Second Regular Session Sixty-eighth General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 12-0241.01 Esther van Mourik x4215

SENATE BILL 12-040

SENATE SPONSORSHIP

Bacon, Harvey, Renfroe, Schwartz

HOUSE SPONSORSHIP

Vigil, Brown, Sonnenberg

Senate Committees Education **House Committees**

A BILL FOR AN ACT

101CONCERNING THE QUALIFICATION OF CERTAIN STATE HIGHER102EDUCATION FACILITIES FOR STATE CONTROLLED MAINTENANCE

103 FUNDING.

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.)

Capital Development Committee. The bill establishes that:

Beginning January 1, 2010, all state higher education academic facilities that did not previously qualify for state controlled maintenance funding now qualify, subject to specific limitations; and

! If any auxiliary facility acquired or constructed and operated and maintained solely from cash funds held by a state institution of higher education is reconstructed for use as an academic facility on or after January 1, 2010, then that facility qualifies for state controlled maintenance funding, subject to specific limitations.

The bill also requires the office of the state architect to collaborate with the department of higher education and the office of state planning and budgeting to develop guidelines regarding the classification of academic facilities and auxiliary facilities. The bill provides the two factors that must be considered in the classification and specifies definitions to be used in the guidelines.

1 Be it enacted by the General Assembly of the State of Colorado: 2 **SECTION 1.** In Colorado Revised Statutes, 23-1-106, amend (9) 3 (a), (9) (b), (10) (a) (I), and (10) (a) (II); and **add** (10.2) and (10.3) as 4 follows: 5 23-1-106. Duties and powers of the commission with respect 6 to capital construction and long-range planning - legislative 7 declaration - definitions. (9) (a) Except as provided in paragraph (d) of 8 this subsection (9), a capital construction or acquisition project FOR AN 9 AUXILIARY FACILITY initiated by the governing board of a state-supported 10 institution of higher education that is contained in the most recent unified, 11 two-year capital improvements project projection approved pursuant to 12 subparagraph (II) of paragraph (c) of subsection (7) of this section, as the 13 projection may be amended from time to time, and that is to be acquired 14 or constructed and operated and maintained solely from cash funds held 15 by the institution shall not be subject to additional review or approval by 16 the commission, the office of state planning and budgeting, the capital 17 development committee, or the joint budget committee.

1 (b) Except as provided in paragraph (d) of this subsection (9), a 2 capital construction or acquisition project for an academic building 3 FACILITY initiated by the governing board of a state-supported institution 4 of higher education that is contained in the most recent unified, two-year 5 capital improvements project projection approved pursuant to 6 subparagraph (II) of paragraph (c) of subsection (7) of this section, as the 7 projection may be amended from time to time, and that is to be acquired 8 or constructed solely from cash funds held by the institution and operated 9 and maintained from such funds or from state moneys appropriated for 10 such purpose, or both, shall not be subject to additional review or 11 approval by the commission, the office of state planning and budgeting, 12 the capital development committee, or the joint budget committee. Any 13 capital construction project subject to this paragraph (b) shall comply 14 with the high performance standard certification program established 15 pursuant to section 24-30-1305, C.R.S.

(10) (a) (I) The commission shall review and approve any plan for
a capital construction or acquisition 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 institution 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 project for an academic building
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 institution 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 project subject to this subparagraph (II) shall comply
with the high performance standard certification program established
pursuant to section 24-30-1305, C.R.S.

7 (10.2) (a) (I) NOTWITHSTANDING ANY LAW TO THE CONTRARY, 8 ALL ACADEMIC FACILITIES ACQUIRED OR CONSTRUCTED, OR AN AUXILIARY 9 FACILITY REPURPOSED FOR USE AS AN ACADEMIC FACILITY, SOLELY FROM 10 CASH FUNDS HELD BY THE INSTITUTION AND OPERATED AND MAINTAINED 11 FROM SUCH CASH FUNDS OR FROM STATE MONEYS APPROPRIATED FOR 12 SUCH PURPOSE, OR BOTH, INCLUDING, BUT NOT LIMITED TO, THOSE 13 FACILITIES DESCRIBED IN PARAGRAPH (b) OF SUBSECTION (9) OF THIS 14 SECTION AND SUBPARAGRAPH (II) OF PARAGRAPH (a) OF SUBSECTION (10) 15 OF THIS SECTION, THAT DID NOT PREVIOUSLY QUALIFY FOR STATE 16 CONTROLLED MAINTENANCE FUNDING WILL QUALIFY FOR STATE 17 CONTROLLED MAINTENANCE FUNDING, SUBJECT TO FUNDING APPROVAL BY 18 THE CAPITAL DEVELOPMENT COMMITTEE AND THE ELIGIBILITY GUIDELINES 19 DESCRIBED IN SECTION 24-30-1303.9, C.R.S., AS ENACTED BY HOUSE BILL 20 12-____, ENACTED IN 2012.

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22 (II) FOR PURPOSES OF THIS PARAGRAPH (a), THE ELIGIBILITY FOR

23 STATE CONTROLLED MAINTENANCE FUNDING COMMENCES ON THE DATE

- 24 OF THE ACCEPTANCE OF THE CONSTRUCTION OR REPURPOSING OF THE
- 25 FACILITY OR THE CLOSING DATE OF ANY ACQUISITION. THE DATE OF THE
- 26 ACCEPTANCE OF CONSTRUCTION OR REPURPOSING SHALL BE DETERMINED
- 27 <u>BY THE OFFICE OF THE STATE ARCHITECT.</u>

1 (b) (I) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND 2 DECLARES THAT THE CLASSIFICATION OF FACILITIES AS ACADEMIC 3 FACILITIES OR AUXILIARY FACILITIES CAN BE DIFFICULT, AND SUCH 4 CLASSIFICATIONS OFTEN CHANGE AS ACADEMIC NEEDS, STUDENT NEEDS, 5 AND NEW CONSTRUCTION AND DESIGN PRACTICES EMERGE. THEREFORE, 6 THE OFFICE OF THE STATE ARCHITECT, IN COLLABORATION WITH THE 7 DEPARTMENT OF HIGHER EDUCATION AND THE OFFICE OF STATE PLANNING 8 AND BUDGETING. SHALL DEVELOP GUIDELINES IN ORDER TO ASSIST SUCH 9 CLASSIFICATION. THE GUIDELINES SHALL BE ANNUALLY REVIEWED AND 10 APPROVED BY THE CAPITAL DEVELOPMENT COMMITTEE. THE GUIDELINES 11 SHALL ADDRESS THE FOLLOWING TWO FACTORS THAT HAVE HISTORICALLY 12 BEEN CONSIDERED WHEN CLASSIFYING ACADEMIC FACILITIES AND 13 AUXILIARY FACILITIES: 14 (A) THE FUNDING SOURCE FOR THE FACILITY; AND 15 (B) THE NATURE AND USE OF THE FACILITY. 16 (II) THE GUIDELINES <u>ESTABLISHED</u> PURSUANT TO THIS PARAGRAPH (b) Shall use the definitions set forth in subsection (10.3) of this 17 18 SECTION. 19 (10.3) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE 20 **REQUIRES:** 21 "ACADEMIC FACILITY" MEANS ANY BUILDING OR OTHER (a) 22 PHYSICAL FACILITY, INCLUDING ANY SUPPORTING UTILITY 23 INFRASTRUCTURE, THAT IS CENTRAL TO THE ROLE AND MISSION OF EACH 24 INSTITUTION AS SET FORTH IN THIS TITLE. EXAMPLES INCLUDE, BUT ARE 25 NOT LIMITED TO, CLASSROOMS, LIBRARIES, AND ADMINISTRATIVE 26 BUILDINGS. (b) "AUXILIARY FACILITY" MEANS ANY BUILDING OR OTHER 27

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1 PHYSICAL FACILITY, INCLUDING ANY SUPPORTING UTILITY 2 INFRASTRUCTURE, FUNDED FROM AN AUXILIARY SOURCE SUCH AS 3 HOUSING OR PARKING REVENUE OR ANY BUILDING OR OTHER PHYSICAL 4 FACILITY THAT HAS BEEN HISTORICALLY MANAGED AS AN AUXILIARY 5 FACILITY AND IS ACCOUNTED FOR IN INSTITUTIONAL FINANCIAL 6 STATEMENTS AS A SELF-SUPPORTING FACILITY. EXAMPLES INCLUDE, BUT 7 ARE NOT LIMITED TO, HOUSING FACILITIES, DINING FACILITIES, 8 RECREATIONAL FACILITIES, AND STUDENT ACTIVITIES FACILITIES.

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