

First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 13-0516.01 Bob Lackner x4350

SENATE BILL 13-037

SENATE SPONSORSHIP

Crowder,

HOUSE SPONSORSHIP

(None),

Senate Committees
State, Veterans, & Military Affairs

House Committees

A BILL FOR AN ACT

101 CONCERNING THE CREATION OF AN AUTHORITY TO FINANCE THE
102 PURCHASE OF REAL PROPERTY IN THE PINON CANYON
103 MANEUVER SITE FROM THE FEDERAL GOVERNMENT.

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>.)

Under the bill, the general assembly requests the governor and attorney general of the state to commence negotiations with the United States government at the earliest practicable opportunity for the complete purchase by the state of all or any portion of the real property that

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.

constitutes the Pinon Canyon maneuver site (site), the military training area belonging to Fort Carson covering approximately 236,000 acres that is located in southeastern Colorado. Within 180 days following the execution by the United States government and the state of Colorado of an agreement pursuant to which the United States government conveys to the state of Colorado full legal title to all or any portion of the real property within the site, an authority to be known as the Pinon Canyon maneuver site land purchase authority (authority) must be created. The bill makes clear that neither creation of the authority nor any other act is required prior to, or in the absence of, such agreement.

The authority is to be governed by a 7-person board of directors (board), and the bill contains procedures governing the appointments to, organization, and administration of the board. The bill specifies the general purposes of the authority.

The bill specifies the mission of the authority as performance of the following duties and responsibilities:

- ! To take possession of such property sold to the state in preparation for the ultimate sale of such property to landowners, upon execution of an agreement with the United States government under which the United States government agrees to sell to the state all or any portion of the site.
- ! Issue bonds in an amount sufficient to finance the acquisition of the real property located within the site, which costs of acquisition must meet but not exceed 100% of the appraised value of the real property.
- ! To offer and to arrange for sale any real property within the site the full legal title to which has been conveyed by the United States government to the state.
- ! To make recommendations to the general assembly concerning statutory modifications or other public policy changes as will, in the judgment of the authority, encourage agricultural production in southeastern Colorado.

During a 2-year period commencing with the conveyance of any particular parcel of real property to the state from the federal government, the authority must first extend an offer to purchase such parcel to the previous owners of such land and, if such owners are no longer living, to their heirs. If there are no such heirs, or if any living heirs decline to purchase such property, the authority must next extend an offer to purchase an ownership interest in such parcel to agricultural producers residing in the counties of Baca, Bent, Crowley, Kiowa, Las Animas, Otero, or Prowers. If there are no agricultural producers meeting these requirements who express an interest in purchasing the property, the authority must next extend an offer to purchase the property to any person, whether private or public. Upon the completion of any such

1 AUTHORITY ACT".

2 **3-4-102. Legislative declaration.** (1) THE GENERAL ASSEMBLY
3 HEREBY FINDS, DETERMINES, AND DECLARES THAT:

4 (a) THE PINON CANYON MANEUVER SITE, LOCATED ON OVER TWO
5 HUNDRED THIRTY-FIVE THOUSAND ACRES IN SOUTHEASTERN COLORADO,
6 OPENED IN 1985. THE SITE, COMBINED WITH FORT CARSON'S TRAINING
7 AREAS, IS THE SECOND-LARGEST DEPARTMENT OF DEFENSE MANEUVER
8 TRAINING SITE IN THE NATION FOR SOLDIERS FROM FORT CARSON AND
9 OTHER MILITARY BASES.

10 (b) THE PINON CANYON MANEUVER SITE CONTAINS MAGNIFICENT
11 PRAIRIE AND CANYON LANDS. HOME TO A DIVERSE ECOSYSTEM, THE SITE
12 CONTAINS BIG AND SMALL GAME, FISHERIES, AND OTHER NON-GAME
13 WILDLIFE. BEYOND THE VAST ARRAY OF ANIMAL ECOLOGY PRESENT IN THE
14 AREA, THE SITE ALSO DISPLAYS FOREST, RANGELAND, AND MINERAL
15 RESOURCES. BOUNDED ON THE EAST BY THE RED PURGATOIRE RIVER
16 CANYON, THE PINON CANYON MANEUVER SITE EXPOSES YEARS OF
17 GEOLOGICAL PROCESSES, SANDSTONE FORMATIONS, AND SCENIC
18 WATERWAYS. FURTHER, THE PINON CANYON MANEUVER SITE PROVIDES
19 DEMONSTRABLE EVIDENCE OF ALMOST FOUR THOUSAND YEARS OF HUMAN
20 HISTORY. SEVERAL HUNDRED PROPERTIES ON THE SITE ARE ELIGIBLE FOR
21 DESIGNATION ON THE NATIONAL REGISTER OF HISTORIC PLACES,
22 INCLUDING NINETY-EIGHT ARCHEOLOGICAL SITES. THE UNDEVELOPED
23 NATURE OF THE SITE OFFERS A UNIQUE AND UNPARALLELED OPPORTUNITY
24 TO STUDY THE DEVELOPMENT OF LIFE ON THE PLANET FROM DINOSAURS TO
25 SETTLEMENTS OF AMERICAN INDIANS TO SETTLEMENTS OF EXPLORERS,
26 TRAPPERS, TRADERS, FARMERS, AND RANCHERS IN MORE RECENT TIME.

27 (c) PRIOR TO THE CREATION OF THE PINON CANYON MANEUVER

1 SITE, THIS LAND AREA WAS LIGHTLY POPULATED AND DEVOTED ALMOST
2 EXCLUSIVELY TO RANCHING AND LIVESTOCK GRAZING, SOMETIMES BY
3 FAMILIES THAT HAD OWNED THEIR LAND WITHIN THE SITE AREA FOR
4 GENERATIONS. PURCHASE OF THE LAND AREA THAT BECAME THE PINON
5 CANYON MANEUVER SITE WAS COMPLETED IN 1983. APPROXIMATELY
6 ONE-HALF OF THE LAND AREA THAT BECAME THE SITE WAS ACQUIRED BY
7 THE DEPARTMENT OF THE ARMY BY CONDEMNATION AS MANY
8 LANDOWNERS WERE UNWILLING SELLERS.

9 (d) THE OPTIMAL WAY TO ENSURE THAT THE MAGNIFICENT AND
10 RARE NATURAL AND HUMAN TREASURES OF THE PINON CANYON
11 MANEUVER SITE ARE PRESERVED FOR FUTURE GENERATIONS WOULD BE
12 FOR THE FEDERAL GOVERNMENT TO SELL THE SITE TO THE STATE THAT
13 WILL, IN TURN, SELL INDIVIDUAL PARCELS TO LANDOWNERS WHO WILL
14 MAINTAIN THE REAL PROPERTY CONSISTENT WITH ITS HISTORIC USES. TO
15 BRING ABOUT THIS RESULT, THE GENERAL ASSEMBLY HEREBY REQUESTS
16 THAT THE GOVERNOR AND ATTORNEY GENERAL OF THE STATE COMMENCE
17 NEGOTIATIONS WITH THE UNITED STATES GOVERNMENT FOR THE
18 PURCHASE BY THE STATE OF THE PINON CANYON MANEUVER SITE. IF THE
19 UNITED STATES GOVERNMENT EVER ENTERS INTO AN AGREEMENT WITH
20 THE STATE TO ACCOMPLISH SUCH PURCHASE, AND ONLY UPON THE
21 EXECUTION OF SUCH AGREEMENT, THIS ARTICLE CREATES AN AUTHORITY
22 THAT IS EMPOWERED, AMONG OTHER THINGS, TO ISSUE BONDS TO FINANCE
23 THE SALE OF THE ENTIRE SITE TO THE STATE. THE BONDS ARE TO BE
24 REPAID WITH PROCEEDS FROM THE SALE OF INDIVIDUAL PARCELS WITHIN
25 THE SITE TO PROPERTY OWNERS.

26 (e) UPON SATISFACTION OF THE CONDITIONS SPECIFIED IN THIS
27 ARTICLE, IT IS THE INTENT OF THE GENERAL ASSEMBLY TO CREATE THE

1 PINON CANYON MANEUVER SITE LAND PURCHASE AUTHORITY TO FINANCE
2 THE ACQUISITION OF PROPERTY WITHIN THE SITE FOR ITS ULTIMATE SALE
3 TO LANDOWNERS IN ACCORDANCE WITH THE PROCEDURES AND SUBJECT
4 TO THE REQUIREMENTS SPECIFIED IN THIS ARTICLE TO THE END THAT ALL
5 OF THE EXTRAORDINARY AND UNIQUE GEOLOGICAL, HISTORICAL,
6 ARCHEOLOGICAL, AND AGRICULTURAL FEATURES OF THE SITE WILL BE
7 MAINTAINED FOR THE WELFARE OF, AND RESPONSIBLE USE BY, FUTURE
8 GENERATIONS.

9 (2) THIS ARTICLE SHALL BE LIBERALLY CONSTRUED TO
10 ACCOMPLISH THE INTENTIONS EXPRESSED IN SUBSECTION (1) OF THIS
11 SECTION.

12 **3-4-103. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE
13 CONTEXT OTHERWISE REQUIRES:

14 (1) "AGRICULTURAL PRODUCER" MEANS ONE WHO ENGAGES IN
15 FARMING OR RANCHING AS WELL AS AN EMPLOYEE OF A FARM OR RANCH
16 WITH NOT LESS THAN TWO YEARS EXPERIENCE IN FARMING OR RANCHING
17 AT THE TIME HE OR SHE SEEKS TO ACQUIRE REAL PROPERTY WITHIN THE
18 SITE FROM THE AUTHORITY.

19 (2) "AUTHORITY" MEANS THE PINON CANYON MANEUVER SITE
20 LAND PURCHASE AUTHORITY CREATED BY THIS ARTICLE.

21 (3) "BOARD" MEANS THE BOARD OF DIRECTORS OF THE
22 AUTHORITY.

23 (4) "HEIR" MEANS A CHILD OR GRANDCHILD OF AN INDIVIDUAL
24 OWNING REAL PROPERTY LOCATED WITHIN THE SITE FROM WHOM THE
25 DEPARTMENT OF THE ARMY ACQUIRED THE PROPERTY IN OR PRIOR TO
26 1983 IN CONNECTION WITH ASSEMBLING THE LAND AREA THAT WOULD
27 CONSTITUTE THE SITE.

1 (5) "PINON CANYON MANEUVER SITE" MEANS THE MILITARY
2 TRAINING AREA BELONGING TO FORT CARSON COVERING APPROXIMATELY
3 TWO HUNDRED THIRTY-SIX THOUSAND ACRES THAT IS LOCATED IN
4 SOUTHEASTERN COLORADO.

5 (6) "SITE" MEANS THE PINON CANYON MANEUVER SITE.

6 **3-4-104. Negotiations with the United States government -**
7 **purchase agreement - no action under article in absence of purchase**
8 **agreement.** (1) THE GENERAL ASSEMBLY HEREBY REQUESTS THE
9 GOVERNOR AND ATTORNEY GENERAL OF THE STATE TO COMMENCE
10 NEGOTIATIONS WITH THE UNITED STATES GOVERNMENT AT THE EARLIEST
11 PRACTICABLE OPPORTUNITY FOR THE COMPLETE PURCHASE BY THE STATE
12 OF ALL OR ANY PORTION OF THE REAL PROPERTY THAT CONSTITUTES THE
13 SITE.

14 (2) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, NEITHER
15 CREATION OF THE AUTHORITY NOR ANY OTHER ACT SPECIFIED IN THIS
16 ARTICLE IS REQUIRED PRIOR TO, OR IN THE ABSENCE OF, AN AGREEMENT IN
17 THE FORM DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

18 **3-4-105. Authority - creation - board - organization.**
19 (1) WITHIN ONE-HUNDRED EIGHTY DAYS FOLLOWING THE EXECUTION BY
20 THE UNITED STATES GOVERNMENT AND THE STATE OF AN AGREEMENT
21 PURSUANT TO WHICH THE UNITED STATES GOVERNMENT CONVEYS TO THE
22 STATE FULL LEGAL TITLE TO ALL OR ANY PORTION OF THE REAL PROPERTY
23 WITHIN THE SITE, AN INDEPENDENT PUBLIC BODY POLITIC AND CORPORATE
24 TO BE KNOWN AS THE PINON CANYON MANEUVER SITE LAND PURCHASE
25 AUTHORITY MUST BE CREATED. THE AUTHORITY IS CONSTITUTED AS A
26 PUBLIC INSTRUMENTALITY, AND ITS EXERCISE OF THE POWERS CONFERRED
27 BY THIS ARTICLE ARE DEEMED AND HELD TO BE THE PERFORMANCE OF AN

1 ESSENTIAL PUBLIC FUNCTION. THE AUTHORITY IS A BODY CORPORATE AND
2 A POLITICAL SUBDIVISION OF THE STATE, IS NOT AN AGENCY OF STATE
3 GOVERNMENT, AND IS NOT SUBJECT TO ADMINISTRATIVE DIRECTION BY
4 ANY DEPARTMENT, COMMISSION, BOARD, OR AGENCY OF THE STATE.

5 (2) THE GOVERNING BODY OF THE AUTHORITY IS A BOARD OF
6 DIRECTORS, WHICH CONSISTS OF SEVEN MEMBERS TO BE APPOINTED BY
7 THE GOVERNOR, WITH THE CONSENT OF THE SENATE. THE MEMBERS SHALL
8 BE RESIDENTS OF THE STATE. NO MORE THAN FOUR MEMBERS OF THE
9 BOARD SHALL BE OF THE SAME POLITICAL PARTY. AS DESIGNATED BY THE
10 GOVERNOR, THREE MEMBERS OF THE BOARD FIRST APPOINTED SHALL
11 SERVE FOR A TERM OF SIX YEARS EACH. THE OTHER FOUR MEMBERS OF THE
12 BOARD FIRST APPOINTED, AS DESIGNATED BY THE GOVERNOR, SHALL
13 SERVE FOR A TERM OF FOUR YEARS EACH. THEREAFTER, ALL MEMBERS OF
14 THE BOARD SHALL BE APPOINTED FOR A TERM OF FOUR YEARS. FOLLOWING
15 THE EXPIRATION OF A MEMBER'S INITIAL TERM OF SERVICE, WHETHER FOUR
16 OR SIX YEARS RESPECTIVELY, THE MEMBER IS ELIGIBLE FOR
17 REAPPOINTMENT TO A SINGLE ADDITIONAL FOUR-YEAR TERM. EACH
18 MEMBER SHALL SERVE UNTIL HIS OR HER RESIGNATION OR, IN THE CASE OF
19 A MEMBER WHOSE TERM HAS EXPIRED, UNTIL HIS OR HER SUCCESSOR HAS
20 BEEN APPOINTED. THE GOVERNOR SHALL FILL ANY VACANCY ON THE
21 BOARD BY APPOINTMENT FOR THE REMAINDER OF AN UNEXPIRED TERM.
22 ANY MEMBER APPOINTED BY THE GOVERNOR WHEN THE GENERAL
23 ASSEMBLY IS NOT IN REGULAR SESSION, WHETHER APPOINTED FOR AN
24 UNEXPIRED TERM OR FOR A FULL TERM, IS DEEMED TO BE DULY APPOINTED
25 AND QUALIFIED UNTIL THE APPOINTMENT OF SUCH MEMBER IS APPROVED
26 OR REJECTED BY THE SENATE. ANY SUCH APPOINTMENT IS TO BE
27 SUBMITTED TO THE SENATE FOR ITS APPROVAL OR REJECTION DURING THE

1 NEXT REGULAR SESSION OF THE GENERAL ASSEMBLY FOLLOWING THE
2 APPOINTMENT.

3 (3) (a) ANY MEMBER OF THE BOARD MAY BE REMOVED BY THE
4 GOVERNOR FOR MISFEASANCE, MALFEASANCE, WILLFUL NEGLECT OF
5 DUTY, OR OTHER CAUSE, AFTER NOTICE AND A PUBLIC HEARING, UNLESS
6 SUCH NOTICE AND HEARING IS EXPRESSLY WAIVED IN WRITING.

7 (b) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (a) OF
8 THIS SUBSECTION (3), A MEMBER SHALL BE REMOVED BY THE GOVERNOR
9 IF THE MEMBER FAILS, FOR REASONS OTHER THAN TEMPORARY MENTAL OR
10 PHYSICAL DISABILITY OR ILLNESS, TO ATTEND THREE REGULAR MEETINGS
11 OF THE BOARD DURING ANY TWELVE-MONTH PERIOD WITHOUT THE BOARD
12 HAVING ENTERED UPON ITS MINUTES AN APPROVAL FOR ANY SUCH
13 ABSENCES.

14 **3-4-106. Organizational meeting - chair - executive director -**
15 **surety bond - conflict of interest.** (1) A MEMBER OF THE BOARD,
16 DESIGNATED BY THE GOVERNOR, SHALL CALL AND CONVENE THE INITIAL
17 ORGANIZATIONAL MEETING OF THE BOARD AND SHALL SERVE AS ITS CHAIR
18 PRO TEMPORE. AT SUCH MEETING, APPROPRIATE BYLAWS MUST BE
19 PRESENTED FOR ADOPTION. THE BYLAWS MAY PROVIDE FOR THE ELECTION
20 OR APPOINTMENT OF OFFICERS, THE DELEGATION OF CERTAIN POWERS AND
21 DUTIES, AND SUCH OTHER MATTERS AS THE AUTHORITY DEEMS PROPER.
22 AT SUCH MEETING AND ANNUALLY THEREAFTER, THE BOARD SHALL ELECT
23 ONE OF ITS MEMBERS AS CHAIR AND ONE AS VICE-CHAIR. IT SHALL APPOINT
24 AN EXECUTIVE DIRECTOR WHO SHALL NOT BE A MEMBER OF THE BOARD
25 AND WHO SHALL SERVE AT ITS PLEASURE. THE EXECUTIVE DIRECTOR
26 SHALL RECEIVE SUCH COMPENSATION FOR HIS OR HER SERVICES AS THE
27 BOARD SHALL APPROVE.

1 (2) THE EXECUTIVE DIRECTOR OR ANY OTHER PERSON DESIGNATED
2 BY THE BOARD SHALL KEEP A RECORD OF THE PROCEEDINGS THEREOF AND
3 SHALL BE CUSTODIAN OF ALL BOOKS, DOCUMENTS, AND PAPERS FILED
4 WITH THE BOARD, THE MINUTE BOOKS OR JOURNAL THEREOF, AND ITS
5 OFFICIAL SEAL. THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE MAY
6 COPY ALL MINUTES AND OTHER RECORDS AND DOCUMENTS OF THE BOARD
7 AND MAY GIVE CERTIFICATES UNDER THE OFFICIAL SEAL OF THE
8 AUTHORITY TO THE EFFECT THAT SUCH COPIES ARE TRUE COPIES, AND ALL
9 PERSONS DEALING WITH THE AUTHORITY MAY RELY ON SUCH
10 CERTIFICATES.

11 (3) THE BOARD MAY DELEGATE, BY RESOLUTION, TO ONE OR MORE
12 OF ITS MEMBERS OR TO ITS EXECUTIVE DIRECTOR SUCH POWERS AND
13 DUTIES AS IT MAY DEEM PROPER.

14 (4) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IT IS NOT
15 A CONFLICT OF INTEREST FOR A TRUSTEE, DIRECTOR, OFFICER, OR
16 EMPLOYEE OF ANY FINANCIAL INSTITUTION, INVESTMENT BANKING FIRM,
17 BROKERAGE FIRM, COMMERCIAL BANK OR TRUST COMPANY,
18 ARCHITECTURAL FIRM, OR OTHER FIRM, PERSON, OR CORPORATION TO
19 SERVE AS A MEMBER OF THE BOARD; EXCEPT THAT SUCH TRUSTEE,
20 DIRECTOR, OFFICER, OR EMPLOYEE SHALL DISCLOSE SUCH INTEREST TO
21 THE BOARD AND MAY ABSTAIN FROM DELIBERATION, ACTION, AND VOTING
22 BY THE BOARD IN EACH INSTANCE WHERE THE BUSINESS AFFILIATION OF
23 ANY SUCH TRUSTEE, DIRECTOR, OFFICER, OR EMPLOYEE IS INVOLVED.

24 **3-4-107. Meetings of board - quorum - expenses.** (1) FOUR
25 MEMBERS OF THE BOARD SHALL CONSTITUTE A QUORUM FOR THE PURPOSE
26 OF CONDUCTING BUSINESS AND EXERCISING ITS POWERS. ACTION MAY BE
27 TAKEN BY THE BOARD UPON THE AFFIRMATIVE VOTE OF AT LEAST FOUR OF

1 ITS MEMBERS. NO VACANCY IN THE MEMBERSHIP OF THE BOARD SHALL
2 IMPAIR THE RIGHT OF A QUORUM TO EXERCISE ALL THE RIGHTS AND
3 PERFORM ALL THE DUTIES OF THE BOARD.

4 (2) ALL MEETINGS OF THE BOARD SHALL BE SUBJECT TO THE
5 PROVISIONS OF SECTION 24-6-402, C.R.S. NOTICE OF MEETINGS SHALL BE
6 AS PROVIDED IN THE BYLAWS OF THE AUTHORITY. RESOLUTIONS NEED NOT
7 BE PUBLISHED OR POSTED, BUT RESOLUTIONS AND ALL PROCEEDINGS AND
8 OTHER ACTS OF THE BOARD CONSTITUTE A PUBLIC RECORD.

9 (3) MEMBERS OF THE BOARD SHALL RECEIVE NO COMPENSATION
10 FOR THEIR SERVICES BUT SHALL BE ENTITLED TO REIMBURSEMENT FOR ALL
11 NECESSARY EXPENSES, INCLUDING TRAVELING AND LODGING EXPENSES,
12 INCURRED IN THE PERFORMANCE OF THEIR OFFICIAL DUTIES UNDER THIS
13 ARTICLE. ANY PAYMENTS TO BOARD MEMBERS FOR THEIR EXPENSES
14 UNDER THIS SUBSECTION (3) SHALL BE PAID FROM FUNDS OF THE
15 AUTHORITY.

16 **3-4-108. General powers of the authority.** (1) IN ADDITION TO
17 ANY OTHER POWERS GRANTED TO THE AUTHORITY BY THIS ARTICLE, THE
18 AUTHORITY HAS THE FOLLOWING POWERS:

19 (a) TO HAVE THE DUTIES, PRIVILEGES, IMMUNITIES, RIGHTS,
20 LIABILITIES, AND DISABILITIES OF A BODY CORPORATE AND POLITICAL
21 SUBDIVISION OF THE STATE;

22 (b) TO HAVE PERPETUAL EXISTENCE AND SUCCESSION;

23 (c) TO ADOPT, HAVE, AND USE A SEAL AND TO ALTER THE SAME AT
24 ITS PLEASURE;

25 (d) TO SUE AND BE SUED;

26 (e) TO ENTER INTO ANY CONTRACT OR AGREEMENT NOT
27 INCONSISTENT WITH THIS ARTICLE OR THE LAWS OF THIS STATE AND TO

1 AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACTS,
2 EXECUTE ALL INSTRUMENTS, AND DO ALL THINGS NECESSARY OR
3 CONVENIENT IN THE EXERCISE OF THE POWERS GRANTED IN THIS ARTICLE
4 AND TO SECURE THE PAYMENT OF BONDS;

5 (f) TO BORROW MONEY AND TO ISSUE BONDS, NOTES, BOND
6 ANTICIPATION NOTES, OR OTHER OBLIGATIONS FOR ANY OF ITS CORPORATE
7 PURPOSES AND TO FUND OR REFUND THE SAME, ALL AS PROVIDED FOR IN
8 THIS ARTICLE;

9 (g) TO PURCHASE, LEASE, TRADE, EXCHANGE, OR OTHERWISE
10 ACQUIRE, MAINTAIN, HOLD, IMPROVE, MORTGAGE, LEASE, SELL, AND
11 DISPOSE OF PERSONAL PROPERTY, WHETHER TANGIBLE OR INTANGIBLE, OR
12 ANY INTEREST THEREIN; AND TO PURCHASE, LEASE, TRADE, EXCHANGE, OR
13 OTHERWISE ACQUIRE REAL PROPERTY OR ANY INTEREST THEREIN AND TO
14 MAINTAIN, HOLD, IMPROVE, MORTGAGE, LEASE, OR OTHERWISE TRANSFER
15 SUCH REAL PROPERTY, SO LONG AS SUCH TRANSACTIONS DO NOT
16 INTERFERE WITH THE MISSION OF THE AUTHORITY AS SPECIFIED IN SECTION
17 3-4-109;

18 (h) TO ACQUIRE SPACE, EQUIPMENT, SERVICES, SUPPLIES, AND
19 INSURANCE NECESSARY TO CARRY OUT THE PURPOSES OF THIS ARTICLE;

20 (i) TO DEPOSIT ANY MONEYS OF THE AUTHORITY IN ANY BANKING
21 INSTITUTION WITHIN THE STATE OR IN ANY DEPOSITORY AUTHORIZED IN
22 SECTION 24-75-603, C.R.S., AND TO APPOINT, FOR THE PURPOSE OF
23 MAKING SUCH DEPOSITS, ONE OR MORE PERSONS TO ACT AS CUSTODIANS
24 OF THE MONEYS OF THE AUTHORITY, WHO SHALL GIVE SURETY BONDS IN
25 SUCH AMOUNTS AND FORM AND FOR SUCH PURPOSES AS THE BOARD
26 REQUIRES;

27 (j) TO CONTRACT FOR AND TO ACCEPT ANY GIFTS, GRANTS, OR

1 LOANS OF FUNDS, PROPERTY, OR ANY OTHER AID IN ANY FORM FROM THE
2 FEDERAL GOVERNMENT, THE STATE, ANY STATE AGENCY, OR ANY OTHER
3 SOURCE, OR ANY COMBINATION THEREOF, AND TO COMPLY, SUBJECT TO
4 THE PROVISIONS OF THIS ARTICLE, WITH THE TERMS AND CONDITIONS
5 THEREOF;

6 (k) TO HAVE AND EXERCISE ALL RIGHTS AND POWERS NECESSARY
7 OR INCIDENTAL TO OR IMPLIED FROM THE SPECIFIC POWERS GRANTED IN
8 THIS ARTICLE, WHICH SPECIFIC POWERS SHALL NOT BE CONSIDERED AS A
9 LIMITATION UPON ANY POWER NECESSARY OR APPROPRIATE TO CARRY OUT
10 THE PURPOSES AND INTENT OF THIS ARTICLE;

11 (l) TO FIX THE TIME AND PLACE OR PLACES AT WHICH ITS REGULAR
12 AND SPECIAL MEETINGS ARE TO BE HELD. MEETINGS SHALL BE HELD ON
13 THE CALL OF THE CHAIR, BUT NO LESS THAN SIX MEETINGS SHALL BE HELD
14 ANNUALLY.

15 (m) TO ADOPT AND FROM TIME TO TIME AMEND OR REPEAL
16 BYLAWS AND RULES AND REGULATIONS CONSISTENT WITH THE PROVISIONS
17 OF THIS ARTICLE; EXCEPT THAT ARTICLE 4 OF THIS TITLE DOES NOT APPLY
18 TO THE PROMULGATION OF ANY POLICIES, PROCEDURES, RULES, OR
19 REGULATIONS OF THE AUTHORITY;

20 (n) TO APPOINT A TREASURER OF THE BOARD AND SUCH OTHER
21 OFFICERS AS THE BOARD MAY DETERMINE AND PROVIDE FOR THEIR DUTIES
22 AND TERMS OF OFFICE;

23 (o) TO APPOINT AN EXECUTIVE DIRECTOR AND SUCH AGENTS,
24 EMPLOYEES, AND PROFESSIONAL AND BUSINESS ADVISERS AS MAY FROM
25 TIME TO TIME BE NECESSARY IN ITS JUDGMENT TO ACCOMPLISH THE
26 PURPOSES OF THIS ARTICLE, TO FIX THE COMPENSATION OF THE EXECUTIVE
27 DIRECTOR, EMPLOYEES, AGENTS, AND ADVISERS, AND TO ESTABLISH THE

1 POWERS AND DUTIES OF ALL SUCH AGENTS, EMPLOYEES, AND OTHER
2 PERSONS CONTRACTING WITH THE AUTHORITY;

3 (p) TO WAIVE, BY SUCH MEANS AS THE AUTHORITY DEEMS
4 APPROPRIATE, THE EXEMPTION FROM FEDERAL INCOME TAXATION OF
5 INTEREST ON THE AUTHORITY'S BONDS, NOTES, OR OTHER OBLIGATIONS
6 PROVIDED BY THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS
7 AMENDED, OR ANY OTHER FEDERAL STATUTE PROVIDING A SIMILAR
8 EXEMPTION;

9 (q) TO MAKE AND EXECUTE AGREEMENTS, CONTRACTS, OR OTHER
10 INSTRUMENTS NECESSARY OR CONVENIENT TO THE EXERCISE OF THE
11 POWERS AND FUNCTIONS OF THE AUTHORITY UNDER THIS ARTICLE,
12 INCLUDING BUT NOT LIMITED TO CONTRACTS WITH ANY PERSON, FIRM,
13 CORPORATION, STATE AGENCY, LOCAL GOVERNMENT, OR OTHER ENTITY.
14 ALL STATE AGENCIES AND LOCAL GOVERNMENTS ARE HEREBY
15 AUTHORIZED TO ENTER INTO AND DO ALL THINGS NECESSARY TO PERFORM
16 ANY SUCH ARRANGEMENT OR CONTRACT WITH THE AUTHORITY.

17 (r) TO ARRANGE FOR GUARANTIES OR INSURANCE OF ITS BONDS,
18 NOTES, OR OTHER OBLIGATIONS BY THE FEDERAL GOVERNMENT OR BY ANY
19 PRIVATE INSURER, AND TO PAY ANY PREMIUMS THEREFOR; AND

20 (s) TO DO ALL OTHER THINGS NECESSARY AND CONVENIENT TO
21 CARRY OUT THE PURPOSES OF THIS ARTICLE.

22 **3-4-109. Mission of the authority.** (1) THE MISSION OF THE
23 AUTHORITY IS TO:

24 (a) UPON EXECUTION OF AN AGREEMENT WITH THE UNITED
25 STATES GOVERNMENT UNDER WHICH THE UNITED STATES GOVERNMENT
26 AGREES TO SELL TO THE STATE ALL OR ANY PORTION OF THE SITE, TAKE
27 POSSESSION OF SUCH PROPERTY SOLD TO THE STATE IN PREPARATION FOR

1 THE ULTIMATE SALE OF SUCH PROPERTY TO LANDOWNERS;

2 (b) ISSUE BONDS SATISFYING THE REQUIREMENTS OF THIS ARTICLE
3 IN AN AMOUNT SUFFICIENT TO FINANCE THE ACQUISITION OF THE REAL
4 PROPERTY LOCATED WITHIN THE SITE, WHICH COSTS OF ACQUISITION MUST
5 MEET BUT NOT EXCEED ONE HUNDRED PERCENT OF THE APPRAISED VALUE
6 OF THE REAL PROPERTY;

7 (c) TO OFFER AND TO ARRANGE FOR SALE ANY REAL PROPERTY
8 WITHIN THE SITE THE FULL LEGAL TITLE TO WHICH HAS BEEN CONVEYED
9 BY THE UNITED STATES GOVERNMENT TO THE STATE. SUCH SALES SHALL
10 SATISFY THE REQUIREMENTS OF SECTION 3-4-110; AND

11 (d) TO MAKE RECOMMENDATIONS TO THE GENERAL ASSEMBLY
12 CONCERNING STATUTORY MODIFICATIONS OR OTHER PUBLIC POLICY
13 CHANGES AS WILL, IN THE JUDGMENT OF THE AUTHORITY, ENCOURAGE
14 AGRICULTURAL PRODUCTION IN SOUTHEASTERN COLORADO.

15 **3-4-110. Sale by the state of real property within the site.**

16 (1) THE AUTHORITY SHALL OFFER AND ARRANGE FOR THE SALE OF ALL
17 REAL PROPERTY WITHIN THE SITE THE FULL LEGAL TITLE TO WHICH HAS
18 BEEN CONVEYED BY THE UNITED STATES GOVERNMENT TO THE STATE.
19 DURING A TWO-YEAR PERIOD COMMENCING WITH THE CONVEYANCE OF
20 ANY PARTICULAR PARCEL OF REAL PROPERTY TO THE STATE FROM THE
21 FEDERAL GOVERNMENT, THE AUTHORITY MUST FIRST EXTEND AN OFFER TO
22 PURCHASE SUCH PARCEL TO THE PREVIOUS OWNERS OF SUCH LAND AND,
23 IF SUCH OWNERS ARE NO LONGER LIVING, TO THEIR HEIRS. IF THERE ARE
24 NO SUCH HEIRS, OR IF ANY LIVING HEIRS DECLINE TO PURCHASE SUCH
25 PROPERTY, THE AUTHORITY MUST NEXT EXTEND AN OFFER TO PURCHASE
26 AN OWNERSHIP INTEREST IN SUCH PARCEL TO AGRICULTURAL PRODUCERS.
27 IF THERE ARE NO AGRICULTURAL PRODUCERS MEETING THESE

1 REQUIREMENTS WHO EXPRESS AN INTEREST IN PURCHASING THE
2 PROPERTY, THE AUTHORITY MUST NEXT EXTEND AN OFFER TO PURCHASE
3 THE PROPERTY TO ANY PERSON, WHETHER PRIVATE OR PUBLIC. UPON THE
4 COMPLETION OF ANY SUCH TWO-YEAR PERIOD, THE AUTHORITY MAY
5 EXTEND AN OFFER TO PURCHASE THE PROPERTY TO ANY PERSON, WHETHER
6 PUBLIC OR PRIVATE.

7 (2) TO ENABLE PERSONS TO FINANCE THEIR ACQUISITION OF
8 INDIVIDUAL PARCELS PURSUANT TO SUBSECTION (1) OF THIS SECTION, THE
9 AUTHORITY MAY EXTEND LOANS OR RELATED FINANCING INSTRUMENTS TO
10 SUCH PERSONS SECURED BY A MORTGAGE OR OTHER SECURITY
11 INSTRUMENT TO BE HELD BY THE AUTHORITY. THE INTEREST RATE ON
12 SUCH LOANS MUST BE SET AT A RATE THAT IS TWO PERCENT ABOVE THE
13 INTEREST RATE ON THE BONDS ISSUED BY THE AUTHORITY TO FINANCE
14 ACQUISITION OF THE SITE. THE AUTHORITY SHALL IMPOSE SUCH
15 ADDITIONAL TERMS AND CONDITIONS ON ANY LOAN, MORTGAGE, OR
16 OTHER SECURITY INSTRUMENT AS THE AUTHORITY DETERMINES TO BE
17 ADEQUATE TO SECURE REPAYMENT OF THE LOAN.

18 (3) ANY REVENUES ACCRUING TO THE AUTHORITY RESULTING
19 FROM THE DIFFERENTIAL BETWEEN THE MONEYS THE STATE PAYS IN
20 INTEREST ON THE BONDS TO ACQUIRE THE SITE AND THE INTEREST RATE
21 THE STATE CHARGES ON LOANS TO LANDOWNERS TO PURCHASE
22 INDIVIDUAL PARCELS WITHIN THE SITE SHALL FIRST BE USED TO COVER
23 ADMINISTRATIVE EXPENSES OF CREATING, OPERATING, AND
24 ADMINISTERING THE AUTHORITY. ANY EXCESS REVENUES AFTER ALL
25 ADMINISTRATIVE EXPENSES HAVE BEEN MET MUST BE TRANSFERRED TO
26 THE STATE TREASURER TO FINANCE VETERANS PROGRAMS OPERATED BY
27 THE STATE.

1 **3-4-111. Acquisition of property.** THE AUTHORITY MAY ACQUIRE
2 BY PURCHASE, LEASE, GIFT, DEVISE, OR OTHER MEANS SUCH LANDS,
3 STRUCTURES, REAL OR PERSONAL PROPERTY, RIGHTS-OF-WAY,
4 FRANCHISES, EASEMENTS, AND OTHER INTERESTS IN LANDS, INCLUDING
5 LANDS LYING UNDER WATER AND RIPARIAN RIGHTS WHICH ARE LOCATED
6 WITHIN OR WITHOUT THE STATE, AS IT MAY DEEM NECESSARY OR
7 CONVENIENT TO CARRY OUT THE PURPOSES OF THIS ARTICLE, UPON SUCH
8 TERMS AS MAY BE CONSIDERED BY THE AUTHORITY TO BE REASONABLE,
9 AND MAY TAKE TITLE THERETO IN THE NAME OF THE AUTHORITY.

10 **3-4-112. Bonds and notes.** (1) THE AUTHORITY MAY, FROM TIME
11 TO TIME, ISSUE BONDS AND NOTES FOR ANY OF ITS CORPORATE PURPOSES.
12 THE BONDS AND NOTES SHALL BE ISSUED PURSUANT TO RESOLUTION OF
13 THE BOARD. ALL BONDS ISSUED BY THE AUTHORITY MUST BE PAYABLE
14 SOLELY OUT OF THE REVENUES AND RECEIPTS DERIVED FROM THE
15 LEASING, MORTGAGING, OR SALE BY THE AUTHORITY OF ANY REAL
16 PROPERTY WITHIN THE SITE IT HAS PURCHASED FROM THE UNITED STATES
17 GOVERNMENT FOR ULTIMATE CONVEYANCE TO OTHER PERSONS IN
18 ACCORDANCE WITH THE REQUIREMENTS OF SECTION 3-4-110.

19 (2) BONDS OF THE AUTHORITY, AS PROVIDED IN THE RESOLUTION
20 OF THE AUTHORITY UNDER WHICH THE BONDS ARE AUTHORIZED OR AS
21 PROVIDED IN A TRUST INDENTURE BETWEEN THE AUTHORITY AND ANY
22 COMMERCIAL OR TRUST COMPANY HAVING FULL TRUST POWERS, MAY:

23 (a) BE EXECUTED AND DELIVERED BY THE AUTHORITY IN THE
24 FORM, DENOMINATIONS, UPON THE TERMS AND MATURITIES, AND AT THE
25 TIMES ESTABLISHED BY THE BOARD;

26 (b) BE SUBJECT TO OPTIONAL OR MANDATORY REDEMPTION PRIOR
27 TO MATURITY WITH OR WITHOUT A PREMIUM;

1 (c) BE IN FULLY REGISTERED FORM OR BEARER FORM
2 REGISTERABLE AS TO PRINCIPAL OR INTEREST OR BOTH;

3 (d) BEAR SUCH CONVERSION PRIVILEGES AND BE PAYABLE IN SUCH
4 INSTALLMENTS AND AT SUCH TIMES NOT EXCEEDING TWENTY YEARS FROM
5 THE DATE OF ISSUANCE AS ESTABLISHED BY THE BOARD;

6 (e) BE PAYABLE AT SUCH PLACE OR PLACES WHETHER WITHIN OR
7 WITHOUT THE STATE AS ESTABLISHED BY THE BOARD;

8 (f) BEAR INTEREST AT SUCH RATE OR RATES PER ANNUM, WHICH
9 MAY BE FIXED OR VARY ACCORDING TO INDEX, PROCEDURE, OR FORMULA
10 OR AS DETERMINED BY THE AUTHORITY OR ITS AGENTS WITHOUT REGARD
11 TO ANY INTEREST RATE LIMITATION APPEARING IN ANY OTHER LAW OF THE
12 STATE;

13 (g) BE SUBJECT TO PURCHASE AT THE OPTION OF THE HOLDER OF
14 A BOND OR NOTE OR OF THE BOARD;

15 (h) BE EVIDENCED IN THE MANNER ESTABLISHED BY THE BOARD,
16 AND EXECUTED BY THE OFFICERS OF THE AUTHORITY, INCLUDING THE USE
17 OF ONE OR MORE FACSIMILE SIGNATURES SO LONG AS AT LEAST ONE
18 MANUAL SIGNATURE APPEARS ON THE BONDS, WHICH MAY BE EITHER OF
19 AN OFFICER OF THE AUTHORITY OR OF AN AGENT AUTHENTICATING THE
20 SAME;

21 (i) BE IN THE FORM OF COUPON BONDS THAT HAVE ATTACHED
22 INTEREST COUPONS BEARING A MANUAL OR A FACSIMILE SIGNATURE OF AN
23 OFFICER OF THE AUTHORITY; AND

24 (j) CONTAIN ANY OTHER PROVISIONS NOT INCONSISTENT WITH THIS
25 ARTICLE.

26 (3) THE BONDS MAY BE SOLD AT PUBLIC OR PRIVATE SALE AT THE
27 PRICE OR PRICES, IN THE MANNER, AND AT THE TIMES AS DETERMINED BY

1 THE BOARD, AND THE BOARD MAY PAY ALL FEES, EXPENSES, AND
2 COMMISSIONS THAT IT DEEMS NECESSARY OR ADVANTAGEOUS IN
3 CONNECTION WITH THE SALE OF THE BONDS. THE POWER TO FIX THE DATE
4 OF SALE OF THE BONDS, TO RECEIVE BIDS OR PROPOSALS, TO AWARD AND
5 SELL BONDS, TO FIX INTEREST RATES, AND TO TAKE ALL OTHER ACTION
6 NECESSARY TO SELL AND DELIVER THE BONDS MAY BE DELEGATED TO AN
7 OFFICER OR AGENT OF THE AUTHORITY. ANY OUTSTANDING BONDS MAY
8 BE REFUNDED BY THE AUTHORITY PURSUANT TO ARTICLE 56 OF TITLE 11,
9 C.R.S. ALL BONDS AND ANY INTEREST COUPONS APPLICABLE THERETO
10 ARE DECLARED TO BE NEGOTIABLE INSTRUMENTS.

11 (4) THE RESOLUTION OR TRUST INDENTURE AUTHORIZING THE
12 ISSUANCE OF THE BONDS OR NOTES MAY PLEDGE ALL OR A PORTION OF THE
13 PROPERTY OR REVENUES OF THE AUTHORITY, MAY CONTAIN SUCH
14 PROVISIONS FOR PROTECTING AND ENFORCING THE RIGHTS AND REMEDIES
15 OF HOLDERS OF ANY OF THE BONDS OR NOTES AS THE AUTHORITY DEEMS
16 APPROPRIATE, MAY SET FORTH THE RIGHTS AND REMEDIES OF THE
17 HOLDERS OF ANY OF THE BONDS OR NOTES, AND MAY CONTAIN PROVISIONS
18 THAT THE AUTHORITY DEEMS APPROPRIATE FOR THE SECURITY OF THE
19 HOLDERS OF THE BONDS OR NOTES, INCLUDING BUT NOT LIMITED TO
20 PROVISIONS FOR LETTERS OF CREDIT, INSURANCE, STANDBY CREDIT
21 AGREEMENTS, OR OTHER FORMS OF CREDIT ENSURING TIMELY PAYMENT
22 OF THE BONDS OR NOTES, INCLUDING THE REDEMPTION PRICE OR THE
23 PURCHASE PRICE.

24 (5) ANY PLEDGE OF REVENUES OR PROPERTY MADE BY THE
25 AUTHORITY OR BY ANY PERSON OR GOVERNMENTAL UNIT WITH WHICH THE
26 AUTHORITY CONTRACTS SHALL BE VALID AND BINDING FROM THE TIME
27 THE PLEDGE IS MADE. THE REVENUES OR PROPERTY SO PLEDGED SHALL

1 IMMEDIATELY BE SUBJECT TO THE LIEN OF SUCH PLEDGE WITHOUT ANY
2 PHYSICAL DELIVERY OR FURTHER ACT, AND THE LIEN OF SUCH PLEDGE
3 SHALL BE VALID AND BINDING AGAINST ALL PARTIES HAVING CLAIMS OF
4 ANY KIND IN TORT, CONTRACT, OR OTHERWISE AGAINST THE PLEDGING
5 PARTY, REGARDLESS OF WHETHER THE PARTY HAS NOTICE OF SUCH LIEN.
6 THE INSTRUMENT BY WHICH THE PLEDGE IS CREATED NEED NOT BE
7 RECORDED OR FILED.

8 (6) NEITHER THE MEMBERS OF THE BOARD, EMPLOYEES OF THE
9 AUTHORITY, NOR ANY PERSON EXECUTING THE BONDS SHALL BE LIABLE
10 PERSONALLY ON THE BONDS OR NOTES OR SUBJECT TO ANY PERSONAL
11 LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE THEREOF.

12 (7) BONDS AND NOTES ISSUED BY THE AUTHORITY SHALL NOT
13 CONSTITUTE OR BECOME AN INDEBTEDNESS, A DEBT, OR A LIABILITY OF
14 THE STATE. THE BONDS SHALL CONTAIN ON THE FACE THEREOF A
15 STATEMENT TO SUCH EFFECT.

16 (8) THE AUTHORITY MAY PURCHASE ITS BONDS OR NOTES OUT OF
17 ANY AVAILABLE MONEYS AND MAY HOLD, PLEDGE, CANCEL, OR RESELL
18 SUCH BONDS AND NOTES SUBJECT TO AND IN ACCORDANCE WITH
19 AGREEMENTS WITH THE HOLDERS THEREOF.

20 (9) THE AUTHORITY IS HEREBY DECLARED TO BE A PUBLIC
21 INSTRUMENTALITY OF THE STATE, PERFORMING A PUBLIC FUNCTION FOR
22 THE BENEFIT OF THE PEOPLE OF THE STATE. ACCORDINGLY, THE INCOME
23 OR OTHER REVENUES OF THE AUTHORITY, ALL PROPERTIES AT ANY TIME
24 OWNED BY THE AUTHORITY, ANY BONDS, NOTES, OR OTHER OBLIGATIONS
25 ISSUED PURSUANT TO THIS ARTICLE AND THE TRANSFER THEREOF AND THE
26 INCOME THEREFROM, INCLUDING ANY PROFIT MADE ON THE SALE
27 THEREOF, AND ALL MORTGAGES, LEASES, TRUST INDENTURES, AND OTHER

1 DOCUMENTS ISSUED IN CONNECTION THEREWITH SHALL BE EXEMPT AT ALL
2 TIMES FROM ALL TAXATION AND ASSESSMENTS OF THE STATE OR ANY
3 AGENCY, POLITICAL SUBDIVISION, OR INSTRUMENTALITY OF THE STATE.

4 **3-4-113. Agreement of the state not to limit or alter rights of**
5 **obligees.** THE STATE HEREBY PLEDGES AND AGREES WITH THE HOLDERS
6 OF ANY BONDS OR NOTES ISSUED UNDER THIS ARTICLE AND WITH THOSE
7 PARTIES WHO ENTER INTO CONTRACT WITH THE AUTHORITY THAT THE
8 STATE WILL NOT LIMIT, ALTER, RESTRICT, OR IMPAIR THE RIGHTS VESTED
9 IN THE AUTHORITY OR THE RIGHTS OR OBLIGATIONS OF ANY PERSON WITH
10 WHICH IT CONTRACTS TO FULFILL THE TERMS OF ANY AGREEMENTS MADE
11 PURSUANT TO THIS ARTICLE. THE STATE FURTHER AGREES THAT IT WILL
12 NOT IN ANY WAY IMPAIR THE RIGHTS OR REMEDIES OF THE HOLDERS OF
13 ANY BONDS OR NOTES OF THE AUTHORITY UNTIL SUCH BONDS OR NOTES
14 HAVE BEEN PAID OR UNTIL ADEQUATE PROVISION FOR PAYMENT HAS BEEN
15 MADE. THE AUTHORITY MAY INCLUDE THIS PROVISION AND UNDERTAKING
16 FOR THE STATE IN SUCH BONDS OR NOTES.

17 **3-4-114. Investments.** THE AUTHORITY MAY INVEST OR DEPOSIT
18 ANY MONEYS IN THE MANNER PROVIDED BY PART 6 OF ARTICLE 75 OF
19 TITLE 24, C.R.S. IN ADDITION, THE AUTHORITY MAY DIRECT A CORPORATE
20 TRUSTEE THAT HOLDS MONEYS OF THE AUTHORITY TO INVEST OR DEPOSIT
21 SUCH MONEYS IN INVESTMENTS OR DEPOSITS OTHER THAN THOSE
22 SPECIFIED BY SAID PART 6 IF THE BOARD DETERMINES, BY RESOLUTION,
23 THAT THE INVESTMENT OR DEPOSIT MEETS THE STANDARD ESTABLISHED
24 IN SECTION 15-1-304, C.R.S., AND THE INCOME IS AT LEAST COMPARABLE
25 TO INCOME AVAILABLE ON INVESTMENTS OR DEPOSITS SPECIFIED BY SAID
26 PART 6.

27 **3-4-115. Bonds eligible for investment.** ALL BANKS, TRUST

1 COMPANIES, SAVINGS AND LOAN ASSOCIATIONS, INSURANCE COMPANIES,
2 EXECUTORS, ADMINISTRATORS, GUARDIAN TRUSTEES, AND OTHER
3 FIDUCIARIES MAY LEGALLY INVEST ANY MONEYS WITHIN THEIR CONTROL
4 IN ANY BONDS ISSUED UNDER THIS ARTICLE. PUBLIC ENTITIES, AS DEFINED
5 IN SECTION 24-75-601 (1), C.R.S., MAY INVEST PUBLIC FUNDS IN SUCH
6 BONDS ONLY IF THE BONDS SATISFY THE INVESTMENT REQUIREMENTS
7 ESTABLISHED IN PART 6 OF ARTICLE 75 OF TITLE 24, C.R.S.

8 **3-4-116. Proceeds as trust funds.** ALL MONEYS RECEIVED
9 PURSUANT TO THIS ARTICLE, WHETHER AS PROCEEDS FROM THE SALE OF
10 BONDS, NOTES, OR OTHER OBLIGATIONS OR AS REVENUES OR RECEIPTS,
11 SHALL BE DEEMED TO BE TRUST FUNDS TO BE HELD AND APPLIED SOLELY
12 AS PROVIDED IN THIS ARTICLE. ANY OFFICER, BANK, OR TRUST COMPANY
13 WITH WHICH SUCH MONEYS ARE DEPOSITED SHALL ACT AS TRUSTEE OF
14 SUCH MONEYS AND SHALL HOLD AND APPLY THE SAME FOR THE PURPOSES
15 OF THIS ARTICLE, SUBJECT TO SUCH REGULATIONS AS THE AUTHORITY AND
16 THE RESOLUTION AUTHORIZING THE BONDS, NOTES, OR OTHER
17 OBLIGATIONS OF ANY ISSUE OR THE TRUST AGREEMENT SECURING SUCH
18 OBLIGATIONS PROVIDES.

19 **3-4-117. Expenses of authority.** ALL EXPENSES OF THE
20 AUTHORITY INCURRED IN CARRYING OUT THE PROVISIONS OF THIS ARTICLE
21 SHALL BE PAYABLE SOLELY FROM FUNDS PROVIDED PURSUANT TO THIS
22 ARTICLE, AND NO LIABILITY SHALL BE INCURRED BY THE AUTHORITY
23 BEYOND THE MONEYS THAT ARE PROVIDED PURSUANT TO THIS ARTICLE;
24 EXCEPT THAT, FOR THE PURPOSES OF MEETING THE NECESSARY EXPENSES
25 OF INITIAL ORGANIZATION AND OPERATION UNTIL SUCH DATE AS THE
26 AUTHORITY DERIVES MONEYS FROM FUNDS PROVIDED PURSUANT TO THIS
27 ARTICLE, THE AUTHORITY MAY BORROW SUCH MONEYS AS MAY BE

1 REQUIRED FOR THE NECESSARY EXPENSES OF ORGANIZATION AND
2 OPERATION. SUCH BORROWED MONEYS SHALL BE REPAID WITHIN A
3 REASONABLE TIME AFTER THE AUTHORITY RECEIVES FUNDS PROVIDED
4 PURSUANT TO THIS ARTICLE.

5 **3-4-118. Conveyance of title - release of lien.** WHEN THE
6 PRINCIPAL OF AND INTEREST ON BONDS ISSUED BY THE AUTHORITY TO
7 FINANCE THE PURCHASE OF THE ACQUISITION OF THE SITE, INCLUDING ANY
8 REFUNDING BONDS ISSUED TO REFUND AND REFINANCE SUCH BONDS, HAVE
9 BEEN FULLY PAID AND RETIRED OR WHEN ADEQUATE PROVISION HAS BEEN
10 MADE TO FULLY PAY AND RETIRE THE SAME AND WHEN ALL OTHER
11 CONDITIONS OF THE RESOLUTION, THE LEASE, THE TRUST INDENTURE, AND
12 THE MORTGAGE, DEED OF TRUST, OR OTHER FORM OF SECURITY
13 ARRANGEMENT, IF ANY, AUTHORIZING AND SECURING THE SAME HAVE
14 BEEN SATISFIED, THE AUTHORITY SHALL PROMPTLY DO ALL THINGS AND
15 EXECUTE SUCH DEEDS, CONVEYANCES, AND OTHER DOCUMENTS AS ARE
16 NECESSARY AND REQUIRED TO RELEASE THE LIEN OF SUCH MORTGAGE,
17 DEED OF TRUST, OR OTHER FORM OF SECURITY ARRANGEMENT IN
18 ACCORDANCE WITH THE PROVISIONS THEREOF.

19 **3-4-119. Enforcement of rights of bondholders.** ANY HOLDER
20 OF BONDS ISSUED PURSUANT TO THIS ARTICLE OR A TRUSTEE UNDER A
21 TRUST AGREEMENT, TRUST INDENTURE, INDENTURE OF MORTGAGE, OR
22 DEED OF TRUST ENTERED INTO PURSUANT TO THIS ARTICLE, EXCEPT TO THE
23 EXTENT THAT HIS OR HER RIGHTS ARE RESTRICTED BY ANY BOND
24 RESOLUTION, MAY PROTECT AND ENFORCE, BY ANY SUITABLE FORM OF
25 LEGAL PROCEEDINGS, ANY RIGHTS UNDER THE LAWS OF THIS STATE OR
26 GRANTED BY THE BOND RESOLUTION. SUCH RIGHTS INCLUDE THE RIGHT TO
27 COMPEL THE PERFORMANCE OF ALL DUTIES OF THE AUTHORITY REQUIRED

1 BY THIS ARTICLE OR THE BOND RESOLUTION; TO ENJOIN UNLAWFUL
2 ACTIVITIES; AND, IN THE EVENT OF DEFAULT WITH RESPECT TO THE
3 PAYMENT OF THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON
4 ANY BOND OR IN THE PERFORMANCE OF ANY COVENANT OR AGREEMENT
5 ON THE PART OF THE AUTHORITY IN THE BOND RESOLUTION, TO APPLY TO
6 A COURT HAVING JURISDICTION OF THE CAUSE TO APPOINT A RECEIVER TO
7 ADMINISTER AND OPERATE THE FACILITY, THE REVENUES OF WHICH ARE
8 PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF AND PREMIUM, IF ANY,
9 AND INTEREST ON SUCH BONDS, WITH FULL POWER TO PAY, AND TO
10 PROVIDE FOR THE PAYMENT OF THE PRINCIPAL OF AND PREMIUM, IF ANY,
11 AND INTEREST ON SUCH BONDS, WITH SUCH POWERS, SUBJECT TO THE
12 DIRECTION OF THE COURT, AS ARE PERMITTED BY LAW AND ARE ACCORDED
13 RECEIVERS IN GENERAL EQUITY CASES, BUT EXCLUDING ANY POWER TO
14 PLEDGE ADDITIONAL REVENUES OF THE AUTHORITY TO THE PAYMENT OF
15 SUCH PRINCIPAL, PREMIUM, AND INTEREST.

16 **3-4-120. Account of activities and receipts for expenditures -**
17 **report - financial and performance audits.** (1) THE AUTHORITY SHALL
18 KEEP AN ACCURATE ACCOUNT OF ALL ITS ACTIVITIES AND ITS RECEIPTS
19 AND EXPENDITURES AND SHALL ANNUALLY, IN THE MONTH OF JANUARY,
20 MAKE A REPORT THEREOF TO THE BOARD AND TO THE STATE AUDITOR, IN
21 A FORM PRESCRIBED BY THE STATE AUDITOR. ALSO INCLUDED IN THE
22 REPORT SHALL BE ANY RECOMMENDATIONS WITH REFERENCE TO
23 ADDITIONAL LEGISLATION OR OTHER ACTION THAT MAY BE NECESSARY TO
24 CARRY OUT THE PURPOSE OF THE AUTHORITY. THE STATE AUDITOR MAY
25 INVESTIGATE THE AFFAIRS OF THE AUTHORITY, MAY SEVERALLY EXAMINE
26 THE PROPERTIES AND RECORDS OF THE AUTHORITY, AND MAY PRESCRIBE
27 METHODS OF ACCOUNTING AND THE RENDERING OF PERIODICAL REPORTS

1 IN RELATION TO ACTIVITIES UNDERTAKEN BY THE AUTHORITY.

2 (2) IF A FINANCIAL AUDIT OF THE AUTHORITY IS CONDUCTED BY AN
3 INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT PURSUANT TO A CONTRACT
4 WITH THE AUTHORITY, ANY STATEMENTS, RECORDS, SCHEDULES, WORKING
5 PAPERS, AND MEMORANDA PREPARED BY THE CERTIFIED PUBLIC
6 ACCOUNTANT SHALL BE MADE AVAILABLE TO THE OFFICE OF THE STATE
7 AUDITOR AND SHALL BE KEPT CONFIDENTIAL UNLESS A MAJORITY OF THE
8 MEMBERS OF THE LEGISLATIVE AUDIT COMMITTEE VOTE TO OPEN SUCH
9 DOCUMENTS.

10 (3) UPON THE COMPLETION OF A FINANCIAL OR PERFORMANCE
11 AUDIT DESCRIBED IN SUBSECTION (1) OF THIS SECTION OR IN SECTION
12 2-3-103 (1) (b), C.R.S., THE STATE AUDITOR SHALL SUBMIT A WRITTEN
13 REPORT TO THE LEGISLATIVE AUDIT COMMITTEE, TOGETHER WITH ANY
14 FINDINGS AND RECOMMENDATIONS.

15 (4) THE COST OF SUCH FINANCIAL AUDIT SHALL BE PAID BY THE
16 AUTHORITY. THE COST OF ANY SUCH PERFORMANCE AUDIT SHALL BE PAID
17 FROM ANNUAL APPROPRIATIONS MADE BY THE GENERAL ASSEMBLY TO THE
18 OFFICE OF THE STATE AUDITOR.

19 **3-4-121. Powers of authority not restricted - law complete in**
20 **itself.** THIS ARTICLE SHALL NOT BE CONSTRUED AS A RESTRICTION OR
21 LIMITATION UPON ANY POWERS THAT THE AUTHORITY MIGHT OTHERWISE
22 HAVE UNDER ANY LAWS OF THIS STATE BUT SHALL BE CONSTRUED AS
23 CUMULATIVE OF ANY SUCH POWERS. NO PROCEEDINGS, REFERENDUM,
24 NOTICE, OR APPROVAL SHALL BE REQUIRED FOR THE CREATION OF THE
25 AUTHORITY OR THE ISSUANCE OF ANY BONDS OR ANY INSTRUMENT AS
26 SECURITY THEREFOR UNLESS SO PROVIDED IN THIS ARTICLE; EXCEPT THAT
27 NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO DEPRIVE THE STATE

1 AND ITS POLITICAL SUBDIVISIONS OF THEIR RESPECTIVE POLICE POWERS
2 OVER PROPERTIES OF THE AUTHORITY OR TO IMPAIR ANY POWER WITH
3 RESPECT TO ANY OFFICIAL OR AGENCY OF THE STATE AND ITS POLITICAL
4 SUBDIVISIONS THAT MAY BE OTHERWISE PROVIDED BY LAW.

5 **3-4-122. Powers in addition to those granted by other laws.**

6 THE POWERS CONFERRED BY THIS ARTICLE ARE IN ADDITION AND
7 SUPPLEMENTARY TO, AND THE LIMITATIONS IMPOSED BY THIS ARTICLE DO
8 NOT AFFECT THE POWERS CONFERRED BY, ANY OTHER LAW EXCEPT AS
9 PROVIDED IN THIS ARTICLE.

10 **3-4-123. Repeal of article.** THIS ARTICLE IS REPEALED, EFFECTIVE
11 JULY 1, 2028.

12 **SECTION 2. Act subject to petition - effective date.** This act
13 takes effect at 12:01 a.m. on the day following the expiration of the
14 ninety-day period after final adjournment of the general assembly (August
15 7, 2013, if adjournment sine die is on May 8, 2013); except that, if a
16 referendum petition is filed pursuant to section 1 (3) of article V of the
17 state constitution against this act or an item, section, or part of this act
18 within such period, then the act, item, section, or part will not take effect
19 unless approved by the people at the general election to be held in
20 November 2014 and, in such case, will take effect on the date of the
21 official declaration of the vote thereon by the governor.