

First Regular Session
Seventy-third General Assembly
STATE OF COLORADO

DRAFT
2.17.21

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LLS NO. 21-0794.01 Esther van Mourik x4215

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Bond Payments For Auraria Higher Ed Center"

A BILL FOR AN ACT

101 **CONCERNING THE AUTHORITY OF THE AURARIA BOARD TO MAKE BOND**
102 **PAYMENTS FROM SOURCES OTHER THAN THE REVENUES**
103 **GENERATED BY THE AUXILIARY FACILITY ON BEHALF OF WHICH**
104 **SUCH BONDS ARE ISSUED, AND, IN CONNECTION THEREWITH,**
105 **MAKING AN APPROPRIATION.**

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. For the 2020-21 and 2021-22 state fiscal years only, the bill allows the Auraria board (board) to make

*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

payments on certain existing bonds for auxiliary facilities from other sources, including money contributed by constituent institutions and from money appropriated to the board by the general assembly.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (a) Because of the extraordinary financial pressures imposed by
5 the COVID-19 pandemic, the declared disaster emergency, the resulting
6 decline in people physically present on the Auraria campus, and
7 associated decline in revenue from parking and other auxiliary facilities,
8 the Auraria board faces significant difficulties making required debt
9 service obligations; and

10 (b) It is imperative that the state and the three constituent
11 institutions that comprise the Auraria campus, the Denver campus of the
12 University of Colorado, the Metropolitan State University of Denver, and
13 the Community College of Denver, provide help to the Auraria board to
14 make the required debt service payments for this limited period of time.

15 **SECTION 2.** In Colorado Revised Statutes, 23-70-107, **amend**
16 (2) as follows:

17 **23-70-107. Borrowing funds for auxiliary or complementary**
18 **facilities.** (2) (a) The Auraria board, by resolution, may issue revenue
19 bonds on behalf of any auxiliary facility or group of auxiliary facilities
20 managed by the Auraria board for the purpose of obtaining funds for
21 constructing, otherwise acquiring, equipping, or operating such auxiliary
22 facility or group of auxiliary facilities. Any bonds issued on behalf of any
23 auxiliary facility or group of auxiliary facilities other than dining
24 facilities, recreational facilities, health facilities, parking facilities, student

1 center facilities, or research facilities which are funded from a revolving
2 fund may be issued only after approval by both houses of the general
3 assembly either by bill or by joint resolution and after approval by the
4 governor in accordance with section 39 of article V of the state
5 constitution. EXCEPT AS PROVIDED IN SUBSECTION (2)(b) OF THIS SECTION,
6 bonds issued pursuant to this subsection (2) shall be payable only from
7 revenues generated by the auxiliary facility or group of auxiliary facilities
8 on behalf of which such bonds are issued. Such bonds shall be issued in
9 accordance with the provisions of section 23-70-108 (2).

10 (b) (I) FOR THE 2020-21 AND 2021-22 STATE FISCAL YEARS ONLY,
11 EXISTING BONDS FOR AUXILIARY FACILITIES OR GROUP OF AUXILIARY
12 FACILITIES MANAGED BY THE AURARIA BOARD AND ISSUED UNDER
13 SUBSECTION (2)(a) OF THIS SECTION MAY BE PAYABLE FROM OTHER
14 SOURCES, INCLUDING MONEY CONTRIBUTED BY CONSTITUENT
15 INSTITUTIONS FROM WHATEVER SOURCE, AND FROM MONEY
16 APPROPRIATED TO THE BOARD BY THE GENERAL ASSEMBLY.

17 (II) FOR THE 2020-21 STATE FISCAL YEAR, THE AMOUNTS
18 CONTRIBUTED BY CONSTITUENT INSTITUTIONS, FROM WHATEVER SOURCE,
19 ARE AS FOLLOWS:

20 (A) ONE MILLION THREE HUNDRED EIGHTY-NINE THOUSAND THREE
21 HUNDRED DOLLARS FROM THE BOARD OF TRUSTEES FOR THE
22 METROPOLITAN STATE UNIVERSITY OF DENVER;

23 (B) NINE HUNDRED EIGHTY THOUSAND SEVEN HUNDRED DOLLARS
24 FROM THE BOARD OF REGENTS OF THE UNIVERSITY OF COLORADO; AND

25 (C) THREE HUNDRED EIGHTY THOUSAND DOLLARS FROM THE
26 STATE BOARD FOR COMMUNITY COLLEGES AND OCCUPATIONAL
27 EDUCATION.

1 <{Not sure the committee would like to have so much detail. We can
2 delete page 2, lines 24 through 27, and page 3, lines 1 through 6, prior
3 to introduction if the committee prefers less specificity in statute.}>

4 **SECTION 3. Appropriation.** For the 2020-21 state fiscal year,
5 \$5,500,000 is appropriated to the department of higher education for use
6 by the Auraria higher education center. This appropriation consists of
7 \$2,750,000 from the general fund and \$2,750,000 from cash funds from
8 institutional sources, which consists of \$1,389,300 from the trustees of
9 Metropolitan state university of Denver, \$980,700 from the regents of the
10 university of Colorado, and \$380,000 from the state board for community
11 colleges and occupational education state system community colleges. To
12 implement this act, the Auraria higher education center may use this
13 appropriation for bond and certificate of participation payments and
14 reserves required to meet bond coverage ratios.

15 **SECTION 4. Safety clause.** The general assembly hereby finds,
16 determines, and declares that this act is necessary for the immediate
17 preservation of the public peace, health, or safety. <{Since the bond
18 payments are due in April 1 and May 1 a safety clause is necessary.}>