

## CHAPTER 248

---

**EDUCATION - UNIVERSITIES AND COLLEGES**

---

**SENATE BILL 97-028**

BY SENATORS Wells, Rizzuto, Tebedo, and Thiebaut;  
also REPRESENTATIVES Anderson, Allen, Bacon, Gotlieb, Pfiffner, Reeser, Schwarz, Tupa, and S. Williams.

**AN ACT**

CONCERNING IMPOSITION OF POLICIES CONCERNING STUDENT FEES.

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

**SECTION 1.** 23-1-123 (1), (2) (a), (3), (5), (6) (a), and (7), Colorado Revised Statutes, 1995 Repl. Vol., are amended to read:

**23-1-123. Commission directive - fee policies.** (1) The general assembly hereby finds that, due to increasing financial restrictions, fees are increasingly being used as sources of revenue for institutions of higher education. ~~including the Auraria higher education center.~~ The general assembly further finds that it is necessary for institutions of higher education ~~including the Auraria higher education center,~~ to consider students' opinions concerning the amount assessed in fees and the purposes for which the institution uses the revenues received. It is therefore the intent of the general assembly that the commission adopt policies concerning the definition, assessment, increase, and use of fees, including but not limited to the policies specified in this section.

(2) (a) Any institution of higher education ~~including the Auraria higher education center,~~ shall give at least a thirty-day notice of any fee assessment or increase.

(3) The commission shall establish a policy concerning the minimum level of student involvement in assessing and setting the amount of fees and in determining the purposes for which institutions of higher education ~~including the Auraria higher education center,~~ shall use the revenues obtained from fees.

---

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

(5) In adopting fee policies pursuant to this section, the commission ~~may~~ SHALL adopt separate policies for fees used for ~~academic purposes and fees used for nonacademic~~ DIFFERENT purposes, INCLUDING BUT NOT LIMITED TO THE FOLLOWING FEE POLICIES:

**(a) Fees related to bonds issued on behalf of auxiliary facilities on or after July 1, 1997.** (I) (A) FOR ANY BONDS OR OTHER DEBT OBLIGATIONS ISSUED OR INCURRED ON OR AFTER JULY 1, 1997, ON BEHALF OF AN AUXILIARY FACILITY, THE ISSUING OR INCURRING GOVERNING BOARD MAY ASSESS A USER FEE AGAINST PERSONS USING THE AUXILIARY FACILITY THAT INCLUDES THE AMOUNT NECESSARY FOR REPAYMENT OF THE BONDS OR OTHER DEBT OBLIGATIONS AND ANY AMOUNT NECESSARY FOR THE OPERATION AND MAINTENANCE OF THE AUXILIARY FACILITY.

(B) IF A GOVERNING BOARD USES REVENUES FROM A GENERAL STUDENT FEE FOR THE REPAYMENT OF BONDS OR OTHER DEBT OBLIGATIONS ISSUED OR INCURRED PURSUANT TO THIS PARAGRAPH (a), THE GOVERNING BOARD SHALL SPECIFY THE PORTION OF THE GENERAL STUDENT FEE THAT IS ACTUALLY APPLIED TO REPAYMENT OF THE BONDS OR OTHER DEBT OBLIGATIONS. THE ITEMIZATION OF ANY GENERAL STUDENT FEE, ALL OR A PORTION OF WHICH IS USED FOR REPAYMENT OF BONDS OR OTHER DEBT OBLIGATIONS, SHALL APPEAR ON THE STUDENT BILLING STATEMENT.

(II) WHILE BONDS OR OTHER DEBT OBLIGATIONS ISSUED OR INCURRED PURSUANT TO THIS PARAGRAPH (a) REMAIN OUTSTANDING, THE ISSUING OR INCURRING GOVERNING BOARD MAY, SUBJECT TO THE RESTRICTIONS SPECIFIED IN PARAGRAPH (c) OF THIS SUBSECTION (5), PLEDGE ANY EXCESS REVENUE RECEIVED FROM ANY USER FEE ASSESSED PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (a) OR FROM ANY PORTION OF A GENERAL STUDENT FEE APPLIED TO THE REPAYMENT OF SUCH BONDS OR OTHER DEBT OBLIGATIONS PURSUANT TO SUB-SUBPARAGRAPH (B) OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (a) TO THE REPAYMENT OF ANY BONDS OR OTHER DEBT OBLIGATIONS ISSUED OR INCURRED ON BEHALF OF ANY OTHER AUXILIARY FACILITY; EXCEPT THAT THE PLEDGE OF ANY SUCH EXCESS REVENUE SHALL TERMINATE UPON FULL REPAYMENT OF THE BONDS OR OTHER DEBT OBLIGATIONS ORIGINALLY INCURRED FOR THE SPECIFIC PROJECT, OR SUBSEQUENTLY ISSUED OR INCURRED TO REFUND ANY BONDS OR OTHER DEBT OBLIGATIONS ISSUED OR INCURRED FOR THE SPECIFIC PROJECT, ON BEHALF OF THE PLEDGING AUXILIARY FACILITY.

(III) ON AND AFTER THE DATE UPON WHICH ANY BONDS OR OTHER DEBT OBLIGATIONS ISSUED OR INCURRED PURSUANT TO THIS PARAGRAPH (a) ARE FULLY REPAID:

(A) THE AMOUNT OF THE USER FEE ASSESSED AGAINST PERSONS USING THE AUXILIARY FACILITY, IF ANY, SHALL BE REDUCED, IF NECESSARY, SO AS NOT TO EXCEED ONE HUNDRED TEN PERCENT OF THE COSTS INCURRED IN OPERATING AND MAINTAINING THE AUXILIARY FACILITY DURING THE PRECEDING YEAR; EXCEPT THAT THE GOVERNING BOARD MAY REDUCE THE AMOUNT OF THE USER FEE TO AN AMOUNT NOT TO EXCEED ONE HUNDRED TWENTY PERCENT OF THE COSTS INCURRED IN OPERATING AND MAINTAINING THE AUXILIARY FACILITY DURING THE PRECEDING YEAR AND SET ASIDE THE ADDITIONAL TEN PERCENT IN A RESERVE FUND FOR REPAIR AND REPLACEMENT OF THE AUXILIARY FACILITY;

(B) THE GOVERNING BOARD SHALL CEASE COLLECTING ANY PORTION OF A

GENERAL STUDENT FEE ASSESSED FOR THE REPAYMENT OF THE BONDS OR OTHER DEBT OBLIGATIONS; EXCEPT THAT, IF NO USER FEE WAS ASSESSED FOR THE REPAYMENT OF THE BONDS OR OTHER DEBT OBLIGATIONS OR IF THE AMOUNT OF THE USER FEE IS LESS THAN THE COSTS INCURRED IN OPERATING AND MAINTAINING THE AUXILIARY FACILITY DURING THE PRECEDING YEAR, THE GOVERNING BOARD MAY CONTINUE COLLECTING THE SPECIFIED PORTION OF THE GENERAL STUDENT FEE THAT WAS APPLIED TO REPAYMENT OF THE BONDS OR OTHER DEBT OBLIGATIONS SO LONG AS SAID PORTION OF THE GENERAL STUDENT FEE IS REDUCED, IF NECESSARY, TO AN AMOUNT THAT, IN COMBINATION WITH ANY USER FEE COLLECTED FOR THE AUXILIARY FACILITY, DOES NOT EXCEED ONE HUNDRED TEN PERCENT OF THE COSTS INCURRED IN OPERATING AND MAINTAINING THE AUXILIARY FACILITY DURING THE PRECEDING YEAR. NOTWITHSTANDING THE PROVISIONS OF THIS SUB-SUBPARAGRAPH (B), THE GOVERNING BOARD MAY REDUCE SAID PORTION OF THE GENERAL STUDENT FEE TO AN AMOUNT THAT, IN COMBINATION WITH ANY USER FEE COLLECTED FOR THE AUXILIARY FACILITY, DOES NOT EXCEED ONE HUNDRED TWENTY PERCENT OF THE COSTS INCURRED IN OPERATING AND MAINTAINING THE AUXILIARY FACILITY DURING THE PRECEDING YEAR AND SET ASIDE THE ADDITIONAL TEN PERCENT IN A RESERVE FUND FOR REPAIR AND REPLACEMENT OF THE AUXILIARY FACILITY.

(C) THE REVENUES RECEIVED PURSUANT TO THIS SUBPARAGRAPH (III), EITHER THROUGH A USER FEE OR THROUGH A SPECIFIED PORTION OF A GENERAL STUDENT FEE, MAY NOT BE PLEDGED FOR THE REPAYMENT OF ANY BONDS OR OTHER DEBT OBLIGATIONS ISSUED ON BEHALF OF ANY OTHER AUXILIARY FACILITY. ANY AMOUNT OF SAID REVENUE THAT EXCEEDS BOTH THE AMOUNT NECESSARY FOR THE OPERATION AND MAINTENANCE OF THE AUXILIARY FACILITY AND ANY AMOUNT SET ASIDE IN A RESERVE FUND FOR REPAIR AND REPLACEMENT OF THE AUXILIARY FACILITY IS SURPLUS AND MAY BE USED BY THE GOVERNING BOARD AS PROVIDED IN SECTION 23-5-103 (3).

**(b) Fees related to bonds issued on behalf of auxiliary facilities prior to July 1, 1997.** (I) FOR ANY BONDS OR OTHER DEBT OBLIGATIONS ISSUED OR INCURRED PRIOR TO JULY 1, 1997, ON BEHALF OF AN AUXILIARY FACILITY FOR A SPECIFIC PROJECT:

(A) APPROVAL OF THE STUDENT BODY IS NOT REQUIRED FOR ANY FEE ASSESSED FOR REPAYMENT OF SAID BONDS OR OTHER DEBT OBLIGATIONS;

(B) APPROVAL OF THE STUDENT BODY IS NOT REQUIRED TO INCREASE ANY FEE THAT IS APPLIED TO THE REPAYMENT OF SAID BONDS OR OTHER DEBT OBLIGATIONS IF THE FEE INCREASE IS NECESSITATED BY A COVENANT IN THE AUTHORIZING BOND RESOLUTION OR OTHER AGREEMENT FOR THE SPECIFIC PROJECT FOR WHICH THE BONDS OR OTHER DEBT OBLIGATIONS WERE ISSUED OR INCURRED;

(C) APPROVAL OF THE STUDENT BODY IS NOT REQUIRED TO INCREASE ANY FEE THAT IS APPLIED TO THE REPAYMENT OF SAID BONDS OR OTHER DEBT OBLIGATIONS IF THE FEE INCREASE IS ASSESSED FOR THE REPAYMENT OF BONDS THAT ARE ISSUED TO REFUND THE EXISTING BONDS FOR THE SPECIFIC PROJECT AND THE MATURITY DATE OF THE REFUNDING BONDS IS THE SAME OR EARLIER THAN THE MATURITY DATE OF THE EXISTING BONDS.

(II) WHILE BONDS OR OTHER DEBT OBLIGATIONS ISSUED OR INCURRED PURSUANT

TO THIS PARAGRAPH (b) REMAIN OUTSTANDING, THE ISSUING OR INCURRING GOVERNING BOARD MAY, SUBJECT TO THE RESTRICTIONS SPECIFIED IN PARAGRAPH (c) OF THIS SUBSECTION (5), PLEDGE ANY EXCESS REVENUE RECEIVED FROM THE FEE, WHETHER IT IS A USER FEE OR A PORTION OF A GENERAL STUDENT FEE APPLIED TO THE REPAYMENT OF SUCH BONDS OR OTHER DEBT OBLIGATIONS, TO THE REPAYMENT OF ANY BONDS OR OTHER DEBT OBLIGATIONS ISSUED OR INCURRED ON BEHALF OF ANY OTHER AUXILIARY FACILITY; EXCEPT THAT:

(A) IF THE EXCESS REVENUE IS PLEDGED ON OR AFTER JANUARY 1, 1997, THE PLEDGE OF SUCH EXCESS REVENUE SHALL TERMINATE UPON FULL REPAYMENT OF THE BONDS OR OTHER DEBT OBLIGATIONS ORIGINALLY ISSUED OR INCURRED FOR THE SPECIFIC PROJECT, OR SUBSEQUENTLY ISSUED OR INCURRED TO REFUND ANY BONDS OR OTHER DEBT OBLIGATIONS ISSUED OR INCURRED FOR THE SPECIFIC PROJECT, ON BEHALF OF THE PLEDGING AUXILIARY FACILITY;

(B) IF THE EXCESS REVENUE IS PLEDGED PRIOR TO JANUARY 1, 1997, THE PLEDGE OF SUCH EXCESS REVENUE SHALL TERMINATE UPON FULL REPAYMENT OF ALL BONDS OR OTHER DEBT OBLIGATIONS FOR WHICH THE USER FEE OR PORTION OF A GENERAL STUDENT FEE WAS PLEDGED AS OF JANUARY 1, 1997.

(III) ON AND AFTER THE DATE UPON WHICH ANY BONDS OR OTHER DEBT OBLIGATIONS ISSUED OR INCURRED PURSUANT TO THIS PARAGRAPH (b) ARE FULLY repaid OR, IF EXCESS REVENUE IS PLEDGED AS PROVIDED IN SUB-SUBPARAGRAPH (B) OF SUBPARAGRAPH (II) OF THIS PARAGRAPH (b), ON AND AFTER THE DATE UPON WHICH THE PLEDGE TERMINATES:

(A) THE AMOUNT OF THE USER FEE, IF ANY, ASSESSED AGAINST PERSONS USING THE AUXILIARY FACILITY SHALL BE REDUCED, IF NECESSARY, SO AS NOT TO EXCEED ONE HUNDRED TEN PERCENT OF THE COSTS INCURRED IN OPERATING AND MAINTAINING THE AUXILIARY FACILITY DURING THE PRECEDING YEAR; EXCEPT THAT THE GOVERNING BOARD MAY REDUCE THE AMOUNT OF THE USER FEE TO AN AMOUNT NOT TO EXCEED ONE HUNDRED TWENTY PERCENT OF THE COSTS INCURRED IN OPERATING AND MAINTAINING THE AUXILIARY FACILITY DURING THE PRECEDING YEAR AND SET ASIDE THE ADDITIONAL TEN PERCENT IN A RESERVE FUND FOR REPAIR AND REPLACEMENT OF THE AUXILIARY FACILITY;

(B) THE GOVERNING BOARD SHALL CEASE COLLECTING ANY PORTION OF A GENERAL STUDENT FEE ASSESSED FOR THE REPAYMENT OF THE BONDS OR OTHER DEBT OBLIGATIONS; EXCEPT THAT, IF NO USER FEE WAS ASSESSED FOR THE REPAYMENT OF THE BONDS OR OTHER DEBT OBLIGATIONS OR IF THE AMOUNT OF THE USER FEE IS LESS THAN THE COSTS INCURRED IN OPERATING AND MAINTAINING THE AUXILIARY FACILITY DURING THE PRECEDING YEAR, THE GOVERNING BOARD MAY CONTINUE COLLECTING THE SPECIFIED PORTION OF THE GENERAL STUDENT FEE THAT WAS APPLIED TO REPAYMENT OF THE BONDS OR OTHER DEBT OBLIGATIONS SO LONG AS SAID PORTION OF THE GENERAL STUDENT FEE IS REDUCED, IF NECESSARY, TO AN AMOUNT THAT, IN COMBINATION WITH ANY USER FEE COLLECTED FOR THE AUXILIARY FACILITY, DOES NOT EXCEED ONE HUNDRED TEN PERCENT OF THE COSTS INCURRED IN OPERATING AND MAINTAINING THE AUXILIARY FACILITY DURING THE PRECEDING YEAR. NOTWITHSTANDING THE PROVISIONS OF THIS SUB-SUBPARAGRAPH (B), THE GOVERNING BOARD MAY REDUCE SAID PORTION OF THE GENERAL STUDENT FEE TO AN AMOUNT THAT, IN COMBINATION WITH ANY USER FEE COLLECTED FOR THE AUXILIARY

FACILITY, DOES NOT EXCEED ONE HUNDRED TWENTY PERCENT OF THE COSTS INCURRED IN OPERATING AND MAINTAINING THE AUXILIARY FACILITY DURING THE PRECEDING YEAR AND SET ASIDE THE ADDITIONAL TEN PERCENT IN A RESERVE FUND FOR REPAIR AND REPLACEMENT OF THE AUXILIARY FACILITY.

(C) THE REVENUES RECEIVED PURSUANT TO THIS SUBPARAGRAPH (III), EITHER THROUGH A USER FEE OR THROUGH A SPECIFIED PORTION OF A GENERAL STUDENT FEE, MAY NOT BE PLEDGED FOR THE REPAYMENT OF ANY BONDS OR OTHER DEBT OBLIGATIONS ISSUED ON BEHALF OF ANY OTHER AUXILIARY FACILITY. ANY AMOUNT OF SAID REVENUE THAT EXCEEDS BOTH THE AMOUNT NECESSARY FOR THE OPERATION AND MAINTENANCE OF THE AUXILIARY FACILITY AND ANY AMOUNT SET ASIDE IN A RESERVE FUND FOR REPAIR AND REPLACEMENT OF THE AUXILIARY FACILITY IS SURPLUS AND MAY BE USED BY THE GOVERNING BOARD AS PROVIDED IN SECTION 23-5-103 (3).

(c) **Restrictions on pledging of amounts received in fees.** (I) SUBJECT TO THE PROVISIONS OF PARAGRAPHS (a) AND (b) OF THIS SUBSECTION (5), A USER FEE THAT IS ASSESSED AGAINST PERSONS USING AN AUXILIARY FACILITY THAT IS NOT DESIGNATED AS AN ENTERPRISE PURSUANT TO SECTION 23-5-101.5 MAY BE PLEDGED FOR THE REPAYMENT OF BONDS OR OTHER DEBT OBLIGATIONS ISSUED OR INCURRED ON BEHALF OF ANY OTHER AUXILIARY FACILITY THAT IS NOT DESIGNATED AS AN ENTERPRISE, AS PROVIDED IN SECTIONS 23-5-102 AND 23-5-103.

(II) SUBJECT TO THE PROVISIONS OF PARAGRAPHS (a) AND (b) OF THIS SUBSECTION (5), A USER FEE THAT IS ASSESSED AGAINST PERSONS USING AN AUXILIARY FACILITY THAT IS DESIGNATED AS AN ENTERPRISE BY THE UNIVERSITY OF COLORADO PURSUANT TO SECTION 23-5-101.5 MAY BE PLEDGED FOR THE REPAYMENT OF BONDS OR OTHER DEBT OBLIGATIONS ISSUED OR INCURRED ON BEHALF OF ANOTHER AUXILIARY FACILITY THAT IS DESIGNATED AS AN ENTERPRISE BY THE UNIVERSITY OF COLORADO, AS PROVIDED IN SECTIONS 23-5-102 AND 23-5-103.

(III) A GOVERNING BOARD MAY NOT PLEDGE A USER FEE ASSESSED AGAINST PERSONS USING AN AUXILIARY FACILITY THAT IS NOT DESIGNATED AS AN ENTERPRISE FOR REPAYMENT OF BONDS OR OTHER DEBT OBLIGATIONS ISSUED OR INCURRED ON BEHALF OF ANY AUXILIARY FACILITY THAT IS DESIGNATED AS AN ENTERPRISE OR ON BEHALF OF THE INSTITUTION WITH WHICH THE AUXILIARY FACILITY IS ASSOCIATED. EXCEPT AS OTHERWISE PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (c), A GOVERNING BOARD MAY NOT PLEDGE A USER FEE ASSESSED AGAINST PERSONS USING AN AUXILIARY FACILITY THAT IS DESIGNATED AS AN ENTERPRISE PURSUANT TO SECTION 23-1-101.5 FOR THE REPAYMENT OF BONDS OR OTHER DEBT OBLIGATIONS ISSUED OR INCURRED ON BEHALF OF ANY OTHER AUXILIARY FACILITY, REGARDLESS OF WHETHER THE OTHER AUXILIARY FACILITY IS DESIGNATED AS AN ENTERPRISE, OR ON BEHALF OF THE INSTITUTION WITH WHICH THE AUXILIARY FACILITY IS ASSOCIATED.

(d) **Itemization of bond fees.** EVERY FEE, THE PURPOSE OF WHICH INCLUDES MAKING PAYMENTS ON BONDS OR OTHER OBLIGATIONS, SHALL BE SEPARATELY ITEMIZED ON THE STUDENT BILLING STATEMENT.

(e) **Fees for administrative costs.** (I) NO EXISTING FEE, NEW FEE, OR INCREASE IN AN EXISTING FEE RELATED TO ADMINISTRATIVE COSTS FOR A SPECIFIC ACADEMIC COURSE SHALL BE SUBJECT TO A VOTE OF THE STUDENT BODY.

(II) ON AND AFTER JULY 1, 1997, NO NEW FEE, THE PURPOSE OF WHICH IS TO COVER ADMINISTRATIVE COSTS UNRELATED TO A SPECIFIC ACADEMIC COURSE, OR INCREASE IN SUCH AN EXISTING FEE IN EXCESS OF THE RATE OF INFLATION, SHALL BE COLLECTED UNLESS APPROVED BY A MAJORITY OF THE VOTES CAST BY THE STUDENT BODY AT A REGULARLY SCHEDULED ELECTION AND UNLESS THE FEE OR INCREASE CONTAINS AN EXPIRATION DATE.

(III) EVERY FEE THE PURPOSE OF WHICH IS TO COVER ANY ADMINISTRATIVE COSTS, WHETHER OR NOT RELATED TO A SPECIFIC ACADEMIC COURSE, SHALL BE SEPARATELY ITEMIZED ON THE STUDENT BILLING STATEMENT; EXCEPT THAT ANY ACADEMIC COURSE FEE THAT IS SPECIFICALLY LISTED WITH THE COURSE DESCRIPTION IN AN INSTITUTION'S COURSE CATALOGUE NEED NOT BE ITEMIZED ON THE STUDENT BILLING STATEMENT.

(f) **Fees for nonpermanent student purposes.** (I) (A) ALL FEES IN EXISTENCE PRIOR TO JULY 1, 1997, THE ORIGINAL PURPOSE OF WHICH WAS FOR STUDENT PURPOSES OTHER THAN PERMANENT STUDENT PURPOSES AND THAT ARE NOT SCHEDULED TO EXPIRE PRIOR TO JULY 1, 2000, SHALL BE SUBJECT TO APPROVAL BY A MAJORITY OF THE VOTES CAST BY THE STUDENT BODY AT THE NEXT REGULARLY SCHEDULED ELECTION HELD AFTER JULY 1, 2000.

(B) ON AND AFTER JULY 1, 1997, NO NEW FEE, THE PURPOSE OF WHICH IS FOR STUDENT PURPOSES OTHER THAN PERMANENT STUDENT PURPOSES, OR INCREASE IN SUCH AN EXISTING FEE IN EXCESS OF THE RATE OF INFLATION, SHALL BE COLLECTED UNLESS APPROVED BY A MAJORITY OF THE VOTES CAST BY THE STUDENT BODY AT A REGULARLY SCHEDULED ELECTION AND UNLESS THE FEE OR INCREASE CONTAINS AN EXPIRATION DATE.

(II) EVERY FEE THE PURPOSE OF WHICH IS FOR ANY STUDENT PURPOSES, WHETHER OR NOT PERMANENT, SHALL BE SEPARATELY ITEMIZED ON THE STUDENT BILLING STATEMENT.

(g) **Refund of optional fees.** ANY OPTIONAL FEES OR CHARGES COLLECTED AFTER JULY 1, 1997, THAT ARE AUTOMATICALLY ASSESSED UNLESS THE STUDENT CHOOSES NOT TO PAY THE FEE, EXCEPT FOR HEALTH CARE FEES, SHALL BE REFUNDED BY THE INSTITUTION OR ORGANIZATION THAT RECEIVES THE FEE, UPON REQUEST, TO ANY STUDENT WHO PAID THE FEE. THE REFUND SHALL BE AVAILABLE DURING THE ENTIRE SEMESTER IN WHICH THE STUDENT PAID THE FEE.

(h) **Resubmittal of defeated fees.** NO NEW FEE OR INCREASE OR EXTENSION OF AN EXISTING FEE THAT IS DEFEATED BY A VOTE OF THE STUDENT BODY MAY BE RESUBMITTED FOR A VOTE BY THE STUDENT BODY UNTIL THE NEXT REGULARLY SCHEDULED ELECTION FOLLOWING THE VOTE OF THE STUDENT BODY THAT DEFEATED THE FEE, INCREASE, OR EXTENSION.

(6) (a) Except as otherwise provided in paragraph (b) of this subsection (6), following adoption by the commission of the fee policies required pursuant to this section, the administration of each institution of higher education ~~including the Auraria higher education center~~, and the student government in office at the institution at the time of adoption of the fee policies shall establish a fee policy for such institution, subject to the modification and approval of the governing board of

the institution, that is in accordance with the fee policies adopted by the commission.

(7) For purposes of this section:

(a) "AUXILIARY FACILITY" HAS THE SAME MEANING AS DEFINED IN SECTION 23-5-101.5 (2) (a).

(b) "Fees" means any mandatory campus-wide fee assessed against students by any institution of higher education ~~including the Auraria higher education center~~; the revenues from which are used for academic or nonacademic purposes, including but not limited to the following:

~~(a)~~ (I) Support for student programs, including but not limited to cultural or social events, off-campus housing assistance, student clubs, student organizations, and student media;

~~(b)~~ (II) Construction, maintenance, operation, or lease of areas that are used as student centers, recreational facilities, parking lots, or child care centers or for payment of bonds issued for principal or interest payments on long-term debt for student facilities;

~~(c)~~ (III) Establishment and operation of campus health clinics or contract health services;

~~(d)~~ (IV) Support for intercollegiate or intramural club athletic activities or for payment of bonds allocated for the principal or interest payments on the long-term debt of any facility used for intercollegiate athletics;

~~(e)~~ (V) Payment of direct and indirect operating expenses of student government;

~~(f)~~ (VI) Providing or purchasing equipment or programmatic activities relating to computer equipment, laboratory equipment, or other technology;

~~(g)~~ (VII) Providing administrative services, including registration fees;

~~(h)~~ (VIII) Payment for costs incurred in specific courses including, but not limited to, laboratory, music, art, materials, and telecourse fees;

~~(i)~~ (IX) Payment of nonspecific costs related to the instructional program or college; and

~~(j)~~ (X) Payment for additional insurance costs necessary due to the nature of a particular course.

(c) "INFLATION" MEANS THE PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX FOR THE DENVER-BOULDER CONSOLIDATED METROPOLITAN STATISTICAL AREA FOR ALL URBAN CONSUMERS, ALL GOODS, AS PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, OR ITS SUCCESSOR INDEX.

(d) "INSTITUTION OF HIGHER EDUCATION" MEANS ANY STATE-SUPPORTED INSTITUTION OF HIGHER EDUCATION IN COLORADO, INCLUDING JUNIOR COLLEGES,

AREA VOCATIONAL SCHOOLS, AND THE AURARIA HIGHER EDUCATION CENTER.

(e) "PERMANENT STUDENT PURPOSES" MEANS STUDENT CENTERS, RECREATIONAL FACILITIES, PARKING LOTS, INTERCOLLEGIATE ATHLETICS, CHILD CARE CENTERS, CAMPUS HEALTH CLINICS, CONTRACT HEALTH SERVICES, STUDENT GOVERNMENT, AND SIMILAR FACILITIES AND SERVICES, AND INCLUDES ANY GENERAL FEE, THE REVENUE FROM WHICH IS TO BE APPROPRIATED BY STUDENT GOVERNMENT FOR A SPECIFIC PURPOSE.

(f) "USER FEE" MEANS A FEE PAID BY A STUDENT TO EXERCISE A PRIVILEGE OR RECEIVE A SERVICE PROVIDED BY AN AUXILIARY FACILITY. "USER FEE" DOES NOT INCLUDE:

(I) ANY GENERAL FEE CHARGED TO ALL STUDENTS;

(II) ANY FEE PAID FOR CONTINUING EDUCATION FACILITIES OR ACTIVITIES; OR

(III) ANY FEE PAID TO PURCHASE A TICKET TO AN ATHLETIC EVENT OCCURRING AT THE INSTITUTION.

**SECTION 2.** 23-5-102 (2), Colorado Revised Statutes, 1995 Repl. Vol., is amended to read:

**23-5-102. Funding for auxiliary facilities - loans - bonds.** (2) The governing body of any institution of higher education by resolution may issue revenue bonds on behalf of any auxiliary facility or group of auxiliary facilities managed by such governing body for the purpose of obtaining funds for constructing, otherwise acquiring, equipping, or operating such auxiliary facility or group of auxiliary facilities. Any bonds issued on behalf of any auxiliary facility or group of auxiliary facilities, other than housing facilities, dining facilities, recreational facilities, health facilities, parking facilities, research facilities which are funded from a revolving fund, or designated enterprise auxiliary facilities listed in section 23-5-101.5 (4), may be issued only after approval by both houses of the general assembly either by bill or by joint resolution and after approval by the governor in accordance with section 39 of article V of the state constitution. Bonds issued pursuant to this subsection (2) shall be payable only from revenues generated by the auxiliary facility or group of auxiliary facilities on behalf of which such bonds are issued; except that, SUBJECT TO SECTION 23-1-123 (5) (a) (III) AND (5) (b) (II), revenues generated by a designated enterprise auxiliary facility that is associated with the university of Colorado may be pledged for the repayment of bonds issued by another designated enterprise auxiliary facility which is not part of the same enterprise. Such bonds shall be issued in accordance with the provisions of section 23-5-103 (2). The termination, rescission, or expiration of the enterprise designation of any auxiliary facility or group of auxiliary facilities pursuant to section 23-5-101.5 (3) shall not adversely affect the validity of or security for any revenue bonds issued on behalf of such auxiliary facility or group of auxiliary facilities.

**SECTION 3.** 23-5-103 (1) and (3), Colorado Revised Statutes, 1995 Repl. Vol., are amended to read:

**23-5-103. Pledge of income.** (1) The governing board of any one or more state

educational institutions, including, but not limited to, the colleges under the control and operation of the trustees of the state colleges in Colorado, which enters into such a contract for the advancement of moneys is authorized, in connection with or as a part of such contract, to pledge the net income derived or to be derived from such land or facilities so constructed, acquired, and equipped as security for the repayment of the moneys advanced therefor, together with interest thereon, and for the establishment and maintenance of reserves in connection therewith; and, for the same purpose, any such governing board is also authorized, SUBJECT TO THE LIMITATIONS SPECIFIED IN SECTION 23-1-123 (5), to pledge the net income derived or to be derived from other auxiliary facilities which are not individually designated as enterprises and which are not acquired and not to be acquired with moneys appropriated to the institution by the state of Colorado, and to pledge the net income, fees, and revenues derived from such sources, if unpledged, or, if pledged, the net income, fees, and revenues currently in excess of the amount required to meet principal, interest, and reserve requirements in connection with outstanding obligations to which such net income, fees, and revenues have theretofore been pledged. If the contract for the advancement of moneys is entered into by the university of Colorado on behalf of a designated enterprise auxiliary facility that is associated with the university of Colorado, the board of regents is authorized to pledge only the net income, including fees and revenues derived or to be derived from the designated enterprise auxiliary facility and any other designated enterprise auxiliary facilities.

(3) If the pledged net income, fees, and revenues exceed the amount required to meet principal, interest, and reserve requirements in connection with revenue bonds of the institution to which such income has been pledged AND EXCEED THE AMOUNT NECESSARY FOR THE MAINTENANCE AND OPERATION OF THE AUXILIARY FACILITY PLUS ANY AMOUNT SET ASIDE IN A RESERVE FUND FOR REPAIR AND REPLACEMENT OF THE FACILITY, the governing board may retain such surplus and utilize the same in such manner as in its judgment is for the best interests of the educational institution. Such surplus shall be used by the governing board for the purposes of rehabilitating, altering, adding to, or equipping any existing auxiliary facilities acquired pursuant to the provisions of this article and for the acquisition of sites for constructing, acquiring, and equipping additional auxiliary facilities pursuant to such provisions or for prior redemption of outstanding bonds. USE OF SUCH SURPLUS SHALL BE REVIEWED IN ADVANCE BY REPRESENTATIVES OF THE STUDENT GOVERNMENT AT THE INSTITUTION WITH WHICH THE AUXILIARY FACILITY IS ASSOCIATED.

**SECTION 4.** 23-5-101.5, Colorado Revised Statutes, 1995 Repl. Vol., is amended BY THE ADDITION OF A NEW SUBSECTION to read:

**23-5-101.5. Enterprise status of auxiliary facilities.** (1.5) IN PLEDGING REVENUES FOR THE REPAYMENT OF REVENUE BONDS ISSUED ON BEHALF OF ANY AUXILIARY FACILITY OR GROUP OF AUXILIARY FACILITIES THAT IS DESIGNATED AS AN ENTERPRISE, THE INSTITUTION OF HIGHER EDUCATION AND THE AUXILIARY FACILITY OR GROUP OF AUXILIARY FACILITIES MAY PLEDGE INTERNAL REVENUES ONLY IF THE AUXILIARY FACILITY OR GROUP OF AUXILIARY FACILITIES:

- (a) IS ACCOUNTED FOR SEPARATELY IN INSTITUTIONAL FINANCIAL RECORDS;
- (b) IS SELF-SUPPORTING FROM REVENUES RECEIVED AS GIFTS FROM NONGOVERNMENTAL SOURCES OR IN EXCHANGE FOR GOODS AND SERVICES; AND

(c) ENGAGES IN THE TYPE OF ACTIVITIES THAT ARE COMMONLY CARRIED ON FOR PROFIT OUTSIDE THE PUBLIC SECTOR.

**SECTION 5.** 23-5-101.5 (2), Colorado Revised Statutes, 1995 Repl. Vol., is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

**23-5-101.5. Enterprise status of auxiliary facilities.** (2) As used in this article:

(c) "INTERNAL REVENUES" MEANS REVENUES RECEIVED IN EXCHANGE FOR THE PROVISION OF GOODS OR SERVICES TO THE INSTITUTION OF HIGHER EDUCATION WITH WHICH THE AUXILIARY FACILITY OR GROUP OF AUXILIARY FACILITIES IS ASSOCIATED; EXCEPT THAT REVENUES RECEIVED FROM ANOTHER AUXILIARY FACILITY OR GROUP OF AUXILIARY FACILITIES THAT HAS BEEN DESIGNATED AS AN ENTERPRISE ARE NOT "INTERNAL REVENUES".

**SECTION 6.** 23-5-101.5 (4) (a) (III), (4) (a) (V), (4) (a) (VI), (4) (e) (IV), (4) (e) (V), (4) (f) (II), and (4) (f) (III), Colorado Revised Statutes, 1995 Repl. Vol., are amended, and the said 23-5-101.5 (4) (e) is further amended BY THE ADDITION OF A NEW SUBPARAGRAPH, to read:

**23-5-101.5. Enterprise status of auxiliary facilities.** (4) The expiration of the following designations of auxiliary facilities as enterprises, which are scheduled for expiration pursuant to subsection (3) of this section, are postponed until June 30, 1999:

(a) Auraria higher education center:

(III) Reprographics; AND

(V) ~~Facilities remodeling; and~~

(VI) ~~Information services;~~

(e) Colorado community college and occupational education system:

(IV) ~~Sales and services of educational activities; and~~

(V) Tec operations; AND

(VI) LOWRY ENTERPRISE;

(f) Colorado state university system:

(II) Continuing education; AND

(III) ~~General operations; and~~

**SECTION 7. Effective date - applicability.** This act shall take effect July 1, 1997, and shall apply to fees collected on or after said date.

**SECTION 8. 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: June 3, 1997