

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

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2.1.17

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LLS NO. 17-0875.01 Esther van Mourik x4215

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Minimum Approp Amounts For Capital Construction"

A BILL FOR AN ACT

101 **CONCERNING THE ESTABLISHMENT OF MINIMUM APPROPRIATION**
102 **AMOUNTS FOR CERTAIN TYPES OF CAPITAL CONSTRUCTION**
103 **BASED ON A PERCENTAGE OF THE CURRENT REPLACEMENT**
104 **VALUE OF STATE BUILDINGS.**

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://leg.colorado.gov/>.)

Joint Budget Committee. The bill requires the general assembly to appropriate an amount equal to a specified percentage of the current replacement value of state buildings for all capital construction projects

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

that are predominantly renovation projects, capital renewal, or controlled maintenance as follows:

- Fiscal Year 2017-18 - 0.6%;
- Fiscal Year 2018-19 - 0.7%;
- Fiscal Year 2019-20 - 0.8%;
- Fiscal Year 2020-21 - 0.9%;
- Fiscal Year 2021-22 and each fiscal year thereafter - 1%.

The bill also specifies that the general assembly may appropriate an amount in excess of the specified amount in each fiscal year for any additional capital construction, including new construction projects that are not predominantly renovation projects, capital renewal, or controlled maintenance.

The bill defines "predominantly renovation projects" as a capital construction project with at least 75% of the total project cost attributable to the remodeling or renovation of an existing capital asset rather than to the acquisition or construction of a new capital asset.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-75-303, **amend**
3 (1) as follows:

4 **24-75-303. Appropriation for capital construction - definitions**
5 **- repeal.** (1) (a) The general assembly shall make a capital construction
6 appropriation TO A STATE AGENCY OR A STATE INSTITUTION OF HIGHER
7 EDUCATION in such form, in such amounts, and from such funds as it
8 deems necessary and may appropriate either for construction or for
9 planning of any project, EXCEPT AS FOLLOWS:

10 (I) (A) FOR THE FISCAL YEAR COMMENCING JULY 1, 2017, THE
11 GENERAL ASSEMBLY SHALL APPROPRIATE AMOUNTS THAT TOTAL AT LEAST
12 SIX-TENTHS OF ONE PERCENT OF THE CURRENT REPLACEMENT VALUE OF
13 STATE BUILDINGS FOR CAPITAL CONSTRUCTION PROJECTS THAT ARE
14 PREDOMINANTLY RENOVATION PROJECTS, CAPITAL RENEWAL, OR
15 CONTROLLED MAINTENANCE. THE GENERAL ASSEMBLY MAY APPROPRIATE
16 AMOUNTS IN EXCESS OF SIX-TENTHS OF ONE PERCENT OF THE CURRENT

1 REPLACEMENT VALUE OF STATE BUILDINGS FOR ANY ADDITIONAL CAPITAL
2 CONSTRUCTION, INCLUDING NEW CONSTRUCTION PROJECTS THAT ARE NOT
3 PREDOMINANTLY RENOVATION PROJECTS, CAPITAL RENEWAL, OR
4 CONTROLLED MAINTENANCE.

5 (B) THIS SUBSECTION (1)(a)(I) IS REPEALED, EFFECTIVE JULY 1,
6 2019.

7 (II) (A) FOR THE FISCAL YEAR COMMENCING JULY 1, 2018, THE
8 GENERAL ASSEMBLY SHALL APPROPRIATE AMOUNTS THAT TOTAL AT LEAST
9 SEVEN-TENTHS OF ONE PERCENT OF THE CURRENT REPLACEMENT VALUE
10 OF STATE BUILDINGS FOR CAPITAL CONSTRUCTION PROJECTS THAT ARE
11 PREDOMINANTLY RENOVATION PROJECTS, CAPITAL RENEWAL, OR
12 CONTROLLED MAINTENANCE. THE GENERAL ASSEMBLY MAY APPROPRIATE
13 AMOUNTS IN EXCESS OF SEVEN-TENTHS OF ONE PERCENT OF THE CURRENT
14 REPLACEMENT VALUE OF STATE BUILDINGS FOR ANY ADDITIONAL CAPITAL
15 CONSTRUCTION, INCLUDING NEW CONSTRUCTION PROJECTS THAT ARE NOT
16 PREDOMINANTLY RENOVATION PROJECTS, CAPITAL RENEWAL, OR
17 CONTROLLED MAINTENANCE.

18 (B) THIS SUBSECTION (1)(a)(II) IS REPEALED, EFFECTIVE JULY 1,
19 2020.

20 (III) (A) FOR THE FISCAL YEAR COMMENCING JULY 1, 2019, THE
21 GENERAL ASSEMBLY SHALL APPROPRIATE AMOUNTS THAT TOTAL AT LEAST
22 EIGHT-TENTHS OF ONE PERCENT OF THE CURRENT REPLACEMENT VALUE OF
23 STATE BUILDINGS FOR CAPITAL CONSTRUCTION PROJECTS THAT ARE
24 PREDOMINANTLY RENOVATION PROJECTS, CAPITAL RENEWAL, OR
25 CONTROLLED MAINTENANCE. THE GENERAL ASSEMBLY MAY APPROPRIATE
26 AMOUNTS IN EXCESS OF EIGHT-TENTHS OF ONE PERCENT OF THE CURRENT
27 REPLACEMENT VALUE OF STATE BUILDINGS FOR ANY ADDITIONAL CAPITAL

1 CONSTRUCTION, INCLUDING NEW CONSTRUCTION PROJECTS THAT ARE NOT
2 PREDOMINANTLY RENOVATION PROJECTS, CAPITAL RENEWAL, OR
3 CONTROLLED MAINTENANCE.

4 (B) THIS SUBSECTION (1)(a)(III) IS REPEALED, EFFECTIVE JULY 1,
5 2021.

6 (IV) (A) FOR THE FISCAL YEAR COMMENCING JULY 1, 2020, THE
7 GENERAL ASSEMBLY SHALL APPROPRIATE AMOUNTS THAT TOTAL AT LEAST
8 NINE-TENTHS OF ONE PERCENT OF THE CURRENT REPLACEMENT VALUE OF
9 STATE BUILDINGS FOR CAPITAL CONSTRUCTION PROJECTS THAT ARE
10 PREDOMINANTLY RENOVATION PROJECTS, CAPITAL RENEWAL, OR
11 CONTROLLED MAINTENANCE. THE GENERAL ASSEMBLY MAY APPROPRIATE
12 AMOUNTS IN EXCESS OF NINE-TENTHS OF ONE PERCENT OF THE CURRENT
13 REPLACEMENT VALUE OF STATE BUILDINGS FOR ANY ADDITIONAL CAPITAL
14 CONSTRUCTION, INCLUDING NEW CONSTRUCTION PROJECTS THAT ARE NOT
15 PREDOMINANTLY RENOVATION PROJECTS, CAPITAL RENEWAL, OR
16 CONTROLLED MAINTENANCE.

17 (B) THIS SUBSECTION (1)(a)(IV) IS REPEALED, EFFECTIVE JULY 1,
18 2022.

19 (V) FOR THE FISCAL YEAR COMMENCING JULY 1, 2021, AND FOR
20 EACH FISCAL YEAR THEREAFTER, THE GENERAL ASSEMBLY SHALL
21 APPROPRIATE AMOUNTS THAT TOTAL AT LEAST ONE PERCENT OF THE
22 CURRENT REPLACEMENT VALUE OF STATE BUILDINGS FOR CAPITAL
23 CONSTRUCTION PROJECTS THAT ARE PREDOMINANTLY RENOVATION
24 PROJECTS, CAPITAL RENEWAL, OR CONTROLLED MAINTENANCE. THE
25 GENERAL ASSEMBLY MAY APPROPRIATE AMOUNTS IN EXCESS OF ONE
26 PERCENT OF THE CURRENT REPLACEMENT VALUE OF STATE BUILDINGS FOR
27 ANY ADDITIONAL CAPITAL CONSTRUCTION PROJECTS THAT ARE NOT

1 PREDOMINANTLY RENOVATION PROJECTS, CAPITAL RENEWAL, OR
2 CONTROLLED MAINTENANCE.

3 (b) FOR PURPOSES OF SUBSECTION (1)(a) OF THIS SECTION, UNLESS
4 THE CONTEXT OTHERWISE REQUIRES:

5 (I) "CURRENT REPLACEMENT VALUE OF STATE BUILDINGS" MEANS
6 THE CURRENT REPLACEMENT VALUE OF ALL GENERAL FUND SUPPORTED
7 STATE BUILDINGS AND ALL ACADEMIC FACILITIES AS DEFINED IN SECTION
8 23-1-106(10.3)(a), INCLUDING AN ACADEMIC FACILITY AS DEFINED IN THE
9 GUIDELINES DESCRIBED IN SECTION 23-1-106 (10.2)(b)(I) OF A STATE
10 INSTITUTION OF HIGHER EDUCATION.

11 (II) "PREDOMINANTLY RENOVATION PROJECTS" MEANS A CAPITAL
12 CONSTRUCTION PROJECT WITH AT LEAST SEVENTY-FIVE PERCENT OF THE
13 TOTAL PROJECT COST ATTRIBUTABLE TO THE REMODELING OR
14 RENOVATION OF AN EXISTING CAPITAL ASSET RATHER THAN TO THE
15 ACQUISITION OR CONSTRUCTION OF A NEW CAPITAL ASSET.

16 **SECTION 2. Safety clause.** The general assembly hereby finds,
17 determines, and declares that this act is necessary for the immediate
18 preservation of the public peace, health, and safety.