

**NOTE: The governor signed this measure on 5/14/2014.**

# An Act

HOUSE BILL 14-1170

BY REPRESENTATIVE(S) Garcia, Court, Foote, Hullinghorst, May, Moreno, Navarro, Pabon, Rosenthal, Salazar, Schafer, Buckner, Fischer, Gardner, Ginal, Labuda, Vigil, Young, Exum, Fields, Gerou, Kagan, Lebsock, McLachlan, Pettersen;  
also SENATOR(S) Steadman, Guzman, Aguilar, Crowder, Heath, Hodge, Johnston, King, Newell, Nicholson, Rivera, Schwartz, Todd, Zenzinger.

CONCERNING THE AUTHORITY OF THE STATE TO ENTER INTO LEASE-PURCHASE AGREEMENTS FOR THE COLORADO BUREAU OF INVESTIGATION'S PUEBLO REGIONAL OFFICE AND FORENSIC LABORATORY, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

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

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

---

*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

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

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

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

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

(f) Without the ISO accreditation, the Pueblo facility will have to close and operations will have to be relocated to Denver and Grand Junction. Response times for the CBI would increase by an additional one hour and 45 minutes if responding from Denver and five hours if responding from Grand Junction. This would also increase round-trip transportation costs. Increased travel time from either the Denver or Grand Junction laboratories would inflate the risk of losing perishable evidence due to inclement weather or unsecured crime scenes, and it would also delay the time for gathering witness statements, conducting interviews, or interrogations.

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

(h) During the 2013 legislative session, the general assembly enacted House Bill 13-1020, which requires law enforcement agencies to submit to the CBI an inventory of all unanalyzed forensic evidence in active sexual assault investigations that meet the standards for mandatory submission, and the CBI has developed a plan to analyze this evidence. Overall, the plan required by House Bill 13-1020 is expected to increase

sexual assault submissions by four times the current submission rate. This will mean an additional eight hundred submissions will need to be processed annually at the Pueblo facility, necessitating more DNA testing equipment.

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

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

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

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

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

(c) (I) The department of public safety must present a plan for the purchase and renovation of the real property and for the lease-purchase transaction to the office of state planning and budgeting and the capital development committee for approval no later than the effective date of this paragraph (c). Once approved, the department of public safety must seek approval prior to closing from the office of state planning and budgeting and the capital development committee for any material changes to the plan that may become necessary during the negotiation.

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

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

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

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

(2) (a) The lease-purchase agreement authorized in subsection (1) of this section must provide that all of the obligations of the state under the agreement are subject to the action of the general assembly in annually making moneys available for all payments thereunder. The agreement must also provide that the obligations shall not be deemed or construed as creating an indebtedness of the state within the meaning of any provision of the state constitution or the laws of the state of Colorado concerning or limiting the creation of indebtedness by the state of Colorado and shall not constitute a multiple fiscal-year direct or indirect debt or other financial obligation of the state within the meaning of section 20 (4) of article X of the state constitution. In the event the state of Colorado does not renew the lease-purchase agreement authorized in subsection (1) of this section, the sole security available to the lessor shall be the real property that is the subject of the nonrenewed lease-purchase agreement.

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

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

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

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

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

(3) The provisions of section 24-30-202 (5) (b), Colorado Revised Statutes, shall not apply to the lease-purchase agreement authorized in subsection (1) of this section or any ancillary agreement entered into pursuant to paragraph (c) of subsection (2) of this section. Any provision of the fiscal rules promulgated pursuant to section 24-30-202 (1) and (13), Colorado Revised Statutes, that the state controller deems to be incompatible or inapplicable with respect to said lease-purchase agreements or any ancillary agreement may be waived by the controller or his or her designee.

**SECTION 3. Appropriation.** In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund, not otherwise appropriated, to the department of public safety, for the fiscal year beginning July 1, 2013, the sum of \$37,500, or so much thereof as may be necessary, for allocation to the Colorado bureau of investigation for project management costs related to the implementation of this act.

**SECTION 4. Appropriation.** (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund, not otherwise appropriated, to the department of public safety, for the fiscal year beginning July 1, 2014, the sum of \$984,542, or so much thereof as may be necessary, to be allocated for the implementation of this act as follows:

- (a) \$867,542 for lease payments;
- (b) \$112,500 for project management costs; and
- (c) \$4,500 for property insurance.

(2) In addition to any other appropriation, there is hereby appropriated to the department of personnel, for the fiscal year beginning July 1, 2014, the sum of \$4,500, or so much thereof as may be necessary, for allocation to risk management services for property insurance for the department of public safety related to the implementation of this act. Said sum is from reappropriated funds received from the department of public safety out of the appropriation made in paragraph (c) of subsection (1) of this section.

**SECTION 5. Safety clause.** The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

---

Mark Ferrandino  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

---

Morgan Carroll  
PRESIDENT OF  
THE SENATE

---

Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

---

Cindi L. Markwell  
SECRETARY OF  
THE SENATE

APPROVED \_\_\_\_\_

---

John W. Hickenlooper  
GOVERNOR OF THE STATE OF COLORADO