to the state agency OR STATE INSTITUTION OF HIGHER EDUCATION for work of a specified nature as outlined in the contract required by the state agency OR STATE INSTITUTION OF HIGHER EDUCATION with no specific time limitation. Any such contract shall provide a termination clause.
- (5) "Principal representative" means the governing board of a state department, institution, or agency OR STATE INSTITUTION OF HIGHER EDUCATION or, if there is no governing board, the executive head of a state department, institution, or agency OR STATE INSTITUTION OF HIGHER EDUCATION, as designated by the governor or the general assembly.
- (7) "State agency" means this state or any department, board, bureau, commission, institution, or other agency of this state HAS THE SAME MEANING AS SET FORTH IN SECTION 24-30-1301 (17).
- (8) "State institution of higher education" has the same meaning as set forth in section 24-30-1301 (18).
- **SECTION 38.** In Colorado Revised Statutes, 24-30-1403, **amend** (1) and (2) (a) as follows:
- **24-30-1403. Professional services listings preliminary selections.** (1) Any person desiring to provide professional services to a state agency OR A STATE INSTITUTION OF HIGHER EDUCATION shall annually submit to the department a statement of qualifications and performance data and such other information as may be required by the department. The department may request such person to update such statement before the anniversary date in order to reflect changed conditions in the status of such person.

(2) (a) For each proposed project for which professional services are required AND WHERE THE FEE FOR SUCH PROFESSIONAL SERVICES IS ESTIMATED TO EQUAL OR EXCEED TWENTY-FIVE THOUSAND DOLLARS, the principal representative of the state agency or STATE INSTITUTION OF HIGHER EDUCATION for which the project is to be done shall evaluate current statements of qualifications and performance data on file with the department and shall conduct discussions with no less than three persons regarding their qualifications, approaches to the project, abilities to furnish the required professional services, anticipated design concepts, and use of alternative methods of approach for furnishing the required professional services. The principal representative shall then select, in order of preference, no less than three persons ranked in order and deemed to be most highly qualified to perform the required professional services after considering, and based upon, such factors as the ability of professional personnel, past performance, willingness to meet time and budget requirements, location, current and projected work loads, the volume of work previously awarded to the person by the state agency OR STATE INSTITUTION OF HIGHER EDUCATION, and the extent to which said persons have and will involve minority subcontractors, with the object of effecting an equitable distribution of contracts among qualified persons as long as such distribution does not violate the principle of selection of the most highly qualified person. In selection pursuant to this section, Colorado firms shall be given preference when qualifications appear to be equal. All selections are subject to approval by the principal representative, and all contracts between the principal representative and such selected professionals shall be consistent with appropriation and legislative intent.

SECTION 39. In Colorado Revised Statutes, 24-30-1404, **amend** (1), (6), (7) (a), (7) (d), (7) (f), and (7) (g) (I) as follows:

- **24-30-1404.** Contracts. (1) The principal representative shall negotiate a contract with the highest qualified person providing professional services for such services at compensation which the principal representative determines in writing to be fair and reasonable. In making such decision, the principal representative shall take into account the estimated value of the services to be rendered and the scope, complexity, and professional nature thereof. For all lump-sum or cost-plus-a-fixed-fee professional service contracts, the principal representative shall require the firm receiving the award to execute a certificate stating that wage rates and other factual unit costs supporting the compensation to be paid by the state agency or State institution of higher education for the professional services are accurate, complete, and current at the time of contracting. Any professional service contract under which such a certificate is required shall contain a provision that the original contract price and any additions thereto shall be adjusted to exclude any significant sums by which the principal representative determines the contract price had been increased due to inaccurate, incomplete, or noncurrent wage rates and other factual unit costs. All such contract adjustments shall be made within one year following the end of the contract.
- (6) Nothing in this part 14 shall be construed to prohibit continuing contracts between STATE AGENCIES OR STATE INSTITUTIONS OF HIGHER EDUCATION AND persons providing professional services. and state agencies. All selections, contracts, and negotiations undertaken pursuant to this part 14 and all processes and procedures in connection with such matters shall be in conformity with this part 14.

- (7) (a) Except as provided in paragraphs (b), (c), (e), (f), and (g) of this subsection (7), any professional services contract entered into pursuant to the provisions of this part 14 shall be executed and encumbered within six months after the date on which the appropriation that includes the project for which the professional services are required becomes law. If no professional services contract is required for a particular project, the contract with the contractor for the project shall be entered into within six months after the appropriation. If a state agency OR STATE INSTITUTION OF HIGHER EDUCATION determines that the nature of a particular project is such that the deadlines imposed by this section cannot be met, the state agency or STATE INSTITUTION OF HIGHER EDUCATION may request the capital development committee to recommend to the controller that the deadline be waived for that project. The controller, in consultation with the capital development committee, may grant a waiver from such deadlines. This subsection (7) shall not apply to projects under the supervision of the department of transportation. This subsection (7) shall not affect any priority established pursuant to section 24-35-210 (11) in the general appropriation act for expenditures for projects to be financed from net lottery proceeds appropriated for capital construction.
- (d) The provisions of this subsection (7) shall not be construed to limit the authority of any state agency OR STATE INSTITUTION OF HIGHER EDUCATION to amend a contract in order to provide for technical corrections, provision of unanticipated work, extensions of performance periods, or other modifications which are necessary to secure satisfactory completion of the work and provision of goods and services within the scope of the original contract.
- (f) In the event that an appropriation is made to a state agency or state institution of higher education for allocation to other state agencies or state institutions of higher education, the six-month period shall apply applies to the execution and encumbrance of a contract by the agency or institution receiving the allocation and shall begin begins to run from the date of the allocation by the agency or institution that received the original appropriation. Nothing in this paragraph (f) shall be construed to extend the duration of any appropriation.
 - (g) This subsection (7) shall not apply to:
- (I) A capital construction project at an A STATE institution of higher education including the Auraria higher education center established in article 70 of title 23, C.R.S., that is to be constructed solely from cash funds held by the institution or federal funds made available for the project or a combination of the cash funds and the federal funds; or

SECTION 40. In Colorado Revised Statutes, **amend** 24-30-1405 as follows:

24-30-1405. Public notice. When professional services are required to be contracted for, public notice shall be given by the state agency or state institution of higher education if the basic construction cost of the project is estimated by the state agency or state institution of higher education to be more than one million dollars or if the fee for professional services is estimated to exceed one hundred thousand dollars. The public notice shall be given at least fifteen days prior to the selection of the three or more most highly qualified persons by the principal representative pursuant to section 24-30-1403 (2), and, except for

projects under the supervision of the department of transportation, the public notice shall be given no later than eight weeks after the date on which the appropriation for the project becomes law. The public notice shall be given by publication at least once in one or more daily newspapers of general circulation in this state OR IN AN ELECTRONIC MEDIUM APPROVED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF PERSONNEL. The public notice shall contain a general description of the proposed project and shall indicate the procedure by which interested persons may apply for consideration for the contract.

SECTION 41. In Colorado Revised Statutes, **amend** 24-30-1406 as follows:

- **24-30-1406.** Criminal liability. (1) Any person, other than a bona fide employee working solely for a person providing professional services, who offers, agrees, or contracts to solicit or secure for any other person state agency contracts for professional services WITH A STATE AGENCY OR STATE INSTITUTION OF HIGHER EDUCATION and who, in so doing, receives any fee, commission, gift, or other consideration contingent upon or resulting from the making of the contract commits a class 3 felony and shall be punished as provided in section 18-1.3-401, C.R.S.
- (2) Any person providing professional services who offers to pay or does pay any fee, commission, gift, or other consideration contingent upon or resulting from the making of a contract for professional services with a state agency OR STATE INSTITUTION OF HIGHER EDUCATION commits a class 1 misdemeanor and shall be punished as provided in section 18-1.3-501, C.R.S.
- (3) Any state agency or STATE INSTITUTION OF HIGHER EDUCATION official or employee who solicits or secures or offers to solicit or secure a contract for professional services with a state agency or STATE INSTITUTION OF HIGHER EDUCATION and who is paid any fee, commission, gift, or other consideration contingent upon the making of such contract commits a class 1 misdemeanor and shall be punished as provided in section 18-1.3-501, C.R.S.

SECTION 42. In Colorado Revised Statutes, **amend** 24-30-1407 as follows:

24-30-1407. Prior existing design plans. Notwithstanding any other provision of this part 14 or of part 13 of this article, there shall be no public notice requirement or utilization of the selection process as provided for in this part 14 or in part 13 of this article for projects in which the state agency OR STATE INSTITUTION OF HIGHER EDUCATION is able to reuse existing drawings, specifications, designs, or other documents from a prior project.

SECTION 43. In Colorado Revised Statutes, amend 24-37-101 as follows:

- **24-37-101. Definitions.** As used in this part 1 ARTICLE, unless the context otherwise requires:
- (1) "Director" means the director of the office of state planning and budgeting "Capital construction" has the same meaning as set forth in section 24-30-1301 (2).
 - (2) "Office" means the office of state planning and budgeting "CAPITAL

RENEWAL" HAS THE SAME MEANING AS SET FORTH IN SECTION 24-30-1301 (3).

- (3) "Controlled maintenance" has the same meaning as set forth in section 24-30-1301 (4), including the limitations specified in section 24-30-1303.9.
- (4) "Director" means the director of the office of state planning and budgeting.
 - (5) "Office" means the office of state planning and budgeting.
- **SECTION 44.** In Colorado Revised Statutes, 24-37-304, **amend** (1) (b), (1) (b.5), and (1) (c.3) as follows:
- **24-37-304.** Additional budgeting responsibilities. (1) In addition to the responsibilities enumerated in section 24-37-302, the office of state planning and budgeting shall:
- (b) EXCEPT AS PROVIDED IN PARAGRAPH (c.3) OF THIS SUBSECTION (1), ensure submission to the joint budget committee of the general assembly by the deadlines set forth in section 2-3-208, C.R.S., of all STATE agency requests for the upcoming year;
- (b.5) EXCEPT AS PROVIDED IN PARAGRAPH (c.3) OF THIS SUBSECTION (1), ensure submission to the joint budget committee of the general assembly by the deadlines set forth in section 2-3-208, C.R.S., of all STATE agency requests for supplemental appropriations for the current fiscal year;
- (c.3) (I) Except for projects authorized pursuant to section 23-1-106 (9) or (10), C.R.S., Ensure submission to the Capital Development Committee of:
- (A) EXCEPT FOR PROJECTS AUTHORIZED PURSUANT TO SECTION 23-1-106 (9) OR (10), C.R.S., all CASH-FUNDED capital construction and controlled maintenance OR CAPITAL RENEWAL BUDGET requests and proposals for the acquisition of capital assets by each state department, institution, and agency to the capital development committee FOR THE UPCOMING FISCAL YEAR no later than September 1 September 15 of each year;
- (B) ALL STATE-FUNDED CAPITAL CONSTRUCTION OR CAPITAL RENEWAL BUDGET REQUESTS BY EACH STATE AGENCY OR STATE INSTITUTION OF HIGHER EDUCATION FOR THE UPCOMING FISCAL YEAR NO LATER THAN OCTOBER 1 OF EACH YEAR;
- (II) (C) Submit The recommended priority of funding of capital construction or CAPITAL RENEWAL projects of all EACH state departments, institutions, and agencies to the capital development committee AGENCY OR STATE INSTITUTION OF HIGHER EDUCATION FOR THE UPCOMING FISCAL YEAR no later than November 1 of each year;
- (D) All state-funded controlled maintenance budget requests by each state agency or state institution of higher education as recommended by the department of personnel pursuant to section 24-30-1303 (1) (k.5) and (1) (t) (II) for the upcoming fiscal year no later than December 1 of each

YEAR; AND

- (HI) (E) Ensure submission of All requests for supplemental appropriations for capital construction, CAPITAL RENEWAL, and controlled maintenance requests and proposals for the acquisition of capital assets FOR THE CURRENT OR PREVIOUS FISCAL YEAR by each state department, institution, and agency to the capital development committee OR STATE INSTITUTION OF HIGHER EDUCATION no later than December 10 of each year.
- (II) All new or amended capital construction, capital renewal, or controlled maintenance budget requests submitted by a state agency or state institution of higher education for the upcoming fiscal year after the deadlines specified in sub-subparagraphs (A), (B), (C), or (D) of subparagraph (I) of this paragraph (c.3) as a result of circumstances unknown to, and not reasonably foreseeable by, the state agency or the state institution of higher education must be submitted no later than December 10 of each year.
- (III) The office may modify the recommended priority of funding of Capital Construction or Capital Renewal projects of each state agency and state institution of higher education for the upcoming fiscal year no later than the January 1 of the year following the original submission described in sub-subparagraph (C) of subparagraph (I) of this paragraph (c.3).
- (IV) In the event of an emergency, the office may submit a capital construction, capital renewal, or controlled maintenance budget request for a state agency or state institution of higher education after the deadlines specified in subparagraphs (I) and (II) of this paragraph (c.3) if the office, as soon as possible but no later than thirty days after determining the emergency, makes a presentation to the capital development committee explaining the nature of the emergency and the estimated time for submission of such budget request.
- **SECTION 45.** In Colorado Revised Statutes, 24-37.5-105, **amend** (3) (k) and (3) (l); and **add** (3) (m) as follows:

24-37.5-105. Office - responsibilities - rules - repeal. (3) The office shall:

- (k) Develop a comprehensive risk assessment that will be applied to every new information technology project to assess risk levels related to the project and determine whether the project should be classified as a major information technology project; and
- (l) Assist the joint technology committee as necessary to facilitate the committee's oversight of the office; AND
- (m) Establish, maintain, and keep a separate inventory of information technology equipment valued in excess of one hundred thousand dollars owned by or held in trust for every state agency.

- **SECTION 46.** In Colorado Revised Statutes, 24-48.5-312, **amend** (3) (a) (I), (3) (a) (II), (3) (a) (III), and (4); and **add** (2) (b.5) as follows:
- **24-48.5-312.** Art in public places program allocations from capital construction costs guidelines fund created definitions. (2) (b.5) "Capital construction" has the same meaning as in Section 24-30-1301 (2).
- (3) (a) (I) (A) Except as provided in subparagraph (III) of this paragraph (a), each eapital construction appropriation for a public CAPITAL construction project shall MUST include as a nondeductible item an allocation of not less than one percent of the state funded portion of the total capital construction costs to be used for the acquisition of works of art.
- (B) An appropriation for professional services may include planning for acquisition of works of art as required under sub-subparagraph (A) of this subparagraph (I). Such appropriation may be applied to the funding specified in sub-subparagraph (A) of this subparagraph (I).
- (II) (A) Except as provided in subparagraph (III) of this paragraph (a), commencing after August 11, 2010, any capital construction project that is the subject of a lease-purchase agreement, as defined in section 24-82-801 (4), that provides for lease payments from moneys that have been appropriated in full or in part by the state shall MUST include as a nondeductible item in the project budget an allocation of not less than one percent of the total construction costs to be used for the acquisition of works of art.
- (B) An appropriation for professional services may include planning for acquisition of works of art as required under sub-subparagraph (A) of this subparagraph (II). Such appropriation may be applied to the funding specified in sub-subparagraph (A) of this subparagraph (II).
 - (III) The requirements specified in this paragraph (a) shall DO not apply to:
 - (A) Capital construction appropriations covered by section 24-48.5-313;
- (B) Agricultural facilities where livestock are housed or agricultural products are grown;
- (C) Capital construction appropriations for controlled maintenance as defined in section 24-30-1301 (2);
- (D) Any lease-purchase agreements entered into by the state treasurer on behalf of the state pursuant to article 43.7 of title 22, C.R.S.;
- (E) Any construction by the Colorado department of public health and environment for cleanup and redevelopment of contaminated sites; and
- (F) Any state appropriation for charter school capital construction pursuant to part 4 of article 30.5 of title 22, C.R.S.; AND
 - (G) CAPITAL CONSTRUCTION APPROPRIATIONS FOR CAPITAL RENEWAL AS DEFINED

IN SECTION 24-30-1301 (3).

- (4) The office of state planning and budgeting in both the planning and review stages in the construction of state buildings and other public facilities, shall be IS responsible for insuring compliance with the provisions of subsection (3) of this section.
- **SECTION 47.** In Colorado Revised Statutes, 24-75-112, **amend** (1) (a) (II) as follows:
- **24-75-112. Annual general appropriation act headnote definitions general provisions footnotes.** (1) As used in the annual general appropriation act, the following definitions and general provisions shall apply for the headnote terms preceding and specifying the purpose of certain line items of appropriation:
- (a) (II) "Capital outlay" does not include those things defined as capital construction, by section 24-75-301 (1) CAPITAL RENEWAL, OR CONTROLLED MAINTENANCE IN SECTION 24-30-1301 (2), (3), AND (4).
- **SECTION 48.** In Colorado Revised Statutes, 24-75-201.1, **amend** (1) (b) as follows:
- **24-75-201.1.** Restriction on state appropriations legislative declaration definitions repeal. (1) (b) For the fiscal year 1984-85, any amount of general fund revenues in excess of seven percent plus such moneys as are necessary for reappraisals of any class or classes of taxable property for property tax purposes as required by section 39-1-105.5, C.R.S., and after retention of unrestricted general fund year-end balances of one hundred million dollars, shall be placed in a special reserve fund to be utilized for tax relief, for capital construction as defined in section 24-30-1301 (1) SECTION 24-30-1301 (2), for construction, maintenance, and repair of highways, for water projects, and for the cost of bringing civil actions pursuant to the federal "Comprehensive Environmental Response, Compensation, and Liability Act of 1980".
 - **SECTION 49.** In Colorado Revised Statutes, **amend** 24-75-301 as follows:
- **24-75-301. Definitions.** As used in this part 3, unless the context otherwise requires:
- (1) "Capital construction" means: HAS THE SAME MEANING AS SET FORTH IN SECTION 24-30-1301 (2).
 - (a) Purchase of land, regardless of the value thereof;
- (b) Purchase, construction, or demolition of buildings or other physical facilities, including utilities and state highways or remodeling or renovation of existing buildings or other physical facilities, including utilities and state highways to make physical changes necessitated by changes in the program, to meet standards required by applicable codes, to correct other conditions hazardous to the health and safety of persons which are not covered by codes, to effect conservation of energy resources, to effect cost savings for staffing, operations, or maintenance of the

facility, or to improve appearance;

- (c) Site improvement or development;
- (d) Purchase and installation of the fixed and movable equipment necessary for the operation of new, remodeled, or renovated buildings and other physical facilities and for the conduct of programs initially housed therein upon completion of the new construction, remodeling, or renovation;
- (e) Purchase of the services of architects, engineers, and other consultants to prepare plans, program documents, life-cycle cost studies, energy analyses, and other studies associated with any capital construction project and to supervise construction or execution of such capital construction projects;
- (f) Any item of instructional or scientific equipment if the cost will exceed fifty thousand dollars.
- (g) The purchase of services from the office of information technology on the condition that the use of such services is the most cost beneficial option or falls within the duties and responsibilities of the office or the office's chief information officer as described in sections 24-37.5-105 and 24-37.5-106.
- (2) "Prepreliminary planning" means the initial review of a proposed project, as defined in subsection (1) of this section, by the division of planning for any of the following items:
 - (a) Conformance with long-range development plans;
 - (b) Technical and economic feasibility of the project;
 - (c) Preparation of outline plans and specifications; and
 - (d) Preparation of prepreliminary cost estimates.
- (2) "Capital construction appropriation" means an appropriation in the capital construction section of the annual general appropriations act and may be for capital construction, controlled maintenance, or capital renewal.
- (3) "Capital Renewal" has the same meaning as set forth in section 24-30-1301(3).
- (4) "Controlled maintenance" has the same meaning as set forth in section 24-30-1301 (4), including the limitations specified in section 24-30-1303.9.
- (5) "State agency" has the same meaning as set forth in section 24--30--1301 (17).
- (6) "State institution of higher education" has the same meaning as set forth in section 24-30-1301 (18).

SECTION 50. In Colorado Revised Statutes, 24-75-302, **amend** (1), (3.2), and (3.5); and **repeal** (3) as follows:

- 24-75-302. Capital construction fund capital assessment fees calculation. (1) (a) There is hereby created the capital construction fund. to which shall be allocated such revenues as The fund consists of moneys transferred to the FUND BY the general assembly. may from time to time determine. Moneys in the capital construction fund may be appropriated for capital construction, as defined in section 24-75-301 (1), including the remodeling or renovation of existing buildings or other physical facilities designated as CAPITAL RENEWAL, controlled maintenance, projects in the general appropriation act OR STATE HIGHWAY RECONSTRUCTION, REPAIR, AND MAINTENANCE PROJECTS AS REQUESTED PURSUANT TO SECTION 43-1-113 (2.5), C.R.S.; except that any moneys transferred to the capital construction fund for state highway reconstruction, repair, and maintenance projects may only be appropriated for such projects. The appropriation for such projects shall MUST be set forth in a single line item as a total sum. All unappropriated balances in said THE fund at the close of any fiscal year shall MUST remain therein IN THE FUND and MAY not revert to the general fund. All moneys unexpended or not encumbered UNENCUMBERED MONEYS from the A capital construction fund appropriation to each department A STATE AGENCY OR STATE INSTITUTION OF HIGHER EDUCATION for any fiscal year shall revert REVERTS to the capital construction fund at the end of the period for which such THE moneys are appropriated. Except as provided in sections 2-3-1304 (1) (a.5) and 24-30-1303.7 (1), C.R.S., no portion of the unexpended balance of a department's STATE AGENCY'S OR STATE INSTITUTION OF HIGHER EDUCATION'S capital construction fund appropriation may be used by such department THE STATE AGENCY OR THE STATE INSTITUTION OF HIGHER EDUCATION for any additional projects which THAT are beyond the scope or design of the original project without further approval by the general assembly CAPITAL DEVELOPMENT COMMITTEE of such additional project. Anticipation warrants may be issued against the revenues of the fund as provided by law. Except as provided in subsection (7) of this section, all interest earned from the investment of moneys in said the Capital Construction fund shall must remain in said the fund and become a part thereof.
- (b) The unrestricted year-end balance of the capital construction fund created pursuant to paragraph (a) of this subsection (1), for the 1991-92 fiscal year shall constitute CONSTITUTES a reserve, as defined in section 24-77-102 (12), and, for purposes of section 24-77-103:
- (I) Any moneys credited to the capital construction fund in any subsequent fiscal year shall MUST be included in state fiscal year spending, as defined in section 24-77-102 (17), for such fiscal year; and
- (II) Any transfers or expenditures from the capital construction fund in any subsequent fiscal year shall MAY not be included in state fiscal year spending, as defined in section 24-77-102 (17), for such fiscal year.
- (3) There is hereby created a special account within the capital construction fund established pursuant to subsection (1) of this section to be known as the "debt service repayment account". All net lottery proceeds distributed pursuant to section 33-60-103 (1) (c), C.R.S., by the state treasurer beginning with the fourth quarter

of the 1992-93 fiscal year through the fourth quarter of the 1997-98 fiscal year shall be deposited in such account and expended in accordance with the terms specified in the documents originating the obligations set forth in section 33-60-103, C.R.S., or, if refunded, according to the terms of the documents originating such refunded obligations. All moneys unexpended or unencumbered in any fiscal year shall remain in the account. All interest earned from the investment of moneys in said account shall revert to the general fund.

- (3.2) There is hereby created a special account within the capital construction fund established pursuant to subsection (1) of this section to be known as the emergency controlled maintenance account. The account shall consist CONSISTS of any moneys appropriated to the account by the general assembly. The moneys in the account shall be ARE subject to annual appropriation and shall MAY be used only to fund any unplanned and immediate controlled maintenance needs pursuant to section 24-30-1303.9 (5). All moneys unexpended or unencumbered in any fiscal year shall MUST remain in the account.
- (3.5) There is hereby created a special account within the capital construction fund established pursuant to subsection (1) of this section to be known as the "lease-purchase servicing account" for the benefit of the department of personnel. The state treasurer shall deposit into the lease-purchase servicing account all moneys transferred or received pursuant to section 24-82-802 (9). Moneys in the lease-purchase servicing account shall be ARE subject to annual appropriation and shall MAY only be used to pay annual lease-purchase payments, as defined in section 24-82-802 (1) (a), for lease-purchase agreements authorized pursuant to section 24-82-802 or for operating, maintenance, and controlled maintenance costs and to establish a reserve for controlled maintenance costs for the buildings subject to the lease-purchase agreements. All interest and income derived from the investment and deposit of moneys in the account shall be credited to the account. All moneys remaining in the account at the end of a fiscal year that are unexpended or unencumbered shall MUST remain in the account.

SECTION 51. In Colorado Revised Statutes, 24-75-302.5, **amend** (1), (2) (c), and (2) (d) as follows:

24-75-302.5. Controlled maintenance - trust fund - legislative declaration. (1) In light of the fluctuating amounts of state revenues which THAT have been available for controlled maintenance purposes in the past, the general assembly hereby finds and declares that a stable, predictable, and consistent source of revenues for controlled maintenance projects will better allow the state to fund such projects on a timely basis and avoid higher replacement costs. In order to provide a consistent source of revenues, the general assembly hereby further finds and declares that it is appropriate to create a trust fund which will generate an annual amount of interest which will be dedicated to controlled maintenance.

(2) (c) Beginning with the 1996-97 fiscal year, the interest earned on the principal of the trust fund balance may be appropriated for controlled maintenance, as defined in section 24-30-1301 (2) SECTION 24-30-1301 (4), as follows: Up to fifty percent of the amount of interest expected to be earned on the principal of the trust fund during the current fiscal year as estimated by the state treasurer and the amount of interest actually earned on the principal of the trust fund during the previous fiscal

year as certified by the state treasurer, not to exceed a maximum of thirty-five million dollars in any fiscal year.

(d) The principal of the trust fund and any unappropriated interest earned on the principal of the trust fund at the close of any fiscal year shall MUST remain therein IN THE TRUST FUND and shall MAY not revert to the general fund.

SECTION 52. In Colorado Revised Statutes, **amend** 24-75-303 as follows:

- **24-75-303. Appropriation for capital construction.** (1) The general assembly shall appropriate for capital construction MAKE A CAPITAL CONSTRUCTION APPROPRIATION in such form, in such amounts, and from such funds as it deems necessary and may appropriate either for construction or for planning of any project.
- (2) No CAPITAL CONSTRUCTION appropriation for capital construction shall MAY be made to or expended by any department, agency, or institution of the state which AGENCY OR STATE INSTITUTION OF HIGHER EDUCATION THAT has not complied with the requirements of section 24-30-1303.5, with respect to preparation and maintenance of a state inventory of real property. and improvements and other capital assets.
- (2.5) No CAPITAL CONSTRUCTION appropriation for capital construction shall MAY be made to or expended by any department, agency, or institution of the state AGENCY OR STATE INSTITUTION OF HIGHER EDUCATION that has not received approval of a facility management plan for a vacant facility controlled by the state department, agency or STATE institution OF HIGHER EDUCATION pursuant to section 24-30-1303.5, unless the capital development committee exempts the state department, agency or STATE institution OF HIGHER EDUCATION from the provisions of section 24-30-1303.5 (3.5) (f).
- (3) (a) A capital construction project for a state-supported STATE institution of higher education that is estimated to require total expenditures exceeding two million dollars may not be PAID FROM CASH FUNDS OR OTHER NONSTATE MONEYS HELD BY THE INSTITUTION MUST BE commenced unless: PURSUANT TO SECTION 23-1-106, C.R.S.

(I) The project:

- (A) Is to be constructed solely from eash funds held by the institution;
- (B) Is to be constructed in whole or in part using moneys subject to the higher education revenue bond intercept program established pursuant to section 23-5-139, C.R.S.; and
- (C) Has been approved by the Colorado commission on higher education pursuant to section 23-1-106 (10), C.R.S.; or
- (II) (A) The plan for the project was contained in the most recent unified, two-year capital improvements projection provided pursuant to section 23-1-106 (6) (b), C.R.S., as the projection may be amended from time to time;

- (B) The project has been approved by the governing board of the institution; and
- (C) The project is to be constructed, operated, and maintained solely from eash funds held by the institution, or the project is an academic building and is to be constructed solely from eash funds held by the institution, but may be operated or maintained using eash funds or state moneys appropriated for such purposes, or both.
- (b) This subsection (3) shall not apply to any capital construction project of a state-supported institution of higher education that requires an appropriation of state moneys from the capital construction fund created in section 24-75-302 (1).
- (3.5) If a capital construction project for a state-supported STATE institution of higher education is to be completed using a combination of capital construction appropriations pursuant to this section and cash funds or other nonstate moneys held by the institution, the institution may, at any time prior to or after receiving the cash funds or other nonstate moneys, earn the moneys appropriated from the state capital construction fund. For any project funded in part by capital construction appropriations pursuant to this section, if there are cash funds or other nonstate moneys remaining after the project is completed, the institution shall refund moneys to the state capital construction fund in proportion to the amount of state capital construction moneys appropriated for the project.
- (4) All contracts required as the result of a capital construction appropriation shall be entered into in accordance with section 24-30-1404 (7).

SECTION 53. In Colorado Revised Statutes, **amend** 24-75-304 as follows:

24-75-304. Legislative declaration. It is declared to be the intent of the general assembly in the passage of sections 24-75-304 to 24-75-306, THIS SECTION AND SECTION 24-75-305 to provide for orderly management of state funds and, as fiscal procedures may require, to temporarily augment the general revenue funds of the state in order to insure prompt payment of all warrants drawn against said general revenue funds pursuant to law.

SECTION 54. In Colorado Revised Statutes, **repeal** 24-75-306 as follows:

- 24-75-306. Federal revenue sharing trust fund. (1) There is hereby created in the office of the state treasurer the federal revenue sharing trust fund. All moneys received by this state from the general and special revenue programs of the federal government and the interest thereon shall be deposited to said fund. All funds and the interest thereon presently held by the state treasurer in the account known as the "federal revenue sharing trust fund" shall be transferred to the federal revenue sharing trust fund.
- (2) The general assembly may make appropriations out of said fund. Any amounts so appropriated shall be transferred by the state treasurer and the controller to the expending agency. All unappropriated balances in said fund at the close of any fiscal year shall remain therein and shall not revert to the general fund.

SECTION 55. In Colorado Revised Statutes, 24-82-101, amend (3) (f) (XVII)

as follows:

- 24-82-101. Control of legislative space in the capitol, the legislative services building, and the state office building at 1525 Sherman street responsibility of department of personnel for supervision of maintenance in capitol buildings group exception capitol complex master plan. (3) (f) For purposes of this subsection (3), the "capitol complex" includes the following buildings, facilities, and surface parking lots:
- (XVII) Any other buildings, facilities, and surface parking lots BELONGING TO THE CAPITOL COMPLEX acquired after May 28, 2013.
- **SECTION 56.** In Colorado Revised Statutes, 24-82-102, **amend** (2) (a) as follows:
- **24-82-102. State authorized to acquire property disposition.** (2) (a) Said The executive director OFTHE DEPARTMENT OF PERSONNEL, with the approval of the governor, may rent or lease any such REAL property not presently needed for state use and, under any such lease, with specific legislative authorization, may authorize the construction by the lessee on such property of any improvement which may be suitable for state use upon the termination of the lease, which improvement shall become BECOMES the property of the state upon such termination at no additional cost to the state unless such costs are paid from funds appropriated by the general assembly or donated to the state for the purpose.
 - **SECTION 57.** In Colorado Revised Statutes, 24-91-102, **add** (1.5) as follows:
- **24-91-102. Definitions.** As used in this article, unless the context otherwise requires:
- (1.5) "Construction" includes the terms capital construction, capital renewal, and controlled maintenance as defined in section 24-30-1301.
- **SECTION 58.** In Colorado Revised Statutes, 24-91-103, **amend** (1) (a) as follows:
- **24-91-103.** Public entity contracts partial payments. (1) (a) A public entity awarding a contract exceeding one hundred fifty thousand dollars for the construction, alteration, or repair of any highway, public building, public work, or public improvement, structure, or system, INCLUDING REAL PROPERTY AS DEFINED IN SECTION 24-30-1301 (15), shall authorize partial payments of the amount due under such contract at the end of each calendar month, or as soon thereafter as practicable, to the contractor, if the contractor is satisfactorily performing the contract. The public entity shall pay at least ninety-five percent of the calculated value of completed work. The withheld percentage of the contract price of any contracted work, improvement, or construction may be retained until the contract is completed satisfactorily and finally accepted by the public entity.
- **SECTION 59.** In Colorado Revised Statutes, 24-91-103.5, **amend** (1) (b) as follows:

- **24-91-103.5. Public entity contracts delay clauses definition.** (1) (b) As used in this subsection (1), "public works contract" means a contract of the state, county, city and county, city, town, school district, special district, or any other political subdivision of the state for the construction, alteration, repair, or maintenance of any building, structure, highway, bridge, viaduct, pipeline, public works, REAL PROPERTY AS DEFINED IN SECTION 24-30-1301 (15), or any other work dealing with construction, which shall include INCLUDES, but need not be limited to, moving, demolition, or excavation performed in conjunction with such work.
 - **SECTION 60.** In Colorado Revised Statutes, 24-92-102, **amend** (2) as follows:
- **24-92-102. Definitions.** As used in this article, unless the context otherwise requires:
- (2) "Construction contract" or "contract" means any agreement for building, altering, repairing, improving, or demolishing any public project of any kind. For the purposes of this article, the terms include capital construction, CAPITAL RENEWAL, and controlled maintenance, as defined in section 24-30-1301.
- **SECTION 61.** In Colorado Revised Statutes, 24-92-104, **amend** (1) introductory portion as follows:
- **24-92-104.** Exemptions applicability. (1) The provisions of section 24-92-103 shall SECTIONS 24-92-103 AND 24-92-103.5 DO not apply to:
 - **SECTION 62.** In Colorado Revised Statutes, 24-93-103, **amend** (2) as follows:
- **24-93-103. Definitions.** As used in this article, unless the context otherwise requires:
- (2) "Contract" means any agreement for designing, building, altering, repairing, improving, demolishing, operating, maintaining, or financing a public project. For purposes of this article, "contract" includes capital construction as defined in section 24-30-1301 (1) SECTION 24-30-1301 (2).
 - **SECTION 63.** In Colorado Revised Statutes, 24-103-210, amend (1) as follows:
- 24-103-210. Use of foreign-produced goods iron, steel, and related manufactured products disclosure report definitions. (1) The contractor for any public works project that is funded by a state agency as defined in section 24-30-1301 (12) SECTION 24-30-1301 (17) OR BY A STATE INSTITUTION OF HIGHER EDUCATION AS DEFINED IN SECTION 24-30-1301 (18), that does not receive any federal moneys, and that costs more than five hundred thousand dollars shall, upon completion of the project, make a good faith effort to disclose to the department of personnel the five most costly goods incorporated into the project, including iron, steel, or related manufactured goods; except that, for public projects under the supervision of the department of transportation, the contractor shall disclose such information to the department of transportation.
- **SECTION 64.** In Colorado Revised Statutes, 24-105-202, **amend** (1) introductory portion as follows:

24-105-202. Contract performance and payment bonds. (1) When a construction contract is awarded in excess of one hundred FIFTY thousand dollars, the following bonds or security shall be delivered to the state and shall become binding on the parties upon the execution of the contract:

SECTION 65. In Colorado Revised Statutes, 38-26-106, **amend** (1) as follows:

38-26-106. Contractor executes bond. (1) A contractor who is awarded a contract for more than fifty thousand dollars for the construction, erection, repair, maintenance, or improvement of any building, road, bridge, viaduct, tunnel, excavation, or other public works for any county, city and county, municipality, school district, or other political subdivision of the state, and a contractor who is awarded a contract for more than one hundred FIFTY thousand dollars for the construction, erection, repair, maintenance, or improvement of any building, road, bridge, viaduct, tunnel, excavation, or other public works for this state, before entering upon the performance of any such work included in the contract, shall duly execute, deliver to, and file with the board, officer, body, or person by whom the contract was awarded a good and sufficient bond or other acceptable surety approved by the contracting board, officer, body, or person, in a penal sum not less than one-half of the total amount payable under the terms of the contract; except that, for a public works contract having a total value of five hundred million dollars or more, a bond or other acceptable surety, including but not limited to a letter of credit, may be issued in a penal sum not less than one-half of the maximum amount payable under the terms of the contract in any calendar year in which the contract is performed. The contracting board, office, body, or person shall ensure that the contract requires that a bond or other acceptable surety, including but not limited to a letter of credit, be filed and current for the duration of the contract.

SECTION 66. In Colorado Revised Statutes, 38-26-107, **amend** (1) as follows:

38-26-107. Supplier may file statement - notice - withholding funds. (1) Any person, as defined in section 2-4-401 (8), C.R.S., that has furnished labor, materials, sustenance, or other supplies used or consumed by a contractor or his or her subcontractor in or about the performance of the work contracted to be done or that supplies laborers, rental machinery, tools, or equipment to the extent used in the prosecution of the work whose claim therefor has not been paid by the contractor or the subcontractor may, at any time up to and including the time of final settlement for the work contracted to be done, file with the board, officer, person, or other contracting body by whom the contract was awarded a verified statement of the amount due and unpaid on account of the claim. If the amount of the contract awarded to the contractor exceeds ONE HUNDRED fifty thousand dollars, the board, officer, person, or other contracting body by whom the contract was awarded shall, no later than ten days before the final settlement is made, publish a notice of the final settlement at least twice in a newspaper of general circulation in any county where the work was contracted for or performed or in an electronic medium approved by the executive director of the department of personnel. It is unlawful for any person to divide a public works contract into two or more separate contracts for the sole purpose of evading or attempting to evade the requirements of this subsection (1).

SECTION 67. In Colorado Revised Statutes, 43-1-113, **amend** (2.5) as follows:

- **43-1-113.** Funds budgets fiscal year reports and publications. (2.5) Annually on or before October 1, the commission shall submit a capital construction request for state highway reconstruction, repair, or maintenance projects to the capital development committee to be funded from money transferred to the capital construction fund pursuant to section 24-75-302 (2), C.R.S. Such request shall MUST be made in accordance with section 2-3-1304 (1) (a.5), C.R.S.
- **SECTION 68.** In Colorado Revised Statutes, 2-3-203, **amend as amended by House Bill 14-1387**, (1) (b.1) (I) (A) as follows:
- **2-3-203. Powers and duties of the joint budget committee repeal.** (1) The committee has the following power and duties:
- (b.1) (I) (A) Effective July 1, 2004, to hold hearings as required and to review the executive budget and the budget requests of each state agency and institution, including capital construction, capital renewal, or controlled maintenance budget requests as prioritized, PURSUANT TO RULE 45 OF THE JOINT RULES OF THE SENATE AND HOUSE OF REPRESENTATIVES, by the capital development committee, and to make appropriation recommendations to the appropriations committees, or any successor committees, of each house.
- **SECTION 69.** In Colorado Revised Statutes, 2-3-1304, **amend as amended by House Bill 14-1387**, (1) (a) and (1) (c) as follows:
- **2-3-1304.** Powers and duties of capital development committee. (1) The capital development committee has the following powers and duties:
- (a) To study capital construction, controlled maintenance, and capital renewal requests and proposals, PURSUANT TO RULE 45 OF THE JOINT RULES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES, of each state agency and state institution of higher education;
- (c) To make determinations, PURSUANT TO RULE 45 OF THE JOINT RULES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES, of the priority to be accorded to the proposals made by the various state agencies and state institutions of higher education with respect to capital construction, controlled maintenance, and capital renewal proposals, based upon information made available to the capital development committee from any sources with respect to estimates of revenues available for such purposes;
- **SECTION 70.** In Colorado Revised Statutes, **amend as amended by House Bill 14-1387**, 2-3-1305 as follows:
- **2-3-1305.** Recommendations and findings. The capital development committee shall make written reports setting forth its recommendations, prioritization, findings, and comments as to each recommendation concerning capital assets that it submits to the joint budget committee. The capital development committee shall submit its prioritization for supplemental capital construction, capital renewal, or controlled maintenance budget requests PURSUANT TO RULE 45 OF THE JOINT RULES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES to the joint budget committee no later than January 15 of each year, and shall submit its prioritization for new or amended

capital construction, capital renewal, or controlled maintenance budget requests PURSUANT TO RULE 45 OF THE JOINT RULES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES for the upcoming fiscal year to the joint budget committee no later than February 15 of each year. Other reports may be issued from time to time by the committee whenever it deems such action to be appropriate or whenever requested by the general assembly.

SECTION 71. In Colorado Revised Statutes, **repeal** 24-30-1303.1 and 24-30-1305 (9).

- **SECTION 72.** Effective date applicability. (1) This act takes effect upon passage; except that sections 68, 69, and 70 of this act take effect only if Senate Joint Resolution 14-039 is adopted and takes effect either upon the effective date of this act or Senate Joint Resolution 14-039, whichever is later.
- (2) Section 38 of this act amending section 24-30-1403 (1) and (2) (a), Colorado Revised Statutes, section 64 of this act amending the introductory portion to subsection (1) of section 24-105-202, Colorado Revised Statutes, section 65 of this act amending section 38-26-106 (1), Colorado Revised Statutes, and section 66 of this act amending section 38-26-107 (1), Colorado Revised Statutes, apply to contracts entered into on or after the effective date of this act.
- **SECTION 73. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 6, 2014