

First Regular Session
Sixty-fourth General Assembly
STATE OF COLORADO

PREAMENDED

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

LLS NO. 03-1192.01 Ed DeCecco

SENATE BILL 03-342

SENATE SPONSORSHIP

Owen, Reeves, and Teck

HOUSE SPONSORSHIP

Young, Plant, and Witwer

Senate Committees

House Committees

Appropriations

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF A CASH FLOW RESERVE IN THE**
102 **CONTROLLED MAINTENANCE TRUST FUND, AND, IN CONNECTION**
103 **THEREWITH, SELLING LEGAL INTERESTS IN ELIGIBLE STATE**
104 **FACILITIES THAT ARE SIMULTANEOUSLY LEASED BACK BY THE**
105 **STATE PURSUANT TO LEASE-PURCHASE AGREEMENTS AND USING**
106 **THE NET PROCEEDS OF THE SALES AND OTHER MONEYS TO FUND**
107 **THE CASH FLOW RESERVE.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

FY 2003-04 Budget Reduction Bill. Creates a cash flow reserve

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.

in the controlled maintenance trust fund that shall consist of the proceeds of the sale of eligible state facilities and \$40 million transferred from the general fund. Specifies the permitted uses of the cash flow reserve.

On or before January 1, 2004, authorizes the executive director of the department of personnel (executive director) to sell one or more eligible state facilities to raise up to \$160 million of net proceeds for the state. Defines an "eligible state facility" as any unencumbered building, structure, or facility that is owned by the state, including state institutions of higher education. Prohibits such sale unless, simultaneous with the execution of the sale, the state leases back the same facility pursuant to a lease-purchase agreement. Requires the director of the office of state planning and budgeting and the state treasurer to approve any property sale agreement or lease-purchase agreement. Establishes who may purchase eligible state property.

Authorizes the executive director to execute a lease-purchase agreement for up to 20 years, subject to annual renewal, for any property that the executive director has sold pursuant to the statutory authority established in this legislation. Establishes that the sole security for a lease-purchase agreement is the property that is the subject of such agreement. Permits lease payments to be made from the unexpended and unencumbered moneys in the tobacco litigation settlement cash fund, the general fund, or any other legally available source.

Requires that a lease-purchase agreement shall specifically authorize the state to receive fee title to all real property that is the subject of the lease-purchase agreement on or prior to the expiration of the term of the lease-purchase agreement. Permits a lease-purchase agreement to provide for the issuance, distribution, and sale of instruments by the lessor evidencing rights to receive rentals and other payments made and to be made under the lease-purchase agreement, but that such issuance, distribution, or sale shall not create a relationship between the purchasers of such instruments and the state or create any obligation on the part of the state to said purchasers.

Defines terms.

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

2 **SECTION 1.** Article 82 of title 24, Colorado Revised Statutes,
3 is amended BY THE ADDITION OF A NEW PART to read:

4 **PART 10**
5 **SALES OF STATE PROPERTY AND LEASE-PURCHASE**
6 **AGREEMENTS**

1 **24-82-1001. Definitions.** AS USED IN THIS PART 10, UNLESS THE
2 CONTEXT OTHERWISE REQUIRES:

3 (1) "ELIGIBLE STATE FACILITY" MEANS ANY FINANCIALLY
4 UNENCUMBERED BUILDING, STRUCTURE, OR FACILITY THAT IS OWNED BY
5 THE STATE, INCLUDING STATE INSTITUTIONS OF HIGHER EDUCATION.

6 (2) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
7 THE DEPARTMENT OF PERSONNEL.

8 (3) "LEGAL INTEREST" MEANS A FEE SIMPLE OR LEASEHOLD
9 INTEREST.

10 (4) "LESSOR" MEANS A PERSON OR AN ENTITY THAT PURCHASES AN
11 ELIGIBLE STATE FACILITY AND THEN ENTERS INTO A LEASE-PURCHASE
12 AGREEMENT WITH THE STATE PURSUANT TO THIS PART 10.

13 (5) "PROPERTY SALE AGREEMENT" MEANS ANY WRITTEN
14 INSTRUMENT PURSUANT TO WHICH THE EXECUTIVE DIRECTOR SELLS A
15 LEGAL INTEREST IN AN ELIGIBLE STATE FACILITY IN EXCHANGE FOR
16 MONETARY CONSIDERATION SPECIFIED IN SUCH INSTRUMENT.

17 **24-82-1002. Sale - lease-purchase agreements.** (1) (a) IN
18 ADDITION TO ANY OTHER SALES OTHERWISE PERMITTED BY STATE LAW, ON
19 OR BEFORE JANUARY 1, 2004, THE EXECUTIVE DIRECTOR, WITH THE
20 APPROVAL OF THE DIRECTOR OF THE OFFICE OF STATE PLANNING AND
21 BUDGETING AND THE STATE TREASURER, MAY SELL A LEGAL INTEREST IN
22 ONE OR MORE ELIGIBLE STATE FACILITIES TO RAISE UP TO ONE HUNDRED
23 SIXTY MILLION DOLLARS OF NET PROCEEDS FOR THE STATE. THE
24 EXECUTIVE DIRECTOR SHALL NOT SELL A LEGAL INTEREST IN AN ELIGIBLE
25 STATE FACILITY UNLESS, SIMULTANEOUS WITH THE EXECUTION OF THE
26 PROPERTY SALE AGREEMENT, THE STATE LEASES BACK THE SAME FACILITY
27 PURSUANT TO A LEASE-PURCHASE AGREEMENT.

1 (b) THE EXECUTIVE DIRECTOR, WITH THE APPROVAL OF THE
2 DIRECTOR OF THE OFFICE OF STATE PLANNING AND BUDGETING AND THE
3 STATE TREASURER, MAY SELL A LEGAL INTEREST IN AN ELIGIBLE STATE
4 FACILITY TO ANY NATURAL PERSON, PARTNERSHIP, LIMITED PARTNERSHIP,
5 LIMITED PARTNERSHIP ASSOCIATION, COOPERATIVE, TRUST, LIMITED
6 LIABILITY COMPANY, ASSOCIATION, FOR-PROFIT OR NONPROFIT
7 CORPORATION, SPECIAL PURPOSE AUTHORITY AS DEFINED IN SECTION
8 24-77-102 (15), OR COMMERCIAL BANK AS A TRUSTEE.

9 (2) (a) THE NET PROCEEDS RECEIVED BY THE EXECUTIVE DIRECTOR
10 FROM THE SALE OF A LEGAL INTEREST IN AN ELIGIBLE STATE FACILITY
11 SHALL BE TRANSMITTED TO THE STATE TREASURER, WHO SHALL DEPOSIT
12 THE SAME IN THE CONTROLLED MAINTENANCE TRUST FUND CREATED IN
13 SECTION 24-75-302.5 TO BE DESIGNATED AS PART OF THE CASH FLOW
14 RESERVE.

15 (b) ANY MONEYS RECEIVED BY THE STATE FROM THE SALE OF A
16 LEGAL INTEREST IN AN ELIGIBLE STATE FACILITY ARE EXCLUDED FROM
17 STATE FISCAL YEAR SPENDING FOR PURPOSES OF SECTION 20 OF ARTICLE
18 X OF THE STATE CONSTITUTION AND ARTICLE 77 OF THIS TITLE BECAUSE
19 SUCH MONEYS ARE PROCEEDS FROM A PROPERTY SALE AS DEFINED IN
20 SECTION 24-77-102 (11) OR INTEREST OR INCOME DERIVED FROM THE SALE
21 OF PROCEEDS FROM A PROPERTY SALE.

22 (3) (a) (I) THE EXECUTIVE DIRECTOR IS AUTHORIZED TO EXECUTE
23 A LEASE-PURCHASE AGREEMENT FOR UP TO TWENTY YEARS, SUBJECT TO
24 ANNUAL RENEWAL, FOR ANY LEGAL INTEREST IN A PROPERTY THAT THE
25 EXECUTIVE DIRECTOR HAS SOLD PURSUANT TO SUBSECTION (1) OF THIS
26 SECTION. THE LEASE-PURCHASE AGREEMENT SHALL PROVIDE THAT ALL OF
27 THE OBLIGATIONS OF THE STATE UNDER SUCH AGREEMENT SHALL BE

1 SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY AND
2 SHALL PROVIDE THAT SUCH OBLIGATIONS SHALL NOT BE DEEMED OR
3 CONSTRUED AS CREATING AN INDEBTEDNESS OF THE STATE WITHIN THE
4 MEANING OF ANY PROVISION OF THE STATE CONSTITUTION OR THE LAWS OF
5 THIS STATE CONCERNING OR LIMITING THE CREATION OF INDEBTEDNESS BY
6 THE STATE AND SHALL NOT CONSTITUTE A MULTIPLE-FISCAL YEAR DIRECT
7 OR INDIRECT DEBT OR OTHER FINANCIAL OBLIGATION OF THE STATE WITHIN
8 THE MEANING OF SECTION 20 (4) OF ARTICLE X OF THE STATE
9 CONSTITUTION. IN THE EVENT THE EXECUTIVE DIRECTOR DOES NOT RENEW
10 OR THE GENERAL ASSEMBLY DOES NOT MAKE AN APPROPRIATION FOR A
11 LEASE-PURCHASE AGREEMENT AUTHORIZED BY THIS SUBSECTION (3), THE
12 SOLE SECURITY AVAILABLE TO THE LESSOR SHALL BE THE PROPERTY THAT
13 IS THE SUBJECT OF THE LEASE-PURCHASE AGREEMENT.

14 (II) THE EXECUTIVE DIRECTOR SHALL NOT EXECUTE OR RENEW A
15 LEASE-PURCHASE AGREEMENT WITHOUT THE APPROVAL OF THE DIRECTOR
16 OF THE OFFICE OF STATE PLANNING AND BUDGETING AND THE STATE
17 TREASURER.

18 (b) IF THE EXECUTIVE DIRECTOR EXECUTES OR RENEWS A
19 LEASE-PURCHASE AGREEMENT AUTHORIZED BY THIS SUBSECTION (3) AND
20 THE GENERAL ASSEMBLY MAKES AN APPROPRIATION FOR THE LEASE
21 PAYMENTS, SUCH APPROPRIATION MAY BE MADE FROM: ==

22 (I) ANY MONEYS TRANSFERRED TO THE STATE GENERAL FUND
23 FROM THE UNEXPENDED AND UNENCUMBERED MONEYS IN THE TOBACCO
24 LITIGATION SETTLEMENT CASH FUND CREATED IN SECTION 24-22-115;

25 (II) THE STATE GENERAL FUND; OR

26 (III) ANY OTHER LEGALLY AVAILABLE SOURCE.

27 (c) A LEASE-PURCHASE AGREEMENT AUTHORIZED IN SUBSECTION

1 (1) OF THIS SECTION MAY CONTAIN SUCH TERMS, PROVISIONS, AND
2 CONDITIONS AS THE EXECUTIVE DIRECTOR MAY DEEM APPROPRIATE,
3 INCLUDING ALL OPTIONAL TERMS; EXCEPT THAT THE LEASE-PURCHASE
4 AGREEMENT SHALL SPECIFICALLY AUTHORIZE THE STATE TO RECEIVE FEE
5 TITLE OR ALL REMAINING LEASEHOLD INTERESTS TO ALL REAL PROPERTY
6 THAT IS THE SUBJECT OF THE LEASE-PURCHASE AGREEMENT ON OR PRIOR
7 TO THE EXPIRATION OF THE TERMS OF THE LEASE-PURCHASE AGREEMENT
8 UPON PAYMENT OF ALL RENTALS AND OTHER AMOUNTS DUE PURSUANT TO
9 THE TERMS OF THE LEASE-PURCHASE AGREEMENT.

10 (d) A LEASE-PURCHASE AGREEMENT AUTHORIZED IN THIS
11 SUBSECTION (3) MAY PROVIDE FOR THE ISSUANCE, DISTRIBUTION, AND
12 SALE OF INSTRUMENTS BY THE LESSOR EVIDENCING RIGHTS TO RECEIVE
13 RENTALS AND OTHER PAYMENTS MADE AND TO BE MADE UNDER THE
14 LEASE-PURCHASE AGREEMENT. IN THE EVENT SUCH INSTRUMENTS ARE
15 ISSUED, DISTRIBUTED, OR SOLD, THEY SHALL BE ISSUED, DISTRIBUTED, OR
16 SOLD BY THE LESSOR, OR ANY PERSON DESIGNATED BY THE LESSOR, AND
17 NOT BY THE STATE AND SHALL NOT CREATE A RELATIONSHIP BETWEEN THE
18 PURCHASERS OF SUCH INSTRUMENTS AND THE STATE OR CREATE ANY
19 OBLIGATION ON THE PART OF THE STATE TO SAID PURCHASERS. SUCH
20 INSTRUMENTS SHALL NOT BE NOTES, BONDS, OR ANY OTHER EVIDENCE OF
21 INDEBTEDNESS OF THE STATE WITHIN THE MEANING OF ANY PROVISION OF
22 THE STATE CONSTITUTION OR THE LAWS OF THIS STATE CONCERNING OR
23 LIMITING THE CREATION OF INDEBTEDNESS OF THE STATE AND SHALL NOT
24 CONSTITUTE A MULTIPLE-FISCAL YEAR DIRECT OR INDIRECT DEBT OR
25 OTHER FINANCIAL OBLIGATION OF THE STATE WITHIN THE MEANING OF
26 SECTION 20 (4) OF ARTICLE X OF THE STATE CONSTITUTION.

27 (e) AMOUNTS REPRESENTING INTEREST PAID UNDER A

1 LEASE-PURCHASE AGREEMENT AUTHORIZED IN SUBSECTION (1) OF THIS
2 SECTION SHALL BE EXEMPT FROM STATE INCOME TAX.

3 (f) THE EXECUTIVE DIRECTOR IS AUTHORIZED TO ENTER INTO SUCH
4 ANCILLARY AGREEMENTS AND INSTRUMENTS AS ARE DEEMED NECESSARY
5 OR APPROPRIATE IN CONNECTION WITH A LEASE-PURCHASE AGREEMENT,
6 INCLUDING BUT NOT LIMITED TO GROUND LEASES, EASEMENTS, OR OTHER
7 INSTRUMENTS RELATING TO THE REAL PROPERTY ON WHICH THE FACILITIES
8 ARE LOCATED.

9 (4) THE PROVISIONS OF SECTION 24-30-202 (5) (b) SHALL NOT
10 APPLY TO A LEASE-PURCHASE AGREEMENT AUTHORIZED IN SUBSECTION (3)
11 OF THIS SECTION OR ANY ANCILLARY AGREEMENT ENTERED INTO
12 PURSUANT TO PARAGRAPH (f) OF SUBSECTION (3) OF THIS SECTION. ANY
13 PROVISION OF THE FISCAL RULES PROMULGATED PURSUANT TO SECTION
14 24-30-202 (1) AND (13) THAT THE STATE CONTROLLER DEEMS TO BE
15 INCOMPATIBLE OR INAPPLICABLE WITH RESPECT TO SAID LEASE-PURCHASE
16 AGREEMENT OR ANY SUCH ANCILLARY AGREEMENT MAY BE WAIVED BY
17 THE CONTROLLER OR HIS OR HER DESIGNEE.

18 (5) THE EXECUTIVE DIRECTOR MAY RETAIN ATTORNEYS,
19 CONSULTANTS, OR FINANCIAL PROFESSIONALS TO THE EXTENT NECESSARY
20 TO PROTECT THE INTERESTS OF THE STATE AND TO ENTER INTO ANY
21 AGREEMENTS AUTHORIZED PURSUANT TO THIS SECTION. THE EXECUTIVE
22 DIRECTOR SHALL USE A COMPETITIVE SELECTION PROCESS APPROVED BY
23 THE DIRECTOR OF THE OFFICE OF STATE PLANNING AND BUDGETING TO
24 SELECT ANY ATTORNEYS, CONSULTANTS, OR FINANCIAL PROFESSIONALS TO
25 BE RETAINED, BUT EXECUTION OF SUCH RETENTION AGREEMENTS SHALL
26 NOT BE GOVERNED BY THE "PROCUREMENT CODE", ARTICLES 101 TO 112
27 OF THIS TITLE. ANY FEES CHARGED BY ANY PERSONS RETAINED SHALL BE

1 PAID ONLY FROM PROCEEDS OF THE SALE OF ELIGIBLE STATE PROPERTY
2 AND SHALL NOT BE PAID FROM ANY OTHER SOURCE.

3 (6) NO LATER THAN NOVEMBER 1, 2003, THE EXECUTIVE DIRECTOR
4 SHALL REPORT TO THE JOINT BUDGET COMMITTEE OF THE GENERAL
5 ASSEMBLY OF HIS OR HER INTENTIONS REGARDING THE EXECUTION OF A
6 PROPERTY SALE AGREEMENT AND A LEASE-PURCHASE AGREEMENT
7 PURSUANT TO THIS SECTION. THE EXECUTIVE DIRECTOR SHALL SET FORTH
8 HIS OR HER REASONS FOR EXECUTING OR CHOOSING NOT TO EXECUTE SUCH
9 AGREEMENTS AND THE PROPOSED TERMS, CONDITIONS, AND EXECUTION
10 DATE OF SUCH AGREEMENTS THAT THE EXECUTIVE DIRECTOR INTENDS TO
11 EXECUTE.

12 **24-82-1003. Repeal of part.** THIS PART 10 IS REPEALED,
13 EFFECTIVE JANUARY 1, 2004, UNLESS THE EXECUTIVE DIRECTOR ENTERS
14 INTO AT LEAST ONE PROPERTY SALE AGREEMENT PURSUANT TO THIS PART
15 10. IF THE EXECUTIVE DIRECTOR ENTERS INTO AT LEAST ONE PROPERTY
16 SALE AGREEMENT PURSUANT TO THIS PART 10, WITHIN TEN DAYS
17 FOLLOWING ITS EXECUTION THE EXECUTIVE DIRECTOR SHALL NOTIFY THE
18 REVISOR OF STATUTES THAT A PROPERTY SALE AGREEMENT HAS BEEN
19 EXECUTED AND THIS SECTION SHALL BE REPEALED, EFFECTIVE JANUARY 1,
20 2004.

21 **SECTION 2.** 24-22-115 (1), Colorado Revised Statutes, is
22 amended to read:

23 **24-22-115. Tobacco litigation settlement cash fund - creation.**

24 (1) There is hereby created in the state treasury the tobacco litigation
25 settlement cash fund. The cash fund shall consist of all moneys
26 transmitted to the state treasurer in accordance with the terms of the
27 master settlement agreement, the smokeless tobacco master settlement

1 agreement, and the consent decree approved and entered by the court in
2 the case denominated *State of Colorado, ex rel. Gale A. Norton, Attorney*
3 *General v. R.J. Reynolds Tobacco Co.; American Tobacco Co., Inc.;*
4 *Brown & Williamson Tobacco Corp.; Liggett & Myers, Inc.; Lorillard*
5 *Tobacco Co., Inc.; Phillip Morris, Inc.; United States Tobacco Co.;*
6 *B.A.T. Industries, P.L.C.; The Council For Tobacco Research--U.S.A.,*
7 *Inc.; and Tobacco Institute, Inc.,* Case No. 97 CV 3432, in the district
8 court for the city and county of Denver other than moneys credited to the
9 tobacco litigation settlement trust fund pursuant to section 24-22-115.5.
10 EXCEPT AS PROVIDED IN SUBSECTION (2) OF THIS SECTION, AT THE END OF
11 THE 2003-04 FISCAL YEAR AND AT THE END OF EACH SUCCEEDING FISCAL
12 YEAR, BUT PRIOR TO THE MAKING OF ANY TRANSFER OF MONEYS FROM THE
13 CASH FUND TO THE TOBACCO LITIGATION SETTLEMENT TRUST FUND AT THE
14 END OF THE FISCAL YEAR AS REQUIRED BY THIS SUBSECTION (1), THE
15 GENERAL ASSEMBLY MAY TRANSFER UNEXPENDED AND UNENCUMBERED
16 MONEYS AND MONEYS NOT APPROPRIATED FOR THE FOLLOWING YEAR TO
17 THE STATE GENERAL FUND, AND SUCH MONEYS THAT ARE TRANSFERRED
18 MAY BE APPROPRIATED BY THE GENERAL ASSEMBLY TO MAKE LEASE
19 PAYMENTS PURSUANT TO SECTION 24-82-1002. Except as provided in
20 subsection (2) of this section, all interest derived from the deposit and
21 investment of moneys in the cash fund shall be credited to the cash fund;
22 except that beginning with the fiscal year 2001-02, and each fiscal year
23 thereafter, all interest derived from the deposit and investment of moneys
24 in the cash fund shall be credited to the breast and cervical cancer
25 prevention and treatment fund created pursuant to section 26-4-532,
26 C.R.S. Except as provided in subsection (2) of this section, all moneys
27 in the cash fund shall be subject to appropriation by the general assembly

1 for such purposes as may be authorized by law in accordance with the
2 terms of the settlement agreements and the consent decree. Except as
3 provided in subsection (2) of this section, at the end of any fiscal year,
4 all unexpended and unencumbered moneys and all moneys not
5 appropriated for the following fiscal year in the cash fund shall be
6 transferred to the tobacco litigation settlement trust fund.

7 **SECTION 3.** 24-30-1303 (1), Colorado Revised Statutes, is
8 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

9 **24-30-1303. Department of personnel - responsibilities.**

10 (1) The department shall:

11 (bb) NEGOTIATE AND EXECUTE PROPERTY SALE AGREEMENTS AND
12 LEASE-PURCHASE AGREEMENTS PURSUANT TO PART 10 OF ARTICLE 82 OF
13 THIS TITLE.

14 **SECTION 4.** 24-75-302.5 (2) (a), Colorado Revised Statutes, is
15 amended, and the said 24-75-302.5 (2) is further amended BY THE
16 ADDITION OF A NEW PARAGRAPH, to read:

17 **24-75-302.5. Controlled maintenance - trust fund.**

18 (2) (a) There is hereby created the controlled maintenance trust fund, the
19 principal of which shall consist of general fund revenues transferred
20 thereto as provided in section 24-75-201.1 (1) (c.5) (II) AND MONEYS
21 IDENTIFIED IN PARAGRAPH (e) OF THIS SUBSECTION (2). EXCEPT AS
22 OTHERWISE PROVIDED IN PARAGRAPH (e) OF THIS SUBSECTION (2), for the
23 1996-97 fiscal year and fiscal years thereafter, the principal of the trust
24 fund may constitute all or some portion of the state emergency reserve
25 established pursuant to section 24-77-104 and may be expended in any
26 given fiscal year as provided in said section. The principal of the trust
27 fund shall not be expended or appropriated for any other purpose OTHER

1 THAN USE AS PART OF THE STATE EMERGENCY RESERVE OR THE CASH
2 FLOW RESERVE. The state treasurer may in the state treasurer's discretion
3 deposit, redeposit, invest, and reinvest moneys accrued or accruing to the
4 controlled maintenance trust fund in the types of deposits and
5 investments authorized in sections 24-36-109, 24-36-112, and 24-36-113.

6 (e) (I) IN ADDITION TO ANY GENERAL FUND REVENUES
7 TRANSFERRED TO THE CONTROLLED MAINTENANCE TRUST FUND AS
8 PROVIDED IN SECTION 24-75-201.1 (1) (c.5) (II), THE TRUST FUND SHALL
9 ALSO CONSIST OF THE FOLLOWING MONEYS, WHICH SHALL BE DESIGNATED
10 AS A CASH FLOW RESERVE:

11 (A) ANY MONEYS DEPOSITED PURSUANT TO SECTION 24-82-1002
12 (2) (a);

13 (B) FORTY MILLION DOLLARS OF MONEYS TRANSFERRED TO THE
14 CONTROLLED MAINTENANCE TRUST FUND FROM THE GENERAL FUND ON
15 JULY 1, 2003, WHICH TRANSFER IS HEREBY REQUIRED; AND

16 (C) ANY MONEYS DEPOSITED PURSUANT TO SUBPARAGRAPH (III)
17 OF THIS PARAGRAPH (e).

18 (II) MONEYS DESIGNATED AS PART OF THE CASH FLOW RESERVE
19 SHALL ONLY BE EXPENDED BY THE STATE TREASURER TO RESOLVE A CASH
20 FLOW EMERGENCY. TO DETERMINE IF A CASH FLOW EMERGENCY EXISTS,
21 ON A DAILY BASIS THE STATE TREASURER SHALL DETERMINE IF THE
22 STATE'S AVAILABLE MONEYS ARE SUFFICIENT TO FULLY FUND THE
23 OBLIGATIONS OF THE STATE THAT ARE DUE AND PAYABLE ON THAT DAY.
24 IF THE AVAILABLE MONEYS ARE NOT SUFFICIENT, THE STATE TREASURER
25 IN CONSULTATION WITH THE OFFICE OF THE GOVERNOR SHALL DECLARE
26 A CASH FLOW EMERGENCY AND UTILIZE THE MONEYS IN THE RESERVE TO
27 MEET THE STATE'S OBLIGATIONS. FOR PURPOSES OF THIS SUBPARAGRAPH

1 (II), "AVAILABLE MONEYS" MEANS MONEYS ON DEPOSIT IN THE ACCOUNTS
2 OF THE GENERAL FUND AND THOSE CASH FUNDS SUBJECT TO THE
3 PROVISIONS OF SECTION 24-75-208.

4 (III) IF THE STATE TREASURER EXPENDS MONEYS FROM THE
5 CONTROLLED MAINTENANCE TRUST FUND DURING ANY STATE FISCAL YEAR
6 AS PERMITTED BY THIS PARAGRAPH (e), AN AMOUNT OF MONEYS EQUAL TO
7 THE AMOUNT OF MONEYS EXPENDED SHALL BE DEPOSITED IN THE TRUST
8 FUND ON OR BEFORE THE LAST DAY OF THE FOLLOWING STATE FISCAL
9 YEAR AND DESIGNATED AS A CASH FLOW RESERVE AS SPECIFIED IN THIS
10 PARAGRAPH (e).

11 (IV) MONEYS DESIGNATED AS A CASH FLOW RESERVE PURSUANT
12 TO THIS PARAGRAPH (e) SHALL NOT BE USED TO MEET ANY OTHER
13 CONSTITUTIONAL OR STATUTORY RESERVE REQUIREMENT.

14 (V) IN ADDITION TO THE TYPES OF INVESTMENTS SPECIFIED IN
15 PARAGRAPH (a) OF THIS SUBSECTION (2), THE STATE TREASURER MAY
16 INVEST MONEYS THAT ARE DEPOSITED IN THE CONTROLLED MAINTENANCE
17 TRUST FUND PURSUANT TO SECTION 24-82-1002 (2) (a) IN ANY TYPE OF
18 SECURITY, REGARDLESS OF ITS MATURITY DATE, IN WHICH A PUBLIC
19 ENTITY MAY INVEST PUBLIC FUNDS PURSUANT TO SECTION 24-75-601.1 (1)
20 (d) OR (1) (e).

21 **SECTION 5.** 24-82-102 (1) (b), Colorado Revised Statutes, as
22 amended by House Bill 03-1256, enacted at the First Regular Session of
23 the Sixty-fourth General Assembly, is amended to read:

24 **24-82-102. State authorized to acquire property - disposition.**

25 (1) (b) Any lease-purchase agreement ~~which~~ THAT is entered into
26 subsequent to June 12, 1981, shall be specifically authorized, prior to its
27 execution, by a bill, other than the annual general appropriations bill or

1 a supplemental appropriations bill, enacted by the general assembly;
2 EXCEPT THAT A LEASE-PURCHASE AGREEMENT THAT IS ENTERED INTO BY
3 THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF PERSONNEL PURSUANT
4 TO SECTION 24-82-1002 SHALL NOT REQUIRE SUCH AUTHORIZATION.
5 Subsequent to authorization by the general assembly in such manner,
6 rentals and other payments by the state under any such lease-purchase
7 agreement may be made from moneys appropriated by the general
8 assembly in an annual general appropriations bill or a supplemental
9 appropriations bill.

10 **SECTION 6. Safety clause.** The general assembly hereby finds,
11 determines, and declares that this act is necessary for the immediate
12 preservation of the public peace, health, and safety.