

HOUSE COMMITTEE OF REFERENCE REPORT

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Chairman of Committee

March 27, 2013  
Date

Committee on State, Veterans, & Military Affairs.

After consideration on the merits, the Committee recommends the following:

HB13-1235 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend printed bill, strike everything below the enacting clause and  
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, 24-30-202, **amend**  
4 (5) (b); and **add** (5) (c) as follows:  
5 **24-30-202. Procedures - vouchers and warrants - rules -**  
6 **penalties.** (5) (b) ~~Before any state department, institution, or agency~~  
7 ~~enters into any option or agreement to purchase any real property or any~~  
8 ~~interest therein that has a total purchase price of more than one hundred~~  
9 ~~thousand dollars, such department, institution, or agency shall contract~~  
10 ~~with at least one but not more than three independent appraisers for an~~  
11 ~~estimate of the value of such property. Such appraiser shall be qualified~~  
12 ~~with respect to the subject matter of the appraisal and shall be instructed~~  
13 ~~to determine the fair market value of the real property by using sound,~~  
14 ~~fair, and recognized appraisal practices which are consistent with the laws~~  
15 ~~of Colorado. One copy of each such appraisal shall be attached to the~~  
16 ~~option or contract for said purchase prior to the controller's approving the~~  
17 ~~option or contract. If A STATE DEPARTMENT, INSTITUTION, OR AGENCY~~  
18 ~~ENTERS INTO A CONTRACT TO PURCHASE REAL PROPERTY OR ANY~~  
19 ~~INTEREST THEREIN THAT HAS A TOTAL PURCHASE PRICE OF MORE THAN~~  
20 ~~ONE HUNDRED THOUSAND DOLLARS, THE CONTRACT MUST CONTAIN A~~  
21 ~~CONTINGENCY CLAUSE THAT REQUIRES THE STATE TO SECURE AN~~  
22 ~~APPRAISAL OF THE SUBJECT REAL PROPERTY OR INTEREST THEREIN PRIOR~~  
23 ~~TO CLOSING BY AN APPRAISER LICENSED IN THE STATE OF COLORADO TO~~

1 SUBSTANTIATE THE PURCHASE PRICE AND THAT MAKES THE CLOSING OF  
2 THE PURCHASE CONTINGENT ON THE APPROVAL OF THE CONTRACT BY THE  
3 STATE CONTROLLER. WHEN THE STATE DEPARTMENT, INSTITUTION, OR  
4 AGENCY ENTERING INTO THE CONTRACT RECEIVES THE APPRAISAL, THE  
5 STATE DEPARTMENT, INSTITUTION, OR AGENCY SHALL PROVIDE A COPY OF  
6 THE APPRAISAL TO THE STATE CONTROLLER. This paragraph (b) shall not  
7 apply to the acquisition of property by the department of transportation  
8 for the construction, maintenance, or supervision of the public highways  
9 of this state, nor shall it apply to any additional lease-purchase agreement  
10 entered into pursuant to the master lease program authorized by part 7 of  
11 article 82 of this title.

12 (c) (I) IF A STATE DEPARTMENT, INSTITUTION, OR AGENCY ENTERS  
13 INTO AN OPTION TO PURCHASE REAL PROPERTY OR ANY INTEREST THEREIN  
14 THAT HAS A TOTAL PURCHASE PRICE OF MORE THAN ONE HUNDRED  
15 THOUSAND DOLLARS, THE APPRAISAL REQUIREMENT DESCRIBED IN  
16 PARAGRAPH (b) OF THIS SUBSECTION (5) MUST OCCUR PRIOR TO CLOSING  
17 ON THE PURCHASE OF THE REAL PROPERTY OR INTEREST THEREIN.

18 (II) PRIOR TO A STATE DEPARTMENT, INSTITUTION, OR AGENCY  
19 ENTERING INTO AN OPTION TO PURCHASE REAL PROPERTY OR ANY  
20 INTEREST THEREIN THAT HAS A TOTAL PURCHASE PRICE OF MORE THAN  
21 ONE HUNDRED THOUSAND DOLLARS, THE STATE DEPARTMENT,  
22 INSTITUTION, OR AGENCY SHALL OBTAIN A WRITTEN BROKER OPINION OF  
23 VALUE COMPLETED BY A BROKER LICENSED IN THE STATE OF COLORADO  
24 OR AN APPRAISAL BY AN APPRAISER LICENSED IN THE STATE OF COLORADO  
25 OF THE SUBJECT PROPERTY IN ORDER TO COMPLETE A THOROUGH  
26 ANALYSIS OF THE PROPERTY OR INTERESTS THEREIN BEING CONSIDERED.  
27 THE OPINION OF VALUE OR THE APPRAISAL MUST BE FORWARDED TO THE  
28 STATE CONTROLLER PRIOR TO THE STATE CONTROLLER APPROVING THE  
29 OPTION TO PURCHASE CONTRACT.

30 **SECTION 2. Applicability.** This act applies to all contracts to  
31 purchase real property or any interest therein and all options to purchase  
32 real property or any interest therein, entered into by a state department,  
33 institution, or agency on or after the effective date of this act.

34 **SECTION 3. Safety clause.** The general assembly hereby finds,  
35 determines, and declares that this act is necessary for the immediate  
36 preservation of the public peace, health, and safety."

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