

Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

REDRAFT

1.5.16

Double underlining  
denotes changes from  
prior draft

DRAFT

LLS NO. 16-0555.01 Esther van Mourik x4215

SENATE BILL

SENATE SPONSORSHIP

Sonnenberg,

HOUSE SPONSORSHIP

(None),

**BILL TOPIC:** "Submission Threshold For Higher Ed Cash Projects"

**DEADLINES:** Finalize by: JAN 27, 2016 File by: JAN 29, 2016

A BILL FOR AN ACT

101 CONCERNING AN INCREASE IN THE DOLLAR THRESHOLD FOR THE  
102 REVIEW OF CAPITAL CONSTRUCTION OR CAPITAL RENEWAL  
103 PROJECTS FOR AUXILIARY AND ACADEMIC FACILITIES TO BE  
104 FUNDED SOLELY FROM CASH FUNDS HELD BY AN INSTITUTION OF  
105 HIGHER EDUCATION.

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:

- Increases the dollar threshold for when the Colorado

*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

Commission on Higher Education (CCHE) is allowed to except a project from the requirements for program and physical planning;

- Increases the dollar threshold for when CCHE has a duty to request from the governing board of each state institution of higher education a 2-year projection of capital construction projects to be undertaken;
- Increases the dollar threshold for the submission to the capital development committee of a 2-year report for capital construction or capital renewal projects for auxiliary and academic facilities to be funded solely from cash funds held by an institution of higher education; and
- Makes conforming amendments and clarifies the reporting requirements.

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

2 **SECTION 1.** In Colorado Revised Statutes, 23-1-106, **amend** (5)  
3 (b), (6) (b), (7) (c) (I), (9) (d) (II), and (11) (a) (III) as follows:

4 **23-1-106. Duties and powers of the commission with respect**  
5 **to capital construction and long-range planning - legislative**  
6 **declaration - definitions.** (5) (b) The commission may except from the  
7 requirements for program and physical planning any project that requires  
8 ~~less than~~ two million dollars of state moneys OR LESS IF THE PROJECT IS  
9 FUNDED THROUGH THE HIGHER EDUCATION REVENUE BOND INTERCEPT  
10 PROGRAM ESTABLISHED PURSUANT TO SECTION 23-5-139, OR TEN MILLION  
11 DOLLARS OR LESS \_\_\_\_\_ IF THE PROJECT IS FUNDED SOLELY FROM CASH  
12 FUNDS HELD BY THE INSTITUTION.

13 (6) (b) The commission shall request annually from the governing  
14 board of each state institution of higher education a two-year projection  
15 of capital construction projects to be undertaken pursuant to subsection  
16 (9) or (10) of this section and estimated to require total project  
17 expenditures exceeding two million dollars IF THE PROJECT IS FUNDED

1 THROUGH THE HIGHER EDUCATION REVENUE BOND INTERCEPT PROGRAM  
2 ESTABLISHED PURSUANT TO SECTION 23-5-139, OR EXCEEDING TEN  
3 MILLION DOLLARS IF THE PROJECT IS FUNDED SOLELY FROM CASH FUNDS  
4 HELD BY THE INSTITUTION. The projection must include the estimated  
5 cost, the method of funding, and a schedule for project completion for  
6 each project. A state institution of higher education shall amend the  
7 projection prior to commencing a project that is not included in the  
8 institution's most recent projection.

9 (7) (c) (I) (A) The commission annually shall prepare a unified,  
10 two-year report for capital construction or capital renewal projects  
11 described in subsection (9) ~~or (10)~~ of this section and estimated to require  
12 total project expenditures exceeding ~~two~~ TEN million dollars, coordinated  
13 with education plans. The commission shall transmit the report to the  
14 office of state planning and budgeting, the governor, the capital  
15 development committee, and the joint budget committee, consistent with  
16 the executive budget timetable.

17 (B) THE COMMISSION ANNUALLY SHALL PREPARE A UNIFIED,  
18 TWO-YEAR REPORT FOR CAPITAL CONSTRUCTION OR CAPITAL RENEWAL  
19 PROJECTS DESCRIBED IN SUBSECTION (10) OF THIS SECTION AND  
20 ESTIMATED TO REQUIRE TOTAL PROJECT EXPENDITURES EXCEEDING TWO  
21 MILLION DOLLARS, COORDINATED WITH EDUCATION PLANS. THE  
22 COMMISSION SHALL TRANSMIT THE REPORT TO THE OFFICE OF STATE  
23 PLANNING AND BUDGETING, THE GOVERNOR, THE CAPITAL DEVELOPMENT  
24 COMMITTEE, AND THE JOINT BUDGET COMMITTEE, CONSISTENT WITH THE  
25 EXECUTIVE BUDGET TIMETABLE.

26 (9) (d) (II) ~~Any~~ A plan for ~~any such~~ A capital construction or  
27 capital renewal project ~~that~~ IS NOT SUBJECT TO REVIEW OR APPROVAL BY

1 THE COMMISSION IF SUCH PROJECT IS:

2 (A) Estimated to require total expenditures of two million dollars  
3 or less ~~is not subject to review or approval by the commission~~ IF THE  
4 PROJECT IS FUNDED THROUGH THE HIGHER EDUCATION REVENUE BOND  
5 INTERCEPT PROGRAM ESTABLISHED PURSUANT TO SECTION 23-5-139; OR

6 (B) ESTIMATED TO REQUIRE TOTAL EXPENDITURES OF TEN MILLION  
7 DOLLARS OR LESS IF THE PROJECT IS FUNDED SOLELY FROM CASH FUNDS  
8 HELD BY THE INSTITUTION.

9 (11) (a) Each state institution of higher education shall submit to  
10 the commission on or before September 1 of each year a list and  
11 description of each project for which an expenditure was made during the  
12 immediately preceding fiscal year that:

13 (III) Was estimated to require total expenditures of two million  
14 dollars or less IF THE PROJECT WAS FUNDED THROUGH THE HIGHER  
15 EDUCATION REVENUE BOND INTERCEPT PROGRAM ESTABLISHED PURSUANT  
16 TO SECTION 23-5-139, OR WAS ESTIMATED TO REQUIRE TOTAL  
17 EXPENDITURES OF TEN MILLION DOLLARS OR LESS IF THE PROJECT WAS  
18 FUNDED SOLELY FROM CASH FUNDS HELD BY THE INSTITUTION; or

19 **SECTION 2.** In Colorado Revised Statutes, 23-5-103, amend (3)  
20 as follows:

21 **23-5-103. Pledge of income.** (3) If the pledged net income, fees,  
22 and revenues exceed the amount required to meet principal, interest, and  
23 reserve requirements in connection with revenue bonds of the institution  
24 to which such income has been pledged and exceed the amount necessary  
25 for the maintenance and operation of the auxiliary facility plus any  
26 amount set aside in a reserve fund for repair and replacement of the  
27 facility, the governing board may retain such surplus and utilize the same

1 in such manner as in its judgment is for the best interests of the  
2 educational institution; except that, if the governing board uses the  
3 surplus moneys on a project requiring total project expenditures that  
4 exceed two million dollars EXPECTED TO BE PAID FROM CASH FUNDS OR  
5 OTHER NONSTATE MONEYS, the project shall be subject to the provisions  
6 of section 23-1-106. Use of such surplus shall be reviewed in advance by  
7 representatives of the student government at the institution with which the  
8 auxiliary facility is associated.

9           **SECTION 3.** In Colorado Revised Statutes, 24-75-303, **amend**  
10 (3) as follows:

11           **24-75-303. Appropriation for capital construction.** (3) A  
12 capital construction project for a state institution of higher education that  
13 is ~~estimated to require total expenditures exceeding two million dollars~~  
14 EXPECTED TO BE paid from cash funds or other nonstate moneys held by  
15 the institution must be commenced pursuant to section 23-1-106, C.R.S.

16           **SECTION 4. Applicability.** This act applies to the Colorado  
17 commission of higher education's submission of two-year reports for  
18 capital construction or capital renewal projects on or after the effective  
19 date of this act.

20           **SECTION 5. Safety clause.** The general assembly hereby finds,  
21 determines, and declares that this act is necessary for the immediate  
22 preservation of the public peace, health, and safety.