

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 14-0465.01 Esther van Mourik x4215

HOUSE BILL 14-1170

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A BILL FOR AN ACT

101 CONCERNING THE AUTHORITY OF THE STATE TO ENTER INTO
102 LEASE-PURCHASE AGREEMENTS FOR THE COLORADO BUREAU
103 OF INVESTIGATION'S PUEBLO REGIONAL OFFICE AND FORENSIC
104 LABORATORY.

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 authorizes the state treasurer to enter into one or more lease-purchase agreements on the state's behalf for the financing of the

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.

purchase and remodel by the state of real property for the Colorado bureau of investigation's Pueblo forensic laboratory and regional office.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds that:

4 (a) The Colorado bureau of investigation's (CBI) Pueblo regional
5 office provides investigative assistance and forensic evidence analysis to
6 support thirty-four thousand square miles policed by approximately one
7 hundred twenty-five Colorado law enforcement agencies;

8 (b) The CBI's Pueblo regional office is a key access point for law
9 enforcement agencies in southern Colorado to receive investigative and
10 forensic services;

11 (c) The current Pueblo forensic laboratory and regional office are
12 housed in a leased single story building with a basement structure that
13 was built in 1965. The building was originally planned and occupied as
14 a retail establishment and is surrounded by existing retail establishments.

15 (d) Significant safety, environmental, structural, and capacity
16 issues have been identified in the current facility, which will make
17 receiving International Organization for Standardization (ISO)
18 accreditation for the laboratory impossible. The facility is unsafe and does
19 not provide sufficient space to conduct forensic analysis per industry
20 standards.

21 (e) The potential for evidence contamination, which would
22 negatively impact the outcome of criminal cases, is a constant concern;

23 (f) Without the ISO accreditation, the Pueblo facility will have to
24 close and operations will have to be relocated to Denver and Grand
25 Junction. Response times for the CBI would increase by an additional one

1 hour and 45 minutes if responding from Denver and five hours if
2 responding from Grand Junction. This would also increase round-trip
3 transportation costs. Increased travel time from either the Denver or
4 Grand Junction laboratories would inflate the risk of losing perishable
5 evidence due to inclement weather or unsecured crime scenes, and it
6 would also delay the time for gathering witness statements, conducting
7 interviews, or interrogations.

8 (g) Without the ISO accreditation the CBI would lose a prorated
9 annual portion of approximately \$250,000 in federal operating funds from
10 the National Institute of Justice, which would negatively impact local law
11 enforcement agencies and the CBI's operating budget;

12 (h) During the 2013 legislative session, the general assembly
13 enacted House Bill 13-1020, which requires law enforcement agencies to
14 submit to the CBI an inventory of all unanalyzed forensic evidence in
15 active sexual assault investigations that meet the standards for mandatory
16 submission, and the CBI has developed a plan to analyze this evidence.
17 Overall, the plan required by House Bill 13-1020 is expected to increase
18 sexual assault submissions by four times the current submission rate. This
19 will mean an additional eight hundred submissions will need to be
20 processed annually at the Pueblo facility, necessitating more DNA testing
21 equipment.

22 (i) For the past six years the CBI has been working closely with
23 law enforcement and private sector partners in the Pueblo service area to
24 locate an alternative Pueblo facility. The CBI recognizes that maintaining
25 a facility in Pueblo is critical for providing public safety services to
26 Southern Colorado and for keeping professional law enforcement and
27 scientist positions in the area.

1 (j) A new facility will enable the CBI to receive ISO certification
2 by 2015 and would allow for more space for technology solutions,
3 improvement of turnaround times, and would provide the safe and
4 effective operation of a forensic science laboratory and crime scene
5 responses in the Southern Colorado region.

6 (2) It is therefore considered good public policy to authorize the
7 state of Colorado, acting by and through the state treasurer, to enter into
8 one or more lease-purchase agreements and other agreements as
9 necessary to finance the purchase and remodel of real property for the
10 Colorado Bureau of Investigation's regional office and forensic laboratory
11 located in Pueblo.

12 **SECTION 2. Lease-purchase agreement.** (1) (a) Subject to the
13 requirements specified in paragraph (c) of this subsection (1), the state of
14 Colorado, acting by and through the state treasurer, is authorized to
15 execute a lease-purchase agreement for up to twenty years for the state to
16 purchase and renovate real property in Pueblo county for the Colorado
17 bureau of investigation's regional Pueblo office and forensic laboratory.
18 The total amount of the principal component of said lease-purchase
19 agreement shall not exceed eleven million dollars (\$11,000,000), plus
20 reasonable and necessary administrative, monitoring, and closing costs
21 and interest.

22 (b) Enactment of this act shall satisfy the requirements of sections
23 24-82-102 (1) (b) and 24-82-801, Colorado Revised Statutes, which
24 require authorization of a lease-purchase agreement by a bill other than
25 an annual general appropriation bill or a supplemental appropriation bill.

26 (c) (I) The department of public safety must present a plan for the
27 purchase and renovation of the real property and for the lease-purchase

1 transaction to the office of state planning and budgeting and the capital
2 development committee for approval no later than the effective date of
3 this paragraph (c). Once approved, the department of public safety must
4 seek approval prior to closing from the office of state planning and
5 budgeting and the capital development committee for any material
6 changes to the plan that may become necessary during the negotiation.

7 (II) The construction and renovation of the real property must be
8 completed by following the requirements set forth in articles 91 to 93 of
9 title 24, Colorado Revised Statutes.

10 (III) The real property may not be subject to any restrictive
11 covenants, contracts, or zoning requirements that restrict public access to
12 the property or restrict any alternative state use of the property.

13 (IV) The state controller may not enter into any agreement for a
14 payment in lieu of property taxes from which the state is statutorily
15 exempt under section 39-3-124 (1), Colorado Revised Statutes.

16 (V) The state controller must approve all agreements relating to
17 the purchase, operation, and lease-purchase financing of the real property
18 prior to closing.

19 (2) (a) The lease-purchase agreement authorized in subsection (1)
20 of this section must provide that all of the obligations of the state under
21 the agreement are subject to the action of the general assembly in
22 annually making moneys available for all payments thereunder. The
23 agreement must also provide that the obligations shall not be deemed or
24 construed as creating an indebtedness of the state within the meaning of
25 any provision of the state constitution or the laws of the state of Colorado
26 concerning or limiting the creation of indebtedness by the state of
27 Colorado and shall not constitute a multiple fiscal-year direct or indirect

1 debt or other financial obligation of the state within the meaning of
2 section 20 (4) of article X of the state constitution. In the event the state
3 of Colorado does not renew the lease-purchase agreement authorized in
4 subsection (1) of this section, the sole security available to the lessor shall
5 be the real property that is the subject of the nonrenewed lease-purchase
6 agreement.

7 (b) (I) The lease-purchase agreement authorized in subsection (1)
8 of this section may contain such terms, provisions, and conditions as the
9 state treasurer, acting on behalf of the state of Colorado, may deem
10 appropriate, including all optional terms; except that the lease-purchase
11 agreement must specifically authorize the state of Colorado to:

12 (A) Receive fee title to all real and personal property that is the
13 subject of the lease-purchase agreement on or prior to the expiration of
14 the terms of the lease-purchase agreement; and

15 (B) Reduce the term of the lease through prepayment of rental and
16 other payments.

17 (II) Any title to property received by the state on or prior to the
18 expiration of the terms of the lease-purchase agreement will be held by
19 the state for the benefit and use of the Colorado bureau of investigation.

20 (c) The state of Colorado, acting through the state treasurer, is
21 authorized to enter into ancillary agreements and instruments as are
22 deemed necessary or appropriate in connection with the lease-purchase
23 agreements, including but not limited to ground leases, easements, or
24 other instruments relating to the real property to be purchased.

25 (3) The provisions of section 24-30-202 (5) (b), Colorado Revised
26 Statutes, shall not apply to the lease-purchase agreement authorized in
27 subsection (1) of this section or any ancillary agreement entered into

1 pursuant to paragraph (c) of subsection (2) of this section. Any provision
2 of the fiscal rules promulgated pursuant to section 24-30-202 (1) and
3 (13), Colorado Revised Statutes, that the state controller deems to be
4 incompatible or inapplicable with respect to said lease-purchase
5 agreements or any ancillary agreement may be waived by the controller
6 or his or her designee.

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