

**Second Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO**

**REENGROSSED**

*This Version Includes All Amendments  
Adopted in the House of Introduction*

LLS NO. 22-0701.01 Jacob Baus x2173

**SENATE BILL 22-121**

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**SENATE SPONSORSHIP**

**Zenzinger and Simpson,**

**HOUSE SPONSORSHIP**

**Rich and McLachlan,**

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**Senate Committees**  
Education

**House Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING INCREASING THE AMOUNT OF TUITION REVENUES**  
102 **PLEGED BY AN INSTITUTION OF HIGHER EDUCATION.**

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**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>.)*

The bill increases, from 10% to 100%, the amount of tuition revenues that a governing board of an institution of higher education or group of institutions of higher education designated as an enterprise may pledge in a contract for the advancement of money.

If an institution of higher education issues a revenue bond and the governing board of the institution wants the bond to be an intercept bond,

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters or bold & italic numbers indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

SENATE  
3rd Reading Unamended  
February 24, 2022

SENATE  
2nd Reading Unamended  
February 23, 2022

the bill raises the amount of the pledged revenue for the new intercept bond from not less than 10% of tuition to not less than 100% of tuition if the institution is an enterprise.

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

2           **SECTION 1.** In Colorado Revised Statutes, 23-5-103, **amend** (1)  
3 as follows:

4           **23-5-103. Pledge of income.** (1) ~~(a)~~ The governing board of any  
5 one or more state educational institutions, including but not limited to the  
6 state colleges under the control and operation of their respective boards  
7 of trustees, that enters into ~~such~~ a contract for the advancement of money  
8 is authorized, in connection with or as a part of ~~such~~ THE contract, to  
9 pledge the net income derived or to be derived from ~~such~~ land or facilities  
10 ~~so~~ constructed, acquired, and equipped as security for the repayment of  
11 the money advanced ~~therefor~~; IN THE CONTRACT, together with interest,  
12 ~~thereon~~; and for the establishment and maintenance of reserves in  
13 connection ~~therewith~~; ~~and~~; WITH THE CONTRACT. For the same purpose,  
14 any such governing board is also authorized, subject to the limitations  
15 specified in section 23-5-119.5 (5), to pledge the net income derived or  
16 to be derived from other facilities that are included in a designated  
17 enterprise or, if not included, other facilities that are not acquired and not  
18 to be acquired with money appropriated to the institution by the state of  
19 Colorado, and to pledge the net income, fees, and revenues derived from  
20 such sources, if unpledged, or, if pledged, the net income, fees, and  
21 revenues currently in excess of the amount required to meet principal,  
22 interest, and reserve requirements in connection with outstanding  
23 obligations to which ~~such~~ THE net income, fees, and revenues have  
24 ~~theretofore~~ been pledged. ~~Except as provided in paragraph (b) of this~~

1 ~~subsection (1)~~; A governing board of an institution or group of  
2 institutions designated as an enterprise pursuant to section 23-5-101.7 that  
3 has entered into a contract for the advancement of money on behalf of  
4 ~~such an~~ THE institution or group of institutions may pledge up to ~~ten~~ ONE  
5 HUNDRED percent of tuition revenues of ~~such an~~ THE enterprise, except  
6 for general fund money appropriated by the general assembly, and all or  
7 a portion of a facility construction fee that may be imposed as security for  
8 the repayment of the money advanced pursuant to ~~said~~ THE contract. The  
9 pledge of tuition revenues or the imposition of a facility construction fee  
10 ~~shall include~~ INCLUDES a process for student input consistent with the  
11 institutional plan for student fees adopted by the governing board of the  
12 applicable institution pursuant to section 23-5-119.5.

13 (b) ~~Commencing on and after March 31, 2016, a governing board~~  
14 ~~of an institution or group of institutions designated as an enterprise~~  
15 ~~pursuant to section 23-5-101.7 that has entered into a contract for the~~  
16 ~~advancement of money on behalf of the institution or group of institutions~~  
17 ~~may pledge up to one hundred percent of tuition revenues of the~~  
18 ~~enterprise, except for general fund money appropriated by the general~~  
19 ~~assembly, if:~~

20 (I) ~~The contract for the advancement of money for which the~~  
21 ~~institution is pledging tuition revenue is not subject to the higher~~  
22 ~~education revenue bond intercept program set forth in section 23-5-139;~~  
23 ~~and~~

24 (II) ~~The institution is not a party to any existing contract for the~~  
25 ~~advancement of money on behalf of the institution or group of institutions~~  
26 ~~that is subject to the higher education revenue bond intercept program set~~  
27 ~~forth in section 23-5-139.~~

1           **SECTION 2.** In Colorado Revised Statutes, 23-5-139, **amend**  
2 (1)(b) introductory portion and (1)(b)(III)(B) as follows:

3           **23-5-139. Higher education revenue bond intercept program**  
4 **- definitions.** (1) (b) If an institution issues a revenue bond pursuant to  
5 this ~~article~~ ARTICLE 5 on or after June 6, 2016, or issues a refunding bond  
6 pursuant to article 54, 56, or 57 of title 11 ~~C.R.S.~~, on or after June 6,  
7 2016, and the governing board ~~wishes for such~~ WANTS THE revenue or  
8 refunding bond to be an intercept bond, then:

9           (III) The pledged revenues for the new intercept bond issue  
10 include not less than:

11           (B) ~~Ten~~ ONE HUNDRED percent of tuition if the institution is an  
12 enterprise, as defined in section 24-77-102 (3); ~~C.R.S.~~;

13           **SECTION 3.** In Colorado Revised Statutes, 23-54-102, **amend**  
14 (1)(a) introductory portion and (1)(a)(V) as follows:

15           **23-54-102. Board of trustees - creation - members - powers -**  
16 **duties.** (1) (a) Effective July 1, 2002, there is established the board of  
17 trustees for Metropolitan state university of Denver, referred to in this  
18 ~~article~~ ARTICLE 54 as the "board of trustees", ~~which shall consist~~ THAT  
19 CONSISTS of eleven members and ~~shall be~~ IS the governing authority for  
20 Metropolitan state university of Denver. The board of trustees created by  
21 this subsection (1) ~~shall be, and is hereby declared to be,~~ IS a body  
22 corporate and, as such and by the names designated in this section, may:

23           (V) Transfer, assign, or pledge portions of its student fees,  
24 auxiliary revenues, capital facilities fees, and up to ~~ten~~ ONE HUNDRED  
25 percent of tuition ~~moneys~~ MONEY to the Auraria higher education center  
26 to provide a source of repayment for revenue bonds or other loans or  
27 financial obligations incurred by the center to finance construction of an

1 auxiliary facility, as defined in section 23-5-101.5 (2)(a); a  
2 complementary facility, as defined in section 23-70-105.5 (1); any other  
3 facility necessary or useful to the accomplishment of the mission of  
4 Metropolitan state university of Denver; or the infrastructure necessary  
5 to support any of the types of facilities specified in this ~~subparagraph (V)~~  
6 SUBSECTION (1)(a)(V).

7 **SECTION 4. Safety clause.** The general assembly hereby finds,  
8 determines, and declares that this act is necessary for the immediate  
9 preservation of the public peace, health, or safety.