

CHAPTER 190

GOVERNMENT - STATE

HOUSE BILL 03-1256

BY REPRESENTATIVE(S) Spradley, Fairbank, Fritz, Hefley, McFadyen, Miller, Rippy, Rose, Veiga, Boyd, Briggs, Garcia, Hall, Hoppe, Jahn, Mitchell, Stengel, Weddig, White, Wiens, Butcher, Coleman, Frangas, Hodge, Spence, Stafford, and Williams S.; also SENATOR(S) Anderson, Kester, Chlouber, Entz, Dyer, Arnold, Cairns, Hagedorn, and Phillips.

AN ACT

CONCERNING THE AUTHORITY OF THE STATE TO ENTER INTO LEASE-PURCHASE AGREEMENTS, AND, IN CONNECTION THEREWITH, AUTHORIZING LEASE-PURCHASE AGREEMENTS FOR A HIGH-CUSTODY CORRECTIONAL FACILITY AND FOR THE UNIVERSITY OF COLORADO HEALTH SCIENCES CENTER AT FITZSIMONS.

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

SECTION 1. Legislative declaration. (1) Colorado state penitentiary II. The general assembly finds that:

(a) The primary role of a government is to protect the health and welfare of and to educate its citizens;

(b) Prison population projections produced by the staff of the legislative council and the division of criminal justice within the department of public safety have indicated that the prison population in Colorado is increasing and will continue to increase;

(c) The department of corrections has identified and substantiated a need for at least an additional 948 high-custody prison beds over the next five years;

(d) The general assembly has previously recognized in section 17-1-104.9, Colorado Revised Statutes, that it is in the best interests of public safety to incarcerate high-custody inmates in state prison facilities, rather than in private contract prison facilities;

(e) Fremont county is the location of the Colorado state penitentiary that currently houses the most dangerous inmates, and it would be appropriate to site the new

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

high-custody facility there; and

(f) It is therefore in the best interests of the public to authorize the department of corrections to enter into a lease-purchase agreement to finance construction of the Colorado state penitentiary II correctional facility to ensure the state has adequate facilities to house its most dangerous inmates.

(2) **University of Colorado health sciences center.** The general assembly further finds that:

(a) Biotechnology is expected to be Colorado's number one industry by the year 2010, and development of the university of Colorado health sciences center ("UCHSC") at the site of the former Fitzsimons army base is a linchpin for the growth of this industry in the state of Colorado;

(b) The UCHSC ranks eighth in national institutes of health funding of public medical schools and fifth in national institutes of health funding per faculty member, thereby providing a tremendous influx of federal dollars to the state of Colorado;

(c) The development of the site at Fitzsimons will result in significant economic benefit to the state;

(d) An independent analysis by Hammer Siler George Associates estimated the following significant economic impacts by developing the UCHSC at Fitzsimons based upon the current ten-year build out of the site without the use of lease purchase agreements:

(I) State corporate and personal income and sales taxes and motor vehicle registration fees will total \$46.7 million per year by 2010 and \$93.8 million per year after full development of the site;

(II) Statewide, local sales and use taxes generated by the projects at Fitzsimons will total \$21.7 million in 2010 and \$40.5 million upon completion;

(III) The development at the Fitzsimons site will result in the equivalent of 14,420 job years of construction employment through 2010 which will support an additional 17,040 jobs throughout the state;

(IV) By 2010, the Fitzsimons site will produce direct employment for 15,728 people and indirect employment for an additional 19,111 people; and

(V) Upon completion, Fitzsimons will generate total economic activity of more than \$7.2 billion in Colorado of which \$2.8 billion will accrue as income to entrepreneurs, employees, and business and property owners;

(e) It is in the best interests of the state to accelerate the move of the UCHSC students and faculty from the 9th Avenue and Colorado Boulevard campus to the former Fitzsimons army base;

(f) Accelerating the UCHSC transition to the Fitzsimons site should result in the following economic benefits to the state of Colorado:

(I) The state will realize the economic impact of the Fitzsimons project sooner;

(II) Overall facility costs will be reduced if construction is started sooner while the construction market is highly competitive and the rate of inflation for construction costs is low;

(III) Overall facility costs shall also be reduced by taking advantage of the historically low interest rates currently available;

(IV) The state can avoid continuing operating, maintenance, and remodeling costs at the 9th Avenue and Colorado Boulevard campus;

(V) The state will achieve greater programmatic efficiencies and decrease operating and duplication costs;

(VI) The state can replace private lease space with state-operated space at Fitzsimons;

(VII) The redevelopment of the 9th Avenue and Colorado Boulevard campus by the private sector can be accelerated;

(g) The following facilities need to be obtained for UCHSC to continue its move to the Fitzsimons site:

(I) Education facility IB;

(II) Education facility II;

(III) Library at Fitzsimons;

(IV) Academic office complex;

(V) Environmental health and safety II;

(VI) Facility support; and

(VII) Education bridge; and

(h) It is therefore in the best interests of the public to authorize the state of Colorado acting by and through the regents of the university of Colorado to enter into lease-purchase agreements to finance construction of all of the facilities specified in paragraph (g) of this subsection (2).

SECTION 2. Lease-purchase agreement - Colorado state penitentiary II.

(1) (a) Pursuant to section 17-1-105 (2), Colorado Revised Statutes, the executive director of the department of corrections is authorized to execute a lease-purchase agreement for up to fifteen years to finance the construction of a high-custody bed facility for the Colorado state penitentiary II correctional facility and ancillary facilities. The total amount of said lease-purchase agreement shall not exceed one hundred two million eight hundred thousand dollars (\$102,800,000), plus reasonable and necessary administrative, monitoring, and closing costs and interest.

(b) Enactment of this act shall satisfy the requirements of sections 24-82-102 (1) (b) and 24-82-801, Colorado Revised Statutes, which require authorization of a lease-purchase agreement by a bill other than an annual general appropriations bill or a supplemental appropriations bill.

(2) (a) The executive director of the department of corrections may, in his or her sole discretion, enter into the lease-purchase agreement authorized by subsection (1) of this section with any for-profit or nonprofit corporation, or commercial bank as a trustee, as lessor, including but not limited to the nonprofit corporation organized pursuant to section 24-82-703, Colorado Revised Statutes.

(b) The lease-purchase agreement authorized in subsection (1) of this section shall provide that all of the obligations of the state under such agreement shall be subject to the action of the general assembly and the executive director of the department of corrections in annually making moneys available for all payments thereunder and that such obligations shall not be deemed or construed as creating an indebtedness of the state within the meaning of any provision of the Colorado constitution or the laws of the state of Colorado concerning or limiting the creation of indebtedness by the state of Colorado and shall not constitute a multiple fiscal-year direct or indirect debt or other financial obligation of the state within the meaning of section 20 (4) of article X of the Colorado constitution. In the event the executive director of the department of corrections does not renew the lease-purchase agreement authorized in subsection (1) of this section, the sole security available to the lessor shall be the property that is the subject of the nonrenewed lease-purchase agreement.

(c) The lease-purchase agreement authorized in subsection (1) of this section may contain such terms, provisions, and conditions as the executive director of the department of corrections may deem appropriate, including all optional terms; except that the lease-purchase agreement shall specifically authorize the state to receive fee title to all real and personal property that is the subject of the lease-purchase agreement on or prior to the expiration of the terms of the lease-purchase agreement. Any title to such property received by the state on or prior to the expiration of the terms of the lease-purchase agreement shall be held for the benefit and use of the department of corrections.

(d) The lease-purchase agreement authorized in subsection (1) of this section may provide for the issuance, distribution, and sale of instruments by the lessor evidencing rights to receive rentals and other payments made and to be made under the lease-purchase agreements. In the event such instruments are issued, distributed, or sold, they shall be issued, distributed, or sold by the lessor, or any person designated by the lessor, and not by the state and shall not create a relationship between the purchasers of such instruments and the state or create any obligation on the part of the state to said purchasers. Such instruments shall not be notes, bonds, or any other evidence of indebtedness of the state within the meaning of any provision of the Colorado constitution or the law of the state concerning or limiting the creation of indebtedness of the state and shall not constitute a multiple fiscal-year direct or indirect debt or other financial obligation of the state within the meaning of section 20 (4) of article X of the Colorado constitution.

(e) Interest paid under the lease-purchase agreement authorized in subsection (1) of this section, including interest represented by such instruments, shall be exempt

from Colorado income tax.

(f) The executive director of the department of corrections is authorized to enter into such ancillary agreements and instruments as are deemed necessary or appropriate in connection with the lease-purchase agreement, including but not limited to ground leases, easements, or other instruments relating to the real property on which the facilities are located.

(3) The provisions of section 24-30-202 (5) (b), Colorado Revised Statutes, shall not apply to the lease-purchase agreement authorized in subsection (1) of this section or any ancillary agreement entered into pursuant to paragraph (f) of subsection (2) of this section. Any provision of the fiscal rules promulgated pursuant to section 24-30-202 (1) and (13), Colorado Revised Statutes, which the state controller deems to be incompatible or inapplicable with respect to said lease-purchase agreements or any such ancillary agreement may be waived by the controller or his or her designee.

SECTION 3. Lease-purchase agreement - university of Colorado health sciences center. (1) (a) The state of Colorado, acting by and through the board of regents of the university of Colorado, is authorized to execute lease-purchase agreements for up to twenty-five years to finance the construction of academic facilities for the university of Colorado health sciences center at the former Fitzsimons army base. The total amount of said lease-purchase agreements shall not exceed two hundred two million eight hundred seventy-six thousand one hundred nine dollars (\$202,876,109), plus reasonable and necessary administrative, monitoring, and closing costs and interest. The annual aggregate rentals under all lease-purchase agreements authorized by this section shall not exceed fifteen million one hundred thousand dollars (\$15,100,000).

(b) The academic facilities for which lease-purchase agreements are authorized by paragraph (a) of this subsection (1) include the following:

- (I) Education facility IB;
- (II) Education facility II;
- (III) Library at Fitzsimons;
- (IV) Academic office complex;
- (V) Environmental health and safety II;
- (VI) Facility support; and
- (VII) Education bridge.

(c) Enactment of this act shall satisfy the requirements of sections 24-82-102 (1) (b) and 24-82-801, Colorado Revised Statutes, which require authorization of a lease-purchase agreement by a bill other than an annual general appropriations bill or a supplemental appropriations bill.

(2) (a) The state of Colorado, acting by and through the regents of the university

of Colorado, may, at the regents' sole discretion, enter into one or more lease-purchase agreements authorized by subsection (1) of this section with any for-profit or nonprofit corporation, or commercial bank as a trustee, as lessor, including but not limited to the nonprofit corporation created pursuant to section 24-82-703, Colorado Revised Statutes, or the Colorado educational and cultural facilities authority created pursuant to section 23-15-104, Colorado Revised Statutes.

(b) The lease-purchase agreements authorized in subsection (1) of this section shall provide that all of the obligations of the state under such agreements shall be subject to the action of the general assembly in annually making moneys available for all payments thereunder and that such obligations shall not be deemed or construed as creating an indebtedness of the state within the meaning of any provision of the Colorado constitution or the laws of the state of Colorado concerning or limiting the creation of indebtedness by the state of Colorado and shall not constitute a multiple fiscal-year direct or indirect debt or other financial obligation of the state within the meaning of section 20 (4) of article X of the Colorado constitution. In the event the board of regents of the university of Colorado acting on behalf of the state of Colorado does not renew any of the lease-purchase agreements authorized in subsection (1) of this section, the sole security available to the lessor shall be the property that is the subject of the nonrenewed lease-purchase agreement.

(c) The lease-purchase agreements authorized in subsection (1) of this section may contain such terms, provisions, and conditions as the board of regents of the university of Colorado on behalf of the state of Colorado may deem appropriate, including all optional terms; except that the lease-purchase agreements shall specifically authorize the state of Colorado or the regents of the university of Colorado to receive fee title to all real and personal property that is the subject of the lease-purchase agreements on or prior to the expiration of the terms of the lease-purchase agreements. Any title to such property received by the state on or prior to the expiration of the terms of the lease-purchase agreements shall be held for the benefit and use of the university of Colorado.

(d) The lease-purchase agreements authorized in subsection (1) of this section may provide for the issuance, distribution, and sale of instruments by the lessor evidencing rights to receive rentals and other payments made and to be made under the lease-purchase agreements. In the event such instruments are issued, distributed, or sold, they shall be issued, distributed, or sold by the lessor, or any person designated by the lessor, and not by the state and shall not create a relationship between the purchasers of such instruments and the state or create any obligation on the part of the state to said purchasers. Such instruments shall not be notes, bonds, or any other evidence of indebtedness of the state within the meaning of any provision of the Colorado constitution or the law of the state concerning or limiting the creation of indebtedness of the state and shall not constitute a multiple fiscal-year direct or indirect debt or other financial obligation of the state within the meaning of section 20 (4) of article X of the Colorado constitution.

(e) Interest paid under the lease-purchase agreements authorized in subsection (1) of this section, including interest represented by such instruments, shall be exempt from Colorado income tax.

(f) The state of Colorado, acting through the board of regents of the university of

Colorado, is authorized to enter into such ancillary agreements and instruments as are deemed necessary or appropriate in connection with the lease-purchase agreements, including but not limited to ground leases, easements, or other instruments relating to the real property on which the facilities are located.

(3) The provisions of section 24-30-202 (5) (b), Colorado Revised Statutes, shall not apply to the lease-purchase agreements authorized in subsection (1) of this section or any ancillary agreement entered into pursuant to paragraph (f) of subsection (2) of this section. Any provision of the fiscal rules promulgated pursuant to section 24-30-202 (1) and (13), Colorado Revised Statutes, which the state controller deems to be incompatible or inapplicable with respect to said lease-purchase agreements or any such ancillary agreement may be waived by the controller or his or her designee.

SECTION 4. 24-82-102 (1) (b), Colorado Revised Statutes, is amended to read:

24-82-102. State authorized to acquire property - disposition. (1) (b) Any lease-purchase agreement which is entered into subsequent to June 12, 1981, shall be specifically authorized, prior to its execution, by a ~~separate~~ bill, OTHER THAN THE ANNUAL GENERAL APPROPRIATIONS BILL OR A SUPPLEMENTAL APPROPRIATIONS BILL, enacted by the general assembly. Subsequent to authorization by the general assembly in such manner, rentals and other payments by the state under any such lease-purchase agreement may be made from moneys appropriated by the general assembly ~~without the necessity of a separate~~ IN AN ANNUAL GENERAL APPROPRIATIONS bill OR A SUPPLEMENTAL APPROPRIATIONS BILL.

SECTION 5. 24-82-801 (2), Colorado Revised Statutes, is amended to read:

24-82-801. Lease-purchase agreements for acquisition of real or personal property. (2) Except as provided in subsection (4) of this section, no lease-purchase agreement FOR THE ACQUISITION OF PERSONAL PROPERTY to which an agency of state government is a party and which requires total payments exceeding fifty thousand dollars over the term of the agreement shall be entered into subsequent to April 9, 1990, unless such agreement is specifically authorized, prior to its execution, by a ~~separate~~ bill, OTHER THAN THE ANNUAL GENERAL APPROPRIATIONS ACT OR A SUPPLEMENTAL APPROPRIATIONS ACT, enacted by the general assembly or specifically authorized by appropriation in the annual general appropriation act OR A SUPPLEMENTAL APPROPRIATIONS ACT. Subsequent to ~~any~~ authorization of a lease-purchase agreement by the general assembly, ~~acting by separate bill~~ IN SUCH MANNER, rentals and other payments by the state under any such lease-purchase agreement may be made from moneys appropriated by the general assembly ~~without the necessity of a separate bill~~ IN AN ANNUAL GENERAL APPROPRIATIONS ACT OR A SUPPLEMENTAL APPROPRIATIONS ACT.

SECTION 6. 23-15-107 (1) (g), Colorado Revised Statutes, is amended to read:

23-15-107. General powers of the authority. (1) In addition to any other powers granted to the authority by this article, the authority shall have the following powers:

(g) To lease to a participating institution of postsecondary education or cultural institution any or all of the facilities upon such terms and conditions as the authority

shall deem proper, including, but not limited to, renewable, one-year leases with institutions of postsecondary education supported in whole or in part by state funds if authorized pursuant to section 23-1-106 or section 24-82-709, C.R.S., OR A LEASE-PURCHASE AGREEMENT AUTHORIZED PURSUANT TO SECTIONS 24-82-102 (1) (b) AND 24-82-801 (2), C.R.S.; to charge and collect rent therefor and to terminate any such lease upon the failure of the lessee to comply with any of the obligations thereof; and to include in any such lease, if desired, provisions that the lessee thereof shall have options to renew the term of the lease for such period or periods, at such rent, and upon such terms or conditions as shall be determined by the authority or to purchase any or all of the facilities or to include, if desired, provisions that, upon payment of all of the indebtedness incurred by the authority for the financing of such facilities, the authority will convey any or all of the facilities to the lessee or lessees thereof with or without consideration;

SECTION 7. Part 1 of article 20 of title 23, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

23-20-137. Health sciences center - disposition of property - use of proceeds.

(1) ON OR BEFORE JUNE 30, 2004, THE UNIVERSITY OF COLORADO SHALL DEVELOP A MASTER PLAN FOR THE DEVELOPMENT, SALE, AND USE OF THE CAMPUS AT NINTH AVENUE AND COLORADO BOULEVARD AND THE UNIVERSITY OF COLORADO HOSPITAL.

(2) ON OR BEFORE JUNE 30, 2006, THE UNIVERSITY OF COLORADO SHALL ENTER INTO AN AGREEMENT WITH A THIRD-PARTY MASTER DEVELOPER TO CARRY OUT THE DEVELOPMENT, SALE, OR USE OF THE REAL ESTATE INTERESTS OF THE UNIVERSITY OF COLORADO IN THE CAMPUS AT NINTH AVENUE AND COLORADO BOULEVARD, INCLUDING, BUT NOT LIMITED TO, THE UNIVERSITY'S REAL ESTATE INTERESTS IN THE GROUND LEASED TO THE UNIVERSITY OF COLORADO HOSPITAL, THAT WILL MAXIMIZE THE MONEYS AVAILABLE FOR THE MOVE OF THE COLORADO HEALTH SCIENCES CENTER TO THE FORMER FITZSIMONS ARMY BASE.

(3) (a) FOR PURPOSES OF THIS SUBSECTION (3), UNLESS THE CONTEXT OTHERWISE REQUIRES, "NET PROCEEDS FROM NINTH AVENUE AND COLORADO BOULEVARD" MEANS THE PROCEEDS FROM THE SALE, GROUND LEASE, OR OTHER DISPOSITION OF THE REAL ESTATE INTEREST OF THE UNIVERSITY OF COLORADO IN THE NINTH AVENUE AND COLORADO BOULEVARD CAMPUS, INCLUDING, BUT NOT LIMITED TO, THE UNIVERSITY'S INTERESTS IN THE GROUND LEASED TO THE UNIVERSITY OF COLORADO HOSPITAL, LESS ACTUAL AND REASONABLE COSTS OF COMPLETING THE TRANSACTION AND LESS ANY UNSATISFIED DEBT OR OTHER OBLIGATION RELATING TO SUCH REAL ESTATE INTERESTS.

(b) OF THE NET PROCEEDS FROM NINTH AVENUE AND COLORADO BOULEVARD, UP TO FIFTEEN MILLION DOLLARS SHALL BE DEPOSITED INTO THE GENERAL FUND. ANY NET PROCEEDS FROM NINTH AVENUE AND COLORADO BOULEVARD IN EXCESS OF FIFTEEN MILLION DOLLARS SHALL BE DIVIDED EQUALLY WITH ONE-HALF BEING DEPOSITED INTO THE GENERAL FUND AND ONE-HALF BEING RETAINED BY THE UNIVERSITY OF COLORADO FOR THE DEVELOPMENT OF THE FITZSIMONS CAMPUS.

SECTION 8. 23-20-136 (3) (a) and (5), Colorado Revised Statutes, are amended, and the said 23-20-136 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

23-20-136. Fitzsimons trust fund - creation - legislative declaration - repeal.

(3) (a) There is hereby created in the state treasury the university of Colorado health sciences center at Fitzsimons trust fund, referred to in this section as the "Fitzsimons trust fund", the principal of which shall consist of those general fund revenues in excess of the limitation in section 24-75-201.1 (1) (a) (II), C.R.S., that may be transferred to the capital construction fund as provided in section 24-75-302 (2), C.R.S., and then appropriated from the capital construction fund to the Fitzsimons trust fund AND OF MONEYS APPROPRIATED TO THE FITZSIMONS TRUST FUND FROM THE CAPITAL DEVELOPMENT FUND PURSUANT TO SUBSECTION (3.5) OF THIS SECTION. The principal and interest of the Fitzsimons trust fund shall not be expended or appropriated for any purpose other than that stated in subsection (5) of this section. The state treasurer may, in the state treasurer's discretion, deposit, redeposit, invest, and reinvest moneys accrued or accruing to the Fitzsimons trust fund in the types of deposits and investments authorized in sections 24-36-109, 24-36-112, and 24-36-113, C.R.S.

(3.5) (a) FOR EACH FISCAL YEAR IN WHICH THE STATE RECEIVES MONEYS PURSUANT TO THE MASTER SETTLEMENT AGREEMENT AND IN WHICH MONEY IS DUE TO A LESSOR UNDER A LEASE-PURCHASE AGREEMENT AUTHORIZED PURSUANT TO SECTION 3 OF HOUSE BILL 03-1256, AS ENACTED AT THE FIRST REGULAR SESSION OF THE SIXTY-FOURTH GENERAL ASSEMBLY, THE GENERAL ASSEMBLY SHALL APPROPRIATE TO THE CAPITAL DEVELOPMENT FUND AND APPROPRIATE FROM THE CAPITAL DEVELOPMENT FUND TO THE FITZSIMONS TRUST FUND THE LESSER OF THE AMOUNT DUE TO ANY LESSOR DURING THE FISCAL YEAR AND EIGHT PERCENT OF THE TOTAL AMOUNT RECEIVED BY THE STATE PURSUANT TO THE MASTER SETTLEMENT AGREEMENT, OTHER THAN ATTORNEY FEES AND COSTS, DURING THE PRECEDING FISCAL YEAR; EXCEPT THAT THE AMOUNT APPROPRIATED PURSUANT TO THIS SUBSECTION (3.5) IN ANY FISCAL YEAR SHALL NOT EXCEED EIGHT MILLION DOLLARS.

(b) AS USED IN THIS SUBSECTION (3.5), UNLESS THE CONTEXT OTHERWISE REQUIRES, "MASTER SETTLEMENT AGREEMENT" MEANS THE MASTER SETTLEMENT AGREEMENT, THE SMOKELESS TOBACCO MASTER SETTLEMENT AGREEMENT, AND THE CONSENT DECREE APPROVED AND ENTERED BY THE COURT IN THE CASE DENOMINATED *STATE OF COLORADO, EX REL. GALE A. NORTON, ATTORNEY GENERAL V. R.J. REYNOLDS TOBACCO CO.; AMERICAN TOBACCO CO., INC.; BROWN & WILLIAMSON TOBACCO CORP.; LIGGETT & MYERS, INC.; LORILLARD TOBACCO CO., INC.; PHILLIP MORRIS, INC.; UNITED STATES TOBACCO CO.; B.A.T. INDUSTRIES, P.L.C.; THE COUNCIL FOR TOBACCO RESEARCH--U.S.A., INC.; AND TOBACCO INSTITUTE, INC.*, CASE NO. 97 CV 3432, IN THE DISTRICT COURT FOR THE CITY AND COUNTY OF DENVER.

(5) Moneys in the Fitzsimons trust fund may be appropriated to pay for capital construction projects for the university of Colorado health sciences center at the former Fitzsimons army base that have received the prior approval of the board of regents of the university of Colorado, the Colorado commission on higher education, the capital development committee, the general assembly, and the joint budget committee OR FOR LEASE PAYMENTS ON ANY LEASE-PURCHASE AGREEMENT AUTHORIZED PURSUANT TO SECTION 3 OF HOUSE BILL 03-1256, AS ENACTED AT THE FIRST REGULAR SESSION OF THE SIXTY-FOURTH GENERAL ASSEMBLY.

SECTION 9. 23-20-207 (1) (a), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

23-20-207. Funding of research grants - tobacco- and substance-abuse-related research fund - creation - administrative costs.

(1) (a) (I.5) NOTWITHSTANDING THE PROVISION OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (a), IN ANY YEAR IN WHICH MONEY IS OWED TO A LESSOR UNDER A LEASE-PURCHASE AGREEMENT AUTHORIZED PURSUANT TO SECTION 3 OF HOUSE BILL 03-1256, AS ENACTED AT THE FIRST REGULAR SESSION OF THE SIXTY-FOURTH GENERAL ASSEMBLY:

(A) MONEYS SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (a) SHALL FIRST BE APPROPRIATED TO THE CAPITAL DEVELOPMENT FUND PURSUANT TO SECTION 23-20-136 (3.5); AND

(B) IF EIGHT PERCENT OF THE TOTAL AMOUNT RECEIVED BY THE STATE PURSUANT TO THE MASTER SETTLEMENT AGREEMENT, OTHER THAN ATTORNEYS FEES AND COSTS, EXCEEDS THE AMOUNT OF EIGHT MILLION DOLLARS, THE EXCESS SHALL BE APPROPRIATED TO THE FUND.

SECTION 10. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: April 28, 2003