

**NOTE: This bill has been prepared for the signature of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.**



HOUSE BILL 09-1088

BY REPRESENTATIVE(S) Balmer, Benefield, Looper, Todd, Gardner B.,  
Labuda, Massey, Miklosi, Ryden, Solano, Summers;  
also SENATOR(S) Newell, Bacon, Boyd, Williams.

CONCERNING CERTIFICATION OF PUBLIC BENEFIT NONPROFIT ENTITIES AS  
LOCAL PUBLIC PROCUREMENT UNITS.

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

**SECTION 1.** 24-110-101, Colorado Revised Statutes, is amended  
BY THE ADDITION OF A NEW SUBSECTION to read:

**24-110-101. Definitions.** As used in this article, unless the context  
otherwise requires:

(3.5) "PUBLIC BENEFIT NONPROFIT ENTITY" MEANS AN  
ORGANIZATION THAT:

(a) IS EXEMPT FROM FEDERAL TAXATION UNDER 26 U.S.C. SEC. 501  
(c) (3) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED;

(b) DOES NOT POSSESS 501 (c) (4) STATUS UNDER THE FEDERAL  
"INTERNAL REVENUE CODE OF 1986", AS AMENDED, 26 U.S.C. SEC. 501 (c)

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

(4); AND

(c) RECEIVES FUNDS FROM FEDERAL, STATE, OR LOCAL GOVERNMENTAL SOURCES.

**SECTION 2.** 24-110-207.5 (1), Colorado Revised Statutes, is amended, and the said 24-110-207.5 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

**24-110-207.5. Certification of certain entities as local public procurement units - rules - report - repeal.** (1) The executive director may certify any of the following entities as a local public procurement unit:

(a) Any nonprofit community mental health center, as defined in section 27-1-201, ~~(1)~~; C.R.S., any nonprofit community mental health clinic, as defined in section 27-1-201, ~~(2)~~; C.R.S., any nonprofit community centered board, as defined in section 27-10.5-102, ~~(3)~~; C.R.S., or any nonprofit service agency, as defined in section 27-10.5-102, ~~(28)~~; C.R.S., ~~so long as~~ IF the entity uses the supplies, services, or construction procured for the public mental health system or the public developmentally disabled system; ~~or~~

(b) Any nonprofit entity eligible to receive funds pursuant to section 24-32-705 or 24-32-717, ~~so long as~~ IF the entity uses the supplies, services, or construction procured for the rehabilitation, construction, acquisition, or provision of low- or moderate-income housing; OR

(c) ANY PUBLIC BENEFIT NONPROFIT ENTITY, IF THE ENTITY USES THE SUPPLIES, SERVICES, OR CONSTRUCTION PROCURED IN THE FURTHERANCE OF ITS STATED NONPROFIT PURPOSE.

(3) (a) ON OR BEFORE FEBRUARY 1, 2011, THE DEPARTMENT OF PERSONNEL SHALL REPORT TO THE HOUSE AND SENATE STATE, VETERANS, AND MILITARY AFFAIRS COMMITTEES, OR THEIR SUCCESSOR COMMITTEES, ON THE NUMBER OF PUBLIC BENEFIT NONPROFIT ENTITIES THAT WERE CERTIFIED AS LOCAL PUBLIC PROCUREMENT UNITS, AND THE TOTAL SPENDING BY SUCH ENTITIES UNDER STATE COOPERATIVE PURCHASING AGREEMENTS, BETWEEN JULY 1, 2009, AND NOVEMBER 1, 2010.

(b) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JULY 1, 2011.

**SECTION 3. Act subject to petition - effective date.** This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution, (August 4, 2009, if adjournment sine die is on May 6, 2009); except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item,

section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

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Terrance D. Carroll  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Peter C. Groff  
PRESIDENT OF  
THE SENATE

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Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

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Karen Goldman  
SECRETARY OF  
THE SENATE

APPROVED \_\_\_\_\_

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Bill Ritter, Jr.  
GOVERNOR OF THE STATE OF COLORADO