



Capital Construction

The General Assembly considered a number of bills affecting funding for capital construction and the duties of the Capital Development Committee (CDC) during the 2019 session.

Capital Appropriations and Transfers

[Senate Bill 19-207](#), the 2019 Long Bill, provides funding in FY 2019-20 for 82 capital construction, controlled maintenance, and capital information technology (IT) projects totaling \$249.6 million, including \$166.3 million in state funds (66.6 percent) and \$83.3 million in cash and federal funds (33.4 percent).

[Senate Bill 19-127](#) makes supplemental capital construction appropriations and budgetary adjustments to two projects appropriated in prior fiscal years.

[Senate Bill 19-214](#) transfers \$104.5 million for FY 2019-20 projects listed in the 2019 Long Bill. The bill also transfers \$42.0 million to the Controlled Maintenance Trust Fund as part of the TABOR reserve. The balance of the fund may only be spent through executive order in the event of a disaster emergency.

CDC Membership and Oversight

One bill adopted by the General Assembly concerns CDC membership. [House Bill 19-1020](#) clarifies who appoints members to serve on the committee and modifies when chair and vice-chair elections are held in even-numbered years.

Two bills make changes to CDC responsibilities. [House Bill 19-1319](#) requires most state agencies and institutions of higher education to provide an inventory of undeveloped land to the CDC. The inventories will be compiled and reported on the General Assembly website annually.

[Senate Bill 16-178](#) directed the Department of Human Services to vacate the Grand Junction Regional Center campus and list the property for sale after the campus residents are rehomed. The CDC receives quarterly reports about the progress of rehoming residents and selling the campus. [House Bill 19-1062](#) allows the department to transfer some or all of the property to a state department, state institution of higher education, or to a local government, in lieu of requiring that the campus be sold.

Construction Management

Several bills considered during the 2019 session will affect the management of construction projects. [Senate Bill 19-135](#) requires the Department of Personnel and Administration (DPA) to commission a study of disparities in the state procurement process involving the purchase of goods or services from historically underutilized groups. The study report will include recommendations to address any disparities that are found.

[Senate Bill 19-171](#) requires the Department of Labor and Employment to establish the

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Colorado State Apprenticeship Resource Directory with detailed information about apprentice programs in the state. The directory must be created by January 1, 2020, and updated annually.

[Senate Bill 19-196](#) modifies contractual requirements for public construction projects administered by state departments and higher education institutions that are anticipated to cost more than \$500,000 or \$1.0 million for projects solicited through the integrated project delivery approach. The bill requires general contractors to employ apprentices for most trades on public projects and to pay the local prevailing wage. DPA is directed to determine the prevailing wage. The bill applies to project solicitations issued on or after July 1, 2021. Local government entities and the Colorado Department of Transportation are exempt from the requirements of the bill.

[House Bill 19-1227](#), which was deemed lost on second reading, would have required the Department of Labor and Employment and DPA to convene a working group in the interim following the 2019 legislative session to study the most efficient and appropriate manner in which to implement a prevailing wage requirement for state construction contracts.

[House Bill 19-1035](#) permits local governments and higher education institutions to assess a \$120 fee for electrical inspections, adjusted annually. Under current law, local governments and institutions of higher education may only assess up to 15 percent more than the state's fees for electrical inspections.

Budgeting

Three bills adopted during the 2019 session affect budgeting for capital construction. The Office of the State Architect, within DPA, has the authority to move funding between appropriated controlled maintenance projects in order to use savings from one project to address cost overruns or emergent maintenance issues on another appropriated project or projects. [House Bill 19-1012](#) extends this authority to the controlled maintenance projects funded through a certificates of participation (COP) issuance authorized under [Senate Bill 17-267](#).

[House Bill 19-1055](#) diverts marijuana excise tax revenue from the Public School Fund to the Building Excellent Schools Today (BEST) program and increases the total amount of allowable lease payments under the program. Grant awards for BEST-qualified projects may come in the form of either long-term financing through the issuance of COPs or cash awards. The CDC annually reviews a list of projects proposed for funding through the issuance of new COPs. The bill is expected to increase the amount of lease funding available for the project, which will correspondingly increase the CDC review responsibilities.

[House Bill 19-1214](#) repeals a requirement that the Joint Budget Committee develop and make recommendations concerning new methods of financing the state's ongoing capital construction, capital renewal, and controlled maintenance needs. [Senate Bill 09-228](#) created a temporary statutory transfer mechanism to fund capital construction projects and directed the CDC to investigate new methods of financing ongoing capital construction needs. [Senate Bill 14-110](#) shifted this study responsibility to the JBC.