

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 16-1265.01 Julie Pelegrin x2700

SENATE BILL 16-209

SENATE SPONSORSHIP

Todd and Holbert,

HOUSE SPONSORSHIP

Buckner and Priola,

Senate Committees
Finance

House Committees
Finance

A BILL FOR AN ACT

101 **CONCERNING AUTHORIZING A SCHOOL DISTRICT BOARD OF EDUCATION**
102 **TO CONSTRUCT A BUILDING FOR LEASE TO A STATE INSTITUTION**
103 **OF 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 authorizes a school district board of education to lease school district property to a state institution of higher education and to accept in-kind services from the institution as all or part of the lease payments. The bill clarifies that a school district may issue bonds to construct a building for lease to a state institution of higher education.

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.

HOUSE
3rd Reading Unamended
May 10, 2016

HOUSE
Amended 2nd Reading
May 9, 2016

SENATE
3rd Reading Unamended
May 4, 2016

SENATE
2nd Reading Unamended
May 3, 2016

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

2 **SECTION 1.** In Colorado Revised Statutes, 22-32-110, **add** (1)
3 (f.5) as follows:

4 **22-32-110. Board of education - specific powers.** (1) In addition
5 to any other power granted to a board of education of a school district by
6 law, each board of education of a school district shall have the following
7 specific powers, to be exercised in its judgment:

8 (f.5) **SUBJECT TO PRIOR APPROVAL BY THE COMMISSIONER OF**
9 **EDUCATION AS PROVIDED IN SECTION 22-2-112 (5), TO LEASE DISTRICT**
10 **PROPERTY TO A STATE INSTITUTION OF HIGHER EDUCATION FOR USE BY**
11 **THE INSTITUTION FOR A TERM AGREED TO BY THE DISTRICT AND THE**
12 **INSTITUTION. IN ADDITION TO OR IN LIEU OF MONETARY LEASE PAYMENTS,**
13 **THE BOARD OF EDUCATION MAY AGREE TO RECEIVE IN-KIND SERVICES**
14 **PROVIDED BY THE INSTITUTION TO THE DISTRICT OR ITS EMPLOYEES OR**
15 **GRADUATES WHO RESIDE WITHIN COLORADO, SUCH AS REDUCED TUITION**
16 **RATES AND SCHOLARSHIPS FOR THE SCHOOL DISTRICT'S EMPLOYEES OR**
17 **GRADUATES WHO RESIDE WITHIN COLORADO. IF THE SCHOOL DISTRICT**
18 **RECEIVES IN-KIND SERVICES AS PROVIDED IN THIS PARAGRAPH (f.5), THE**
19 **DOLLAR VALUE OF THE IN-KIND SERVICES THAT THE SCHOOL DISTRICT**
20 **RECEIVES MUST EQUAL THE DOLLAR AMOUNT OF THE LEASE PAYMENT FOR**
21 **WHICH THE IN-KIND SERVICE IS SUBSTITUTED. NO LATER THAN DECEMBER**
22 **31, 2018, AND NO LATER THAN DECEMBER 31 EVERY THREE YEARS**
23 **THEREAFTER, THE SCHOOL DISTRICT SHALL SUBMIT TO THE EDUCATION**
24 **COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR**
25 **ANY SUCCESSOR COMMITTEES, A REPORT SPECIFYING THE AMOUNT OF**
26 **BONDED INDEBTEDNESS INCURRED TO BUILD A BUILDING THAT IS LEASED**

1 TO AN INSTITUTION OF HIGHER EDUCATION AS PROVIDED IN THIS
2 PARAGRAPH (f.5), AN ACCOUNTING OF THE VALUE OF ANY IN-KIND
3 SERVICES RECEIVED, AND THE IMPACT ON THE SCHOOL DISTRICT AS A
4 RESULT OF THE LEASE.

5 **SECTION 2.** In Colorado Revised Statutes, 22-42-102, **amend**
6 (2) (a) (VIII); and **add** (2) (a) (X) as follows:

7 **22-42-102. Bonded indebtedness - elections.** (2) (a) The board
8 of education of any school district, at any regular biennial school election
9 or at a special election called for the purpose, shall submit to the eligible
10 electors of the district the question of contracting a bonded indebtedness
11 for one or more of the following purposes:

12 (VIII) For supporting charter school capital construction as
13 defined in section 22-30.5-403 (4) or the land and facilities needs of a
14 charter school as defined in section 22-30.5-403 (3), without title or
15 ownership of charter school capital assets being held by the school district
16 or ownership or use restrictions placed on the charter school by the school
17 district; ~~or~~

18 (X) **SUBJECT TO PRIOR APPROVAL BY THE COMMISSIONER OF**
19 **EDUCATION AS PROVIDED IN SECTION 22-2-112 (5), FOR CONSTRUCTING A**
20 **BUILDING THAT THE SCHOOL DISTRICT MAY LEASE TO A STATE INSTITUTION**
21 **OF HIGHER EDUCATION. IF A BOARD OF EDUCATION SEEKS VOTER**
22 **APPROVAL TO CONTRACT BONDED INDEBTEDNESS FOR THIS PURPOSE, THE**
23 **BALLOT QUESTION MUST SPECIFICALLY STATE THAT THE BONDED**
24 **INDEBTEDNESS IS INCURRED "FOR THE PURPOSE OF**
25 **CONSTRUCTING A BUILDING THAT THE SCHOOL DISTRICT**
26 **MAY LEASE TO A STATE INSTITUTION OF HIGHER**
27 **EDUCATION".**

1 **SECTION 3.** In Colorado Revised Statutes, 22-2-112, **add (5)** as
2 follows:

3 **22-2-112. Commissioner - duties. (5)** ON AND AFTER THE
4 EFFECTIVE DATE OF THIS SUBSECTION (5), THE BOARD OF EDUCATION OF
5 A SCHOOL DISTRICT THAT INTENDS TO SEEK VOTER APPROVAL OF BONDED
6 INDEBTEDNESS FOR THE PURPOSE OF CONSTRUCTING A BUILDING THAT THE
7 SCHOOL DISTRICT MAY LEASE TO A STATE INSTITUTION OF HIGHER
8 EDUCATION OR THAT INTENDS TO LEASE OTHER SCHOOL DISTRICT
9 PROPERTY TO A STATE INSTITUTION OF HIGHER EDUCATION, AND THAT
10 INTENDS, IN EITHER SITUATION, TO RECEIVE IN-KIND SERVICES IN LIEU OF
11 PART OR ALL OF THE LEASE PAYMENTS, MUST SUBMIT TO THE
12 COMMISSIONER A LETTER OF INTENT TO LEASE PROPERTY TO A STATE
13 INSTITUTION OF HIGHER EDUCATION. THE COMMISSIONER SHALL APPROVE
14 THE FIRST THREE LETTERS OF INTENT THAT ARE SUBMITTED AFTER THE
15 EFFECTIVE DATE OF THIS SUBSECTION (5) AND SHALL NOT APPROVE
16 SUBSEQUENT SUBMITTALS UNTIL JULY 1, 2021, AT WHICH POINT THE
17 COMMISSIONER MAY APPROVE THE FIRST THREE LETTERS OF INTENT
18 SUBMITTED AFTER THAT DATE. A SCHOOL DISTRICT BOARD OF EDUCATION
19 MAY PROCEED WITH PLANS TO LEASE PROPERTY TO A STATE INSTITUTION
20 OF HIGHER EDUCATION OR TO SEEK VOTER APPROVAL OF BONDED
21 INDEBTEDNESS TO CONSTRUCT A BUILDING FOR LEASE TO A STATE
22 INSTITUTION OF HIGHER EDUCATION ONLY IF THE SCHOOL DISTRICT'S
23 LETTER OF INTENT IS APPROVED BY THE COMMISSIONER. THE PROVISIONS
24 OF THIS SUBSECTION (5) DO NOT APPLY TO A BUILDING LEASE BETWEEN A
25 SCHOOL DISTRICT AND A STATE INSTITUTION OF HIGHER EDUCATION THAT
26 EXISTS AS OF THE EFFECTIVE DATE OF THIS SUBSECTION (5).

27 **SECTION 4.** In Colorado Revised Statutes, 23-1-106, **add (9) (f)**

1 as follows:

2 **23-1-106. Duties and powers of the commission with respect**
3 **to capital construction and long-range planning - legislative**
4 **declaration - definitions.** (9) (f) THE GOVERNING BOARD OF A STATE
5 INSTITUTION OF HIGHER EDUCATION THAT ENTERS INTO AN AGREEMENT TO
6 LEASE A BUILDING FROM A SCHOOL DISTRICT, AS AUTHORIZED IN SECTION
7 22-32-110 (1) (f.5), C.R.S., SHALL NOTIFY THE CAPITAL DEVELOPMENT
8 COMMITTEE OF THE EXISTENCE OF THE AGREEMENT AND PROVIDE TO THE
9 COMMITTEE A SUMMARY OF THE TERMS OF THE AGREEMENT.

10 **SECTION 5. Act subject to petition - effective date.** This act
11 takes effect at 12:01 a.m. on the day following the expiration of the
12 ninety-day period after final adjournment of the general assembly (August
13 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a
14 referendum petition is filed pursuant to section 1 (3) of article V of the
15 state constitution against this act or an item, section, or part of this act
16 within such period, then the act, item, section, or part will not take effect
17 unless approved by the people at the general election to be held in
18 November 2016 and, in such case, will take effect on the date of the
19 official declaration of the vote thereon by the governor.