

## CHAPTER 375

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**GOVERNMENT - STATE**


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## HOUSE BILL 13-1235

BY REPRESENTATIVE(S) Szabo, Fischer, Vigil, Buckner, Conti, Coram, Court, DeGrosso, Dore, Fields, Garcia, Gardner, Gerou, Hamner, Holbert, Hullinghorst, Joshi, Labuda, Landgraf, Lawrence, Melton, Mitsch Bush, Moreno, Navarro, Nordberg, Pabon, Priola, Rankin, Ryden, Saine, Schafer, Singer, Sonnenberg, Stephens, Swalm, Tyler, Waller, Williams, Wilson, Wright, Young, Ferrandino, McLachlan, Pettersen, Scott;  
also SENATOR(S) Baumgardner, Giron, Schwartz.

## AN ACT

CONCERNING REQUIREMENTS RELATED TO THE VALUATION OF REAL PROPERTY PRIOR TO A STATE AGENCY ENTERING INTO CONTRACTS RELATED TO SUCH REAL PROPERTY.

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

**SECTION 1.** In Colorado Revised Statutes, 24-30-202, **amend** (5) (b); and **add** (5) (c) as follows:

**24-30-202. Procedures - vouchers and warrants - rules - penalties.**  
(5) (b) ~~Before any state department, institution, or agency enters into any option or agreement to purchase any real property or any interest therein that has a total purchase price of more than one hundred thousand dollars, such department, institution, or agency shall contract with at least one but not more than three independent appraisers for an estimate of the value of such property. Such appraiser shall be qualified with respect to the subject matter of the appraisal and shall be instructed to determine the fair market value of the real property by using sound, fair, and recognized appraisal practices which are consistent with the laws of Colorado. One copy of each such appraisal shall be attached to the option or contract for said purchase prior to the controller's approving the option or contract.~~  
IF A STATE DEPARTMENT, INSTITUTION, OR AGENCY ENTERS INTO A CONTRACT TO PURCHASE REAL PROPERTY OR ANY INTEREST THEREIN THAT HAS A TOTAL PURCHASE PRICE OF MORE THAN ONE HUNDRED THOUSAND DOLLARS, THE CONTRACT MUST CONTAIN A CONTINGENCY CLAUSE THAT REQUIRES THE STATE TO SECURE AN APPRAISAL OF THE SUBJECT REAL PROPERTY OR INTEREST THEREIN PRIOR TO CLOSING BY AN INDEPENDENT APPRAISER LICENSED IN THE STATE OF COLORADO TO SUBSTANTIATE THE PURCHASE PRICE AND THAT MAKES THE CLOSING OF THE

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

PURCHASE CONTINGENT ON THE APPROVAL OF THE CONTRACT BY THE STATE CONTROLLER. WHEN THE STATE DEPARTMENT, INSTITUTION, OR AGENCY ENTERING INTO THE CONTRACT RECEIVES THE APPRAISAL, THE STATE DEPARTMENT, INSTITUTION, OR AGENCY SHALL PROVIDE A COPY OF THE APPRAISAL TO THE STATE CONTROLLER. This paragraph (b) shall not apply to the acquisition of property by the department of transportation for the construction, maintenance, or supervision of the public highways of this state, nor shall it apply to any additional lease-purchase agreement entered into pursuant to the master lease program authorized by part 7 of article 82 of this title.

(c)(I) IF A STATE DEPARTMENT, INSTITUTION, OR AGENCY ENTERS INTO AN OPTION TO PURCHASE REAL PROPERTY OR ANY INTEREST THEREIN THAT HAS A TOTAL PURCHASE PRICE OF MORE THAN ONE HUNDRED THOUSAND DOLLARS, THE APPRAISAL REQUIREMENT DESCRIBED IN PARAGRAPH (b) OF THIS SUBSECTION (5) MUST OCCUR PRIOR TO CLOSING ON THE PURCHASE OF THE REAL PROPERTY OR INTEREST THEREIN.

(II) PRIOR TO A STATE DEPARTMENT, INSTITUTION, OR AGENCY ENTERING INTO AN OPTION TO PURCHASE REAL PROPERTY OR ANY INTEREST THEREIN THAT HAS A TOTAL PURCHASE PRICE OF MORE THAN ONE HUNDRED THOUSAND DOLLARS, THE STATE DEPARTMENT, INSTITUTION, OR AGENCY SHALL OBTAIN A WRITTEN BROKER OPINION OF VALUE COMPLETED BY AN INDEPENDENT BROKER LICENSED IN THE STATE OF COLORADO OR AN APPRAISAL BY AN INDEPENDENT APPRAISER LICENSED IN THE STATE OF COLORADO OF THE SUBJECT PROPERTY IN ORDER TO COMPLETE A THOROUGH ANALYSIS OF THE PROPERTY OR INTERESTS THEREIN BEING CONSIDERED. THE OPINION OF VALUE OR THE APPRAISAL MUST BE FORWARDED TO THE STATE CONTROLLER PRIOR TO THE STATE CONTROLLER APPROVING THE OPTION TO PURCHASE CONTRACT.

**SECTION 2. Applicability.** This act applies to all contracts to purchase real property or any interest therein and all options to purchase real property or any interest therein, entered into by a state department, institution, or agency on or after the effective date of this act.

**SECTION 3. 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 5, 2013