

Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 12-0721.01 Esther van Mourik x4215

HOUSE BILL 12-1322

HOUSE SPONSORSHIP

Sonnenberg,

SENATE SPONSORSHIP

Renfroe and Scheffel,

House Committees
Education

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE DISPOSITION OF FEDERAL AGRICULTURAL PUBLIC
102 LANDS.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

The bill requires the United States to sell agricultural public lands on or before December 31, 2014, and provides that any agricultural public lands that the United States does not sell as of that date will no longer be exempt from property tax. The bill further requires the United States to pay the state 5% of the net proceeds of the sales of any agricultural public

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

lands and specifies that these revenues be deposited into an internal improvements fund, a portion of which is dedicated to the state education fund.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** article 19.6 to
3 title 24 as follows:

4 **ARTICLE 19.6**

5 **Directive to Federal Government -**

6 **Disposition of Agricultural Public Lands**

7 **24-19.6-101. Disposition and taxation of agricultural public**
8 **lands - internal improvements cash fund - creation - definitions.**

9 (1) AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE
10 REQUIRES:

11 (a) "AGRICULTURE" HAS THE SAME MEANING AS SET FORTH IN
12 SECTION 35-1-102 (1), C.R.S.

13 (b) "AGRICULTURAL PUBLIC LANDS" MEANS LAND WITHIN THE
14 BOUNDARIES OF THE STATE THAT ARE USED OR COULD BE USED FOR
15 AGRICULTURE EXCEPT:

16 (I) LANDS TO WHICH TITLE IS HELD BY ANY INDIVIDUAL,
17 CORPORATION, BUSINESS TRUST, ESTATE, TRUST, LIMITED LIABILITY
18 COMPANY, PARTNERSHIP, ASSOCIATION, OR OTHER LEGAL ENTITY NOT
19 INCLUDING A STATE OR LOCAL GOVERNMENT OR GOVERNMENTAL
20 SUBDIVISION OR AGENCY;

21 (II) LANDS TO WHICH TITLE IS HELD IN TRUST BY THE STATE, A
22 POLITICAL SUBDIVISION OF THE STATE, OR AN INDEPENDENT ENTITY,
23 INCLUDING ALL LAND OWNED AND MANAGED BY THE STATE BOARD OF
24 LAND COMMISSIONERS;

1 (III) NATIONAL PARKS;
2 (IV) LAND USED FOR MILITARY PURPOSES; AND
3 (V) LAND BELONGING TO AN INDIAN OR INDIAN TRIBE, BAND, OR
4 COMMUNITY THAT IS HELD IN TRUST BY THE UNITED STATES OR IS SUBJECT
5 TO A RESTRICTION AGAINST ALIENATION IMPOSED BY THE UNITED STATES.

6 (c) "INTERNAL IMPROVEMENT" MEANS AN IMPROVEMENT LOCATED
7 WITHIN THE STATE OF A FIXED AND PERMANENT NATURE, SUCH AS REAL
8 PROPERTY. AN "INTERNAL IMPROVEMENT" SHALL BE DESIGNED AND
9 INTENDED FOR THE BENEFIT OF THE PUBLIC. "INTERNAL IMPROVEMENT"
10 DOES NOT INCLUDE ANY CAPITAL CONSTRUCTION COSTS ASSOCIATED WITH
11 THE STATE CAPITOL, A STATE INSTITUTION OF HIGHER EDUCATION, A STATE
12 CORRECTIONS FACILITY, OR SUCH SIMILAR FACILITY FOR PUBLIC
13 EDUCATION, THE PREVENTION OF CRIME, OR THE PRESERVATION OF THE
14 PUBLIC HEALTH, AND DOES NOT INCLUDE THE GENERAL DEFRAYING OF THE
15 EXPENSES RELATED TO SUCH FACILITIES.

16 (d) "NET PROCEEDS" MEANS THE PROCEEDS FROM THE SALE OF
17 AGRICULTURAL PUBLIC LANDS, AFTER SUBTRACTING EXPENSES INCIDENT
18 TO THE SALE OF THE AGRICULTURAL PUBLIC LANDS.

19 (2) (a) ON OR BEFORE DECEMBER 31, 2014, THE UNITED STATES
20 SHALL SELL AGRICULTURAL PUBLIC LANDS.

21 (b) THE UNITED STATES SHALL PAY TO THE STATE FIVE PERCENT
22 OF THE NET PROCEEDS OF THE SALE OF AGRICULTURAL PUBLIC LANDS.

23 (c) THE MONEYS DESCRIBED IN PARAGRAPH (b) OF THIS
24 SUBSECTION (2) SHALL BE CREDITED TO THE INTERNAL IMPROVEMENTS
25 TRUST FUND, WHICH IS HEREBY CREATED IN THE STATE TREASURY. THE
26 TRUST FUND SHALL REMAIN INVIOATE AND INTACT; ONLY THE INTEREST
27 AND INCOME EARNED ON THE DEPOSIT AND INVESTMENT OF MONEYS IN

1 THE TRUST FUND SHALL BE EXPENDED AND USED SOLELY FOR THE
2 PURPOSES DESCRIBED IN THIS PARAGRAPH (c). ALL UNEXPENDED AND
3 UNENCUMBERED MONEYS IN THE TRUST FUND AND ALL INTEREST AND
4 INCOME EARNED ON THE DEPOSIT AND INVESTMENT OF MONEYS IN THE
5 TRUST FUND SHALL REMAIN IN THE TRUST FUND AND SHALL NOT REVERT
6 TO THE GENERAL FUND OR ANY OTHER FUND AT THE END OF A FISCAL
7 YEAR. FIFTY PERCENT OF THE INTEREST AND INCOME EARNED ON THE
8 DEPOSIT AND INVESTMENT OF MONEYS IN THE TRUST FUND SHALL BE
9 ANNUALLY CREDITED TO THE STATE EDUCATION FUND CREATED IN
10 SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION AND THE
11 REMAINING FIFTY PERCENT OF THE INTEREST AND INCOME EARNED ON THE
12 DEPOSIT AND INVESTMENT OF MONEYS IN THE TRUST FUND MAY BE
13 APPROPRIATED BY THE GENERAL ASSEMBLY FOR WATER STORAGE
14 PROJECTS RECOMMENDED BY THE COLORADO WATER CONSERVATION
15 BOARD CREATED IN SECTION 37-60-102, C.R.S.

16 (d) NOTWITHSTANDING ARTICLE 1 OF TITLE 39, C.R.S.,
17 COMMENCING JANUARY 1, 2015, AGRICULTURAL PUBLIC LANDS SHALL NO
18 LONGER BE EXEMPT FROM PROPERTY TAX.

19 **SECTION 2. Act subject to petition - effective date.** This act
20 takes effect at 12:01 a.m. on the day following the expiration of the
21 ninety-day period after final adjournment of the general assembly (August
22 8, 2012, if adjournment sine die is on May 9, 2012); except that, if a
23 referendum petition is filed pursuant to section 1 (3) of article V of the
24 state constitution against this act or an item, section, or part of this act
25 within such period, then the act, item, section, or part will not take effect
26 unless approved by the people at the general election to be held in

1 November 2012 and, in such case, will take effect on the date of the
2 official declaration of the vote thereon by the governor.