

**First Regular Session  
Sixty-seventh General Assembly  
STATE OF COLORADO**

**REVISED**

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 09-0030.01 Kate Meyer

**HOUSE BILL 09-1088**

---

**HOUSE SPONSORSHIP**

**Balmer,** Benefield, Looper, Todd

**SENATE SPONSORSHIP**

**Newell,**

---

**House Committees**

State, Veterans, & Military Affairs

**Senate Committees**

State, Veterans & Military Affairs

---

**A BILL FOR AN ACT**

101 **CONCERNING CERTIFICATION OF PUBLIC BENEFIT NONPROFIT ENTITIES**  
102 **AS LOCAL PUBLIC PROCUREMENT UNITS.**

---

**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)*

Allows the executive director of the department of personnel to certify a public benefit nonprofit entity as a local public procurement unit. Conditions such certification on the public benefit nonprofit entity using any procured supplies, services, or construction in the furtherance of its stated nonprofit purpose. Defines "public benefit nonprofit entity" as an organization that receives funds from federal, state, or local governmental sources and is exempt from federal taxation under section 501 (c) (3) of

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.*

SENATE  
2nd Reading Unam ended  
March 6, 2009

HOUSE  
3rd Reading Unam ended  
February 9, 2009

HOUSE  
Am ended 2nd Reading  
February 6, 2009

the federal internal revenue code.

---

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

2 **SECTION 1.** 24-110-101, Colorado Revised Statutes, is amended  
3 BY THE ADDITION OF A NEW SUBSECTION to read:

4 **24-110-101. Definitions.** As used in this article, unless the  
5 context otherwise requires:

6 (3.5) "PUBLIC BENEFIT NONPROFIT ENTITY" MEANS AN  
7 ORGANIZATION THAT:

8 (a) IS EXEMPT FROM FEDERAL TAXATION UNDER 26 U.S.C. SEC.  
9 501 (c) (3) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS  
10 AMENDED;

11 (b) DOES NOT POSSESS 501 (c) (4) STATUS UNDER THE FEDERAL  
12 "INTERNAL REVENUE CODE OF 1986", AS AMENDED, 26 U.S.C. SEC. 501  
13 (c) (4); AND

14 (c) RECEIVES FUNDS FROM FEDERAL, STATE, OR LOCAL  
15 GOVERNMENTAL SOURCES.

16 **SECTION 2.** 24-110-207.5 (1), Colorado Revised Statutes, is  
17 amended, and the said 24-110-207.5 is further amended BY THE  
18 ADDITION OF A NEW SUBSECTION, to read:

19 **24-110-207.5. Certification of certain entities as local public**  
20 **procurement units - rules - report - repeal.** (1) The executive director  
21 may certify any of the following entities as a local public procurement  
22 unit:

23 (a) Any nonprofit community mental health center, as defined in  
24 section 27-1-201, ~~(1)~~, C.R.S., any nonprofit community mental health  
25 clinic, as defined in section 27-1-201, ~~(2)~~, C.R.S., any nonprofit

1 community centered board, as defined in section 27-10.5-102, ~~(3)~~, C.R.S.,  
2 or any nonprofit service agency, as defined in section 27-10.5-102, ~~(28)~~,  
3 C.R.S., ~~so long as~~ IF the entity uses the supplies, services, or construction  
4 procured for the public mental health system or the public  
5 developmentally disabled system; ~~or~~

6 (b) Any nonprofit entity eligible to receive funds pursuant to  
7 section 24-32-705 or 24-32-717, ~~so long as~~ IF the entity uses the supplies,  
8 services, or construction procured for the rehabilitation, construction,  
9 acquisition, or provision of low- or moderate-income housing; OR

10 (c) ANY PUBLIC BENEFIT NONPROFIT ENTITY, IF THE ENTITY USES  
11 THE SUPPLIES, SERVICES, OR CONSTRUCTION PROCURED IN THE  
12 FURTHERANCE OF ITS STATED NONPROFIT PURPOSE.

13 (3) (a) ON OR BEFORE FEBRUARY 1, 2011, THE DEPARTMENT OF  
14 PERSONNEL SHALL REPORT TO THE HOUSE AND SENATE STATE, VETERANS,  
15 AND MILITARY AFFAIRS COMMITTEES, OR THEIR SUCCESSOR COMMITTEES,  
16 ON THE NUMBER OF PUBLIC BENEFIT NONPROFIT ENTITIES THAT WERE  
17 CERTIFIED AS LOCAL PUBLIC PROCUREMENT UNITS, AND THE TOTAL  
18 SPENDING BY SUCH ENTITIES UNDER STATE COOPERATIVE PURCHASING  
19 AGREEMENTS, BETWEEN JULY 1, 2009, AND NOVEMBER 1, 2010.

20 (b) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JULY 1, 2011.

21 **SECTION 3. Act subject to petition - effective date.** This act  
22 shall take effect at 12:01 a.m. on the day following the expiration of the  
23 ninety-day period after final adjournment of the general assembly that is  
24 allowed for submitting a referendum petition pursuant to article V,  
25 section 1 (3) of the state constitution, (August 4, 2009, if adjournment  
26 sine die is on May 6, 2009); except that, if a referendum petition is filed  
27 against this act or an item, section, or part of this act within such period,

1 then the act, item, section, or part, if approved by the people, shall take  
2 effect on the date of the official declaration of the vote thereon by  
3 proclamation of the governor.