

Capital Construction

<i>House Bills</i>	<i>Senate Bills</i>
HB 06-1201 Increase Limited Gaming Funds for Tourism	SB 06-056 JBC CDC Authority for Capital Projects
HB 06-1360 Bioscience Research Discoveries	SB 06-216 Transfer to Capital Construction Fund
HB 06-1373 Build Institute for Forensic Psychiatry	
HB 06-1381 CDC Notification of DOC RFPs	
HB 06-1385 Long Appropriations Bill	
HB 06-1386 Capital Construction Fund Transfers	

A number of the bills considered by the General Assembly during the 2006 legislative session affected spending on capital construction and the Capital Development Committee (CDC). The duties of the CDC, reporting requirements of the Department of Corrections, and capital construction revenue and spending were among the topics considered.

Duties of the Capital Development Committee. **SB 06-056** requires the Joint Budget Committee (JBC) to notify and allow for a hearing with the CDC prior to making its recommendation to the Appropriations Committee, if the JBC has altered the prioritized list of recommended capital projects established by the CDC. The bill also grants the JBC authority to prioritize capital projects if the CDC is eliminated.

Duties of state agencies related to capital construction. **HB 06-1381** requires the Department of Corrections to notify the CDC before issuing any request for proposals involving new construction related to private prisons.

Spending on capital construction. **HB 06-1385** (the Long Appropriations Bill) makes \$131.5 million in state-funded capital construction and controlled maintenance appropriations for state

departments and higher education institutions for FY 2006-07, and an additional \$247.1 million in cash funds and federal funds. The General Assembly originally approved \$138.3 million in state funds and \$249.4 million in cash funds for capital construction projects, but the Governor vetoed \$9.1 million (\$6.8 million in state funds, \$2.3 million in cash funds) in capital construction appropriations for higher education in the bill. The House of Representatives was unable to override the veto. Figure 1 shows state-funded capital appropriations by agency or institution, along with the number of capital projects for each.

Figure 1
FY 2006-07 State-Funded Capital Appropriations by Agency (in millions)

Agency	Funding	# of Projects
Department of Human Services	\$7.1	12
University of Colorado System	\$16.9	10
Colorado State University System	\$16.6	9
Department of Corrections	\$16.0	10
Department of Transportation *	\$15.0	1
Dept. of Personnel & Administration	\$7.7	11
Mesa State College	\$7.0	1
Adams State College	\$5.7	2
Community Colleges System	\$3.6	8
Colorado School of Mines	\$3.4	1
Auraria Higher Education Center	\$2.4	1
Cumbres & Toltec Scenic Railroad	\$1.4	1
University of Northern Colorado	\$1.4	2
Western State College	\$1.2	3
Ft. Lewis College	\$0.6	1
Colorado Historical Society	\$0.3	1
All Other State Departments	\$18.2	20
Total**	\$124.5	94

* The department submitted a list of 20 bridge replacement projects; funding will cover 2 of those projects. However, the department's request is counted as 1 project.

** The total does not include \$7 million in Tobacco Master Settlement monies appropriated to the Capital Construction Fund for the University of Colorado Fitzsimons lease-purchase.

Revenue for capital construction. **HB 06-1386** authorizes a \$61.9 million transfer from the General Fund to the Capital Construction Fund (CCF). Of this total, \$15 million is for transportation and \$46.9 million is to help fund FY 2006-07 capital projects. The headnote for **HB 06-1385** designates \$31 million in excess reserve credit pursuant to HB 02-1310 to the CCF, as well as \$5.5 million in interest earnings and carry forward from the fund, and \$7 million in Tobacco Master Settlement monies. **SB 06-216** would have authorized a General Fund transfer of \$100 million to the CCF on July 1, 2007 and again on July 1, 2008. The bill was postponed indefinitely.

HB 06-1201, which diverts the allocation of Limited Gaming Fund monies to increase funding for tourism promotion (\$19 million), arts programs (\$1.5 million), and economic development (\$3.5 million), and **HB 06-1360**, which diverts \$2 million for the enhancement of bioscience research, both reduce the General Fund Excess Reserves, which in turn reduces the amount of money transferred to the CCF under the terms of HB 02-1310, when sufficient monies are available.

Individual capital projects. **HB 06-1373** repeals the authority of the Department of Human Services to enter into a lease-purchase agreement pursuant to HB 05-1309, and instead authorizes the department to enter into a construction contract to build a forensics unit costing \$53.5 million, along with auxiliary facilities costing \$4.3 million, at the Colorado Mental Health Institute at Pueblo.

The bill provides the following financing for the facilities:

- \$20 million appropriation from the CCF in FY 2005-06;
- \$15 million appropriation from the CCF in FY 2006-07; and
- \$22.9 million transfer to the CCF for FY 2007-08 that is intended to be appropriated for the project.

HB 06-1235 makes appropriations for capital projects, including cash projects, approved by the Capital Development Committee (CDC) during the 2005 interim. The bill includes appropriations of \$1,673,219 in state funds for two FY 2005-06 projects:

- Colorado School of Mines Addition to the Center for Teaching and Learning Media (\$1,550,997); and
- Department of Corrections Fort Lyon Acquisition and Conversion, Phases I and II (\$122,222).