# AGENDA

## Statutory Revision Committee (SRC)

## Friday, April 23, 2021

## Old State Library / 1:30pm

1. Committee discussion re: Chair vacancy

2. Repeal of statutes incompatible with Amendment 76
   *Drafter: Megan Waples / Memo and draft bill*

3. Eliminate obsolete committee on child care licensing
   *Drafter: Sarah Lozano / Memo and draft bill*

4. Conform term "lease purchase" with new accounting standards
   *Drafter: Sarah Lozano / Memo and draft bill*

5. Modernize terms for executive branch in "Administrative Organization Act of 1968"
   *Drafter: Nicole Myers / Memo and draft bill*

Contact the staff of the SRC at statutoryrevision.ga@state.co.us

**Office of Legislative Legal Services**

Colorado General Assembly

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# MEMORANDUM[1]

TO: Statutory Revision Committee

FROM: Megan Waples, Office of Legislative Legal Services

DATE: February 19, 2021

SUBJECT: Repeal of statutes allowing certain 17-year-old individuals to vote in primary elections.

## Summary

In 2019, the General Assembly enacted statutes authorizing a person who is preregistered to vote, is seventeen years old on the date of a primary election, and will be eighteen years old on the date of the next general election to vote in the primary election as part of House Bill 19-1278. At the 2020 general election, the voters of the state adopted Amendment 76, which amended the provisions in the Colorado constitution concerning the qualifications of an elector. Under Amendment 76, **only** a citizen of the United States who is at least eighteen years old is eligible to vote in any election. Under the amended constitutional language, the provisions of House Bill 19-1278 allowing certain seventeen-year-old individuals to vote in a primary election are unconstitutional. The Office of Legislative Legal Services identified this conflict.

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[1] This legal memorandum was prepared by the Office of Legislative Legal Services (OLLS) in the course of its statutory duty to provide staff assistance to the Statutory Revision Committee (SRC). It does not represent an official legal position of the SRC, General Assembly, or the state of Colorado, and is not binding on the members of the SRC or the members of the General Assembly. This memorandum is intended for use in the legislative process and as information to assist the SRC in the performance of its legislative duties.

# Analysis

## 1. Background.

In House Bill 19-1278, the General Assembly enacted section 1-2-101 (2)(c), C.R.S, authorizing an individual who is preregistered in accordance with the "Uniform Election Code of 1992" (code), is seventeen years of age on the date of a primary election, and will be eighteen years of age on the date of the next general election to vote in the primary election:

> **1-2-101. Qualifications for registration – preregistration.** (2) (c) A person preregistered under this subsection (2) who is seventeen years of age on the date of a primary election or presidential primary election and who will be eighteen years of age on the date of the next general election is entitled to vote in the primary election or presidential primary election.

House Bill 19-1278 made additional conforming amendments throughout the code implementing this provision, including provisions requiring county clerks and recorders to send mail ballots to eligible preregistrants in a primary election and allowing an eligible preregistrant to vote in person at a primary election.[2]

At the time House Bill 19-1278 was enacted, section 1 of article VII of the Colorado Constitution provided:

> **Section 1. Qualifications of Elector.** Every citizen of the United States who has attained the age of eighteen years, has resided in this state for such time as may be prescribed by law, and has been duly registered as a voter if required by law shall be qualified to vote at all elections.

At the November 2020 general election, Colorado voters approved Amendment 76, which amended this constitutional provision. Amendment 76 was a citizen-initiated amendment that changed the language of section 1 to read:

> **Only** a citizen of the United States who has attained the age of eighteen years, has resided in this state for such time as may be prescribed by law, and has been duly registered as a voter if required by law shall be qualified to vote at all elections. (**Emphasis added**.)

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[2] *See* §§ 1-7-201 (1), (2.3), 1-7.5-107 (3)(a)(I), C.R.S. *See also*, §§ 1-2-205 (2), 1-2-202.5 (3)(a)(I), 1-2-227 (2), 1-3-101 (1)(a), 1-4-806, 1-9-203 (4), and 1-9-204 (1), C.R.S. (attached as Addendum A).

According to the 2020 Ballot Information Booklet, commonly called the Blue Book, the amendment was intended to preclude the state from pursuing policies that would allow noncitizens to vote by specifying in the constitution that *only* a citizen of the United States who met the other qualifications of the section could vote.[3] The amendment passed with 62.9% of the vote.

**2. The passage of Amendment 76 makes the statutes allowing certain seventeen-year–old individuals to vote in primary elections unconstitutional.**

The statutes allowing a preregistered individual who is seventeen years old on the date of a primary election and who will be eighteen on the date of the general election to vote in the primary election are in conflict with the amended language of article VII, section 1, rendering them unconstitutional. When construing a constitutional amendment, the duty of a reviewing court is to "give effect to the electorate's intent in enacting the amendment."[4] The words of the amendment are given their ordinary and popular meaning, and if the words are unambiguous, they are applied as written.[5] "If the intent of the electorate is not clear from the language of an amendment, courts should construe the amendment in light of the objective sought to be achieved and the mischief to be avoided by the amendment."[6]

As amended, article VII, section 1 of the Colorado Constitution unambiguously states that only a citizen of the United States who is at least eighteen years old is qualified to vote in an election. Unlike the previous language of "every citizen," the phrase "only a citizen" unequivocally limits the right to vote to those who meet the criteria specified in article VII, section 1, including that the individual be at least eighteen years old. Colorado courts have repeatedly found that the use of the word "only" is exclusionary. For example, in considering a statute concerning the circumstances in which a court can disqualify a district attorney, the Colorado Supreme Court held, "in using the word 'only' and defining with specificity the circumstances under which disqualification is proper, the [statute] eliminates" other bases which are not specifically listed as grounds for disqualification.[7] Similarly, in applying a statute governing when a child may be

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[3] *2020 State Ballot Information Booklet*, Legislative Council of the Colorado General Assembly, Research Publication No 748-1,18.

[4] *Lobato v. People*, 218 P.3d 358, 375 (Colo. 2009).

[5] *Ritchie v. Polis*, 2020 CO 69, ¶ 7; *Lobato*, 218 P.3d at 375.

[6] *Lobato*, 218 P.3d at 375. (Internal quotation marks and citation omitted).

[7] *People ex rel. N.R.*, 139 P.3d 671, 676 (Colo. 2006).

available for adoption, the Court of Appeals looked to the dictionary definition of "only" and held that it was "synonymous with 'exclusively' or 'solely'…and its use serves to delimit" the situations in which a child could be available for adoption.[8] Following the adoption of Amendment 76, article VII, section 1 establishes with specificity the qualifications of electors. The use of the word "only" necessarily excludes those who do not meet those criteria from being qualified electors.

To the extent the language of the amendment itself is not clear, a reviewing court may look to other contemporaneous indicators of the intent of the electorate, including the Blue Book's explanation of the impact of the initiative.[9] In this case, the Blue Book noted that the purpose of Amendment 76 was to prevent the state from expanding the right to vote beyond the qualifications set forth in the constitution. While the objective of the amendment was to ensure the enforcement of the requirement for citizenship, the Blue Book informed voters that the amendment would also prevent "the state from extending voter eligibility to…those under the age of 18."[10] It also specifically noted that "under Amendment 76, 17-year-olds who are currently able to vote in primary elections will no longer be eligible to do so."[11] Thus voters were informed and understood that passage of the measure would render section 1-2-101 (2)(c), C.R.S., and the associated statutes implementing its provisions unconstitutional.

## Statutory Charge[12]

The Statutory Revision Committee (SRC) is charged with discovering "defects and anachronisms in the law" and recommending legislation "to effect such changes in the law as it deems necessary in order to modify or eliminate antiquated, redundant, or contradictory rules of law." The sections of the code authorizing certain seventeen-

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[8] *In re Adoption of T.K.J.*, 931 P.2d 488, 492 (Colo. Ct. App. 1996).

[9] *See*, *e.g.*, *Lobato*, 218 P.3d at 375.

[10] *2020 State Ballot Information Booklet*, 18.

[11] *Id*.

[12] The Statutory Revision Committee is charged with "[making] an ongoing examination of the statutes of the state and current judicial decisions for the purpose of discovering defects and anachronisms in the law and recommending needed reforms" and recommending "legislation annually to effect such changes in the law as it deems necessary in order to modify or eliminate antiquated, redundant, or contradictory rules of law and to bring the law of this state into harmony with modern conditions." § 2-3-902 (1), C.R.S. In addition, the SRC "shall propose legislation only to streamline, reduce, or repeal provisions of the Colorado Revised Statutes." § 2-3-902 (3), C.R.S.

year-old individuals to vote in primary elections and requiring county clerks and recorders to send those individuals mail ballots in primary elections, along with other implementing requirements, contradict the amended language of article VII, section 1, of the Colorado constitution. Repealing these provisions comports with the committee's charge to eliminate contradictory rules of law and to harmonize the laws of the state; however, a Colorado court has not yet considered or issued an opinion on the question of whether Amendment 76 renders these statutes unconstitutional.

## Proposed Bill

The attached bill draft repeals the statutory provisions enacted in House Bill 19-1278 authorizing an individual who is preregistered, is seventeen years old on the date of a primary election, and who will be eighteen years old on the date of a general election to vote in the primary election, including the conforming amendments to implement that requirement.

# ADDENDUM A

**1-2-101. Qualifications for registration - preregistration.** (1) Every person who is eighteen years of age or older on the date of the next election and who has the following qualifications is entitled to register to vote at all elections:

(a) The person is a citizen of the United States; and

(b) The person has resided in this state twenty-two days immediately prior to the election at which the person intends to vote.

(2) (a) (I) Notwithstanding subsection (1) of this section, upon satisfactory proof of age, every person who is otherwise qualified to register and is sixteen years of age or older but will not have reached eighteen years of age by the date of the next election may preregister and update his or her preregistered information by any means authorized in this article for persons eighteen years of age or older. Upon reaching eighteen years of age, the person is automatically registered.

(II) Repealed.

(b) The registration requirements of section 1-2-201 apply to a person preregistering to vote under this subsection (2).

(c) A person preregistered under this subsection (2) who is seventeen years of age on the date of a primary election or presidential primary election and who will be eighteen years of age on the date of the next general election is entitled to vote in the primary election or presidential primary election.

(3) Repealed.

**1-2-202.5. Online voter registration - online changes in elector information.** (3) The electronic voter registration form must include:

(a) (I) The questions "Are you a citizen of the United States of America?", "Are you at least sixteen years of age?", "Do you understand that you must be at least seventeen years old and turning eighteen years old on or before the date of the next general election to be eligible to vote in a primary election, and at least eighteen years old to be eligible to vote in any other election?", "Have you resided in Colorado for at least twenty-two days immediately prior to the election?", "Do you reside in the precinct in which you intend to register?", "Is the address you have listed your sole legal place of residence for purposes of voting?", and "Do you affirm that you will not cast more than one ballot in any election?" and places for the elector to input answers to the questions.

**1-2-205. Self-affirmation made by elector.** (2) Each elector making application for registration or preregistration shall make the following self-

affirmation: "I, ...., affirm that I am a citizen of the United States; I have been a resident of Colorado for at least twenty-two days immediately before an election I intend to vote in; I am at least sixteen years old; and I understand that I must be at least seventeen and turning eighteen on or before the date of the next general election to be eligible to vote in a primary election, and at least eighteen to be eligible to vote in any other election. I further affirm that the residence address I provided is my sole legal place of residence. I certify under penalty of perjury that the information I have provided on this application is true to the best of my knowledge and belief; and that I have not, nor will I, cast more than one ballot in any election.".

**1-2-227. Custody and preservation of records.** (2) The voter information provided by a preregistrant who will not turn eighteen years of age by the date of the next election shall be kept confidential in the same manner as, and using the programs developed for, information that is kept confidential pursuant to section 24-72-204 (3.5). Nothing in this subsection (2) shall be construed to require any request, application, or fee for such confidentiality. When the preregistrant will be eighteen years of age on the date of the next election, or on January 1 of the year in which the preregistrant will be eligible to vote in any primary election under section 1-2-101 (2)(c), such information is no longer confidential under this subsection (2).

**1-3-101. Party affiliation required - residence.** (1) (a) In order to vote at any precinct caucus, assembly, or convention of a political party, the elector must be a resident of the precinct for twenty-two days, must be registered to vote no later than twenty-two days before the caucus, assembly, or convention, and must be affiliated with the political party holding the caucus, assembly, or convention for at least twenty-two days as shown in the statewide voter registration system; except that any registered elector who has attained the age of eighteen years or who has become a naturalized citizen during the twenty-two days immediately preceding the meeting may vote at any caucus, assembly, or convention even though the elector has been affiliated with the political party for less than twenty-two days. Any preregistrant who is seventeen years of age on the date of a caucus and who will be eighteen years of age on the date of the next general election may either vote at any caucus, assembly, or convention or be elected as a delegate to any assembly or convention even though the elector has been affiliated with the political party for less than twenty-two days.

**1-4-806. Preregistrants eligible to sign petitions.** A preregistrant who is eligible to vote in a primary election under section 1-2-101 (2)(c) is eligible to sign a petition under this part 8 to nominate a candidate for the primary election or for the next general election.

**1-7-201. Voting at primary election.** (1) Any registered elector, including a preregistrant who is eligible under section 1-2-101 (2)(c), who has declared an affiliation with a political party that is participating in a primary election and who desires to vote for candidates of that party at a primary election shall show identification, as defined in section 1-1-104 (19.5), write his or her name and address on a form available at the voter service and polling center, and give the form to one of the election judges.

(2.3) An eligible unaffiliated elector, including a preregistrant who is eligible under section 1-2-101 (2)(c), is entitled to vote in the primary election of a major political party without affiliating with that political party. To vote in a political party's primary election without declaring an affiliation with the political party, any eligible unaffiliated elector shall declare to the election judges the name of the political party in whose primary election the elector wishes to vote. Thereupon, the election judges shall deliver the appropriate party ballot to the elector. In addition, any eligible unaffiliated elector may openly declare to the election judges the name of the political party with which the elector wishes to affiliate and complete the necessary forms. An eligible elector must separately date and sign or date and initial a declaration of affiliation with a political party form in such manner that the elector clearly acknowledges that the affiliation has been properly recorded. Thereupon, the election judges shall deliver the appropriate party ballot to the eligible elector.

**1-7.5-107. Procedures for conducting mail ballot election - primary elections - first-time voters casting a mail ballot after having registered by mail to vote - in-person request for ballot - repeal.** (3) (a) (I) Not sooner than twenty-two days before a general, primary, or other mail ballot election, and no later than eighteen days before the election, the county clerk and recorder or designated election official shall mail to each active registered elector, at the last mailing address appearing in the registration records and in accordance with United States postal service regulations, a mail ballot packet, which must be marked "DO NOT FORWARD. ADDRESS CORRECTION REQUESTED.", or any other similar statement that is in accordance with United States postal service regulations. For a primary mail ballot election, active registered electors includes preregistrants eligible to vote in that primary under section 1-2-101 (2)(c). Nothing in this subsection (3) affects any provision of this code governing the delivery of mail ballots to an absent uniformed services elector, nonresident overseas elector, or resident overseas elector covered by the federal "Uniformed and Overseas Citizens Absentee Voting Act", 52 U.S.C. sec. 20301 et seq.

**1-9-203. Challenge questions asked person intending to vote.** (4) (a) If the person is challenged as not eligible to vote in an election other than a primary election because the person will not be eighteen years of age or older on or before election day, an election judge shall ask the following question: To the best of your knowledge and belief, will you be eighteen years of age or older on election day?

(b) If the person is challenged as not eligible to vote in a primary election because the person will not be eighteen years of age on or before the date of the next general election, an election judge shall ask the following question: To the best of your knowledge and belief, are you at least seventeen years of age and will you be at least eighteen years of age on or before the date of the next general election?

**1-9-204. Oath of challenged elector.** (1) An election judge shall tender an oath substantially in the following form: "I do solemnly swear or affirm that I have fully and truthfully answered all questions that have been put to me concerning my place of residence and my qualifications as an eligible elector at this election. I further swear or affirm that I am a citizen of the United States; that I am at least seventeen years of age and will be at least eighteen years of age on or before the date of the next general election if I am voting in a primary election or that I will be of the age of eighteen years or older on election day if I am voting in any other election; that I have been a resident of this state for at least twenty-two days immediately preceding this election and have not maintained a home or domicile elsewhere; that I am a registered elector in this precinct; that I am eligible to vote at this election; and that I have not previously voted at this election."

DRAFT
2.18.21

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

**DRAFT**

LLS NO. 21-0804.01 Megan Waples x4348 **COMMITTEE BILL**

**Statutory Revision Committee**

**BILL TOPIC:** "Repeal 17 Year Olds Voting Primary Elections"

## A BILL FOR AN ACT

**CONCERNING THE REPEAL OF STATUTES ALLOWING AN INDIVIDUAL WHO IS SEVENTEEN YEARS OLD ON THE DATE OF A PRIMARY AND WILL BE EIGHTEEN YEARS OLD ON THE DATE OF THE NEXT GENERAL ELECTION TO PARTICIPATE IN THE PRIMARY ELECTION AS A RESULT OF THE PASSAGE OF AMENDMENT 76 AT THE 2020 GENERAL ELECTION.**

### 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/.)*

**Statutory Revision Committee.** As part of House Bill 19-1278,

the general assembly enacted statutes authorizing a person who is preregistered under the "Uniform Election Code of 1992" (code), is 17 years old on the date of a primary election, and will be 18 years old on the date of the next general election to vote in the primary election. House Bill 19-1278 made conforming amendments throughout the code to implement this change. In the 2020 general election, the voters of the state adopted Amendment 76, amending the state constitution to specify that "[o]nly a citizen of the United States who has attained the age of eighteen years...shall be qualified to vote at all elections".

The bill repeals the provisions enacted as part of House Bill 19-1278 authorizing certain 17 year olds to vote and participate in primary elections.

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

**SECTION 1.** In Colorado Revised Statutes, 1-2-101, **repeal** (2)(c) as follows:

**1-2-101. Qualifications for registration - preregistration.** (2) (c) ~~A person preregistered under this subsection (2) who is seventeen years of age on the date of a primary election or presidential primary election and who will be eighteen years of age on the date of the next general election is entitled to vote in the primary election or presidential primary election.~~

**SECTION 2.** In Colorado Revised Statutes, 1-2-202.5, **amend** (3)(a)(I) as follows:

**1-2-202.5. Online voter registration - online changes in elector information.** (3) The electronic voter registration form must include:

(a) (I) The questions "Are you a citizen of the United States of America?", "Are you at least sixteen years of age?", "Do you understand that you must be at least ~~seventeen years old and turning eighteen years old on or before the date of the next general election to be eligible to vote in a primary election, and at least~~ eighteen years old to be eligible to vote?", ~~in any other election?",~~ "Have you resided in Colorado for at least

twenty-two days immediately prior to the election?","Do you reside in the precinct in which you intend to register?", "Is the address you have listed your sole legal place of residence for purposes of voting?", and "Do you affirm that you will not cast more than one ballot in any election?" and places for the elector to input answers to the questions.

**SECTION 3.** In Colorado Revised Statutes, 1-2-205, **amend** (2) as follows:

**1-2-205. Self-affirmation made by elector.** (2) Each elector making application for registration or preregistration shall make the following self-affirmation: "I, ...., affirm that I am a citizen of the United States; I have been a resident of Colorado for at least twenty-two days immediately before an election I intend to vote in; I am at least sixteen years old; and I understand that I must be at least ~~seventeen and turning eighteen on or before the date of the next general election to be eligible to vote in a primary election, and at least~~ eighteen to be eligible to vote. ~~in any other election.~~ I further affirm that the residence address I provided is my sole legal place of residence. I certify under penalty of perjury that the information I have provided on this application is true to the best of my knowledge and belief; and that I have not, nor will I, cast more than one ballot in any election.".

**SECTION 4.** In Colorado Revised Statutes, 1-2-227, **amend** (2) as follows:

**1-2-227. Custody and preservation of records.** (2) The voter information provided by a preregistrant who will not turn eighteen years of age by the date of the next election shall be kept confidential in the same manner as, and using the programs developed for, information that is kept confidential pursuant to section 24-72-204 (3.5). Nothing in this

subsection (2) shall be construed to require any request, application, or fee for such confidentiality. When the preregistrant will be eighteen years of age on the date of the next election, ~~or on January 1 of the year in which the preregistrant will be eligible to vote in any primary election under section 1-2-101 (2)(c),~~ such information is no longer confidential under this subsection (2).

**SECTION 5.** In Colorado Revised Statutes, 1-3-101, **amend** (1)(a) as follows:

**1-3-101. Party affiliation required - residence.** (1) (a) In order to vote at any precinct caucus, assembly, or convention of a political party, the elector must be a resident of the precinct for twenty-two days, must be registered to vote no later than twenty-two days before the caucus, assembly, or convention, and must be affiliated with the political party holding the caucus, assembly, or convention for at least twenty-two days as shown in the statewide voter registration system; except that any registered elector who has attained the age of eighteen years or who has become a naturalized citizen during the twenty-two days immediately preceding the meeting may vote at any caucus, assembly, or convention even though the elector has been affiliated with the political party for less than twenty-two days. ~~Any preregistrant who is seventeen years of age on the date of a caucus and who will be eighteen years of age on the date of the next general election may either vote at any caucus, assembly, or convention or be elected as a delegate to any assembly or convention even though the elector has been affiliated with the political party for less than twenty-two days.~~

**SECTION 6.** In Colorado Revised Statutes, **repeal** 1-4-806 as follows:

**1-4-806. Preregistrants eligible to sign petitions.** ~~A preregistrant who is eligible to vote in a primary election under section 1-2-101 (2)(c) is eligible to sign a petition under this part 8 to nominate a candidate for the primary election or for the next general election.~~

**SECTION 7.** In Colorado Revised Statutes, 1-7-201, **amend** (1) and (2.3) as follows:

**1-7-201. Voting at primary election.** (1) Any registered elector ~~including a preregistrant who is eligible under section 1-2-101 (2)(c),~~ who has declared an affiliation with a political party that is participating in a primary election and who desires to vote for candidates of that party at a primary election shall show identification, as defined in section 1-1-104 (19.5), write his or her name and address on a form available at the voter service and polling center, and give the form to one of the election judges.

(2.3) An eligible unaffiliated elector ~~including a preregistrant who is eligible under section 1-2-101 (2)(c),~~ is entitled to vote in the primary election of a major political party without affiliating with that political party. To vote in a political party's primary election without declaring an affiliation with the political party, any eligible unaffiliated elector shall declare to the election judges the name of the political party in whose primary election the elector wishes to vote. Thereupon, the election judges shall deliver the appropriate party ballot to the elector. In addition, any eligible unaffiliated elector may openly declare to the election judges the name of the political party with which the elector wishes to affiliate and complete the necessary forms. An eligible elector must separately date and sign or date and initial a declaration of affiliation with a political party form in such manner that the elector clearly acknowledges that the affiliation has been properly recorded. Thereupon, the election judges

shall deliver the appropriate party ballot to the eligible elector.

**SECTION 8.** In Colorado Revised Statutes, 1-7.5-107, **amend** (3)(a)(I) as follows:

**1-7.5-107. Procedures for conducting mail ballot election - primary elections - first-time voters casting a mail ballot after having registered by mail to vote - in-person request for ballot - repeal.** (3) (a) (I) Not sooner than twenty-two days before a general, primary, or other mail ballot election, and no later than eighteen days before the election, the county clerk and recorder or designated election official shall mail to each active registered elector, at the last mailing address appearing in the registration records and in accordance with United States postal service regulations, a mail ballot packet, which must be marked "DO NOT FORWARD. ADDRESS CORRECTION REQUESTED.", or any other similar statement that is in accordance with United States postal service regulations. ~~For a primary mail ballot election, active registered electors includes preregistrants eligible to vote in that primary under section 1-2-101 (2)(c).~~ Nothing in this subsection (3) affects any provision of this code governing the delivery of mail ballots to an absent uniformed services elector, nonresident overseas elector, or resident overseas elector covered by the federal "Uniformed and Overseas Citizens Absentee Voting Act", 52 U.S.C. sec. 20301 et seq.

**SECTION 9.** In Colorado Revised Statutes, 1-9-203, **amend** (4) as follows:

**1-9-203. Challenge questions asked person intending to vote.** (4) ~~(a)~~ If the person is challenged as not eligible to vote ~~in an election other than a primary election~~ because the person will not be eighteen years of age or older on or before election day, an election judge shall ask

the following question: To the best of your knowledge and belief, will you be eighteen years of age or older on election day?

~~(b) If the person is challenged as not eligible to vote in a primary election because the person will not be eighteen years of age on or before the date of the next general election, an election judge shall ask the following question: To the best of your knowledge and belief, are you at least seventeen years of age and will you be at least eighteen years of age on or before the date of the next general election?~~

**SECTION 10.** In Colorado Revised Statutes, 1-9-204, **amend** (1) as follows:

**1-9-204. Oath of challenged elector.** (1) An election judge shall tender an oath substantially in the following form: "I do solemnly swear or affirm that I have fully and truthfully answered all questions that have been put to me concerning my place of residence and my qualifications as an eligible elector at this election. I further swear or affirm that I am a citizen of the United States; that ~~I am at least seventeen years of age and will be at least eighteen years of age on or before the date of the next general election if I am voting in a primary election or that~~ I will be of the age of eighteen years or older on election day; ~~if I am voting in any other election;~~ that I have been a resident of this state for at least twenty-two days immediately preceding this election and have not maintained a home or domicile elsewhere; that I am a registered elector in this precinct; that I am eligible to vote at this election; and that I have not previously voted at this election."

**SECTION 11. Act subject to petition - effective date - applicability.** (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the

general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to elections conducted on or after the applicable effective date of this act.

<{***Would the committee prefer a safety clause?***}>

# MEMO

DATE: April 14, 2021

TO: Statutory Revision Committee

FROM: David Oppenheim, Legislative Director for Governor Polis & Kate Siegel Shimko, Director of Boards & Commissions for Governor Polis

RE: Elimination of Obsolete Boards & Commissions

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The Governor's office requests the Statutory Revision Committee (SRC) **consider sponsoring legislation to eliminate an obsolete board and commission.**

To continue the work that we began last session, the Governor's staff have worked over the interim with agencies to identify where streamlining could be beneficial with regard to the plethora of boards and commissions that remain in statute. Our focus last year was to identify entities that could be eliminated because they have **completed their charge or are no longer active/relevant** *but did not include a sunset.* This year, we continued this work. Below is one of those boards that we, along with the agency, believe is no longer serving our state and is obsolete.

The Advisory Committee on Licensing of Child Care Facilities (LAC) was created as a Governor-appointed body through statute prior to the similar creation of the Early Childhood Leadership Commission (ECLC), another Governor-appointed body. Both the LAC and the ECLC are housed at the Colorado Department of Human Services (CDHS), within the Office of Early Childhood (OEC). These two bodies have duplication in membership criteria, with representation in state and local government groups, providers of early childhood services, and family members who receive services. Additionally, there is duplication in mission, with both bodies tasked with advising CDHS through the OEC. Repealing the Advisory Committee on the Licensing of Child Care Facilities (LAC) would eliminate this duplication in effort.

Currently, due to the above-discussed duplication, no duties or tasks are being carried out by the LAC, and these are instead assigned to and carried out by the ECLC. The LAC last met on February 10, 2021, and met for approximately 35 minutes and no new business was completed.

Please let us know if you have any questions. Thank you for your consideration.

| Name | Statute | Original Mission | Rationale |
|---|---|---|---|
| Licensing of Child Care Facilities Advisory Committee | 26-6-109 | Originally created to advise and consult with CDHS in administration and enforcement of the Child Care Licensing Act. The committee operated prior to the creation of the Early Childhood Leadership Commissions (ECLC). | The ECLC is Colorado's federally authorized state advisory council so this committee is duplicative and no longer needed. |

First Regular Session
Seventy-third General Assembly
STATE OF COLORADO

DRAFT
4.14.21

**DRAFT**

LLS NO. 21-0975.01 Sarah Lozano x3858 **COMMITTEE BILL**

**Statutory Revision Committee**

**BILL TOPIC:** "Eliminate Obsolete Committee Child Care Licensing"
**DEADLINES:** File by: 4/15/2021

## A BILL FOR AN ACT

101 **CONCERNING THE ELIMINATION OF THE OBSOLETE ADVISORY**
102 **COMMITTEE ON THE LICENSING OF CHILD CARE FACILITIES.**

### 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/.)*

**Statutory Revision Committee.** The bill eliminates the advisory committee that advised the state department of human services on the licensing of child care facilities prior to the creation of the early childhood leadership commission.

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

**SECTION 1.** In Colorado Revised Statutes, 26-6-109, **repeal** (1) as follows:

**26-6-109. Institutes.** (1) ~~(a) There is hereby created an advisory committee on licensing of child care facilities to advise and consult with the department in the administration and enforcement of this part 1. The committee shall consist of fifteen members to be appointed by the governor for terms of three years; except that, of the members first appointed, four shall be appointed for three years, four for two years, and three for one year. Thereafter, members shall be appointed for terms of three years except in the case of a vacancy that shall be filled for the remainder of the unexpired term. A member may be appointed to succeed himself or herself and may continue to serve on the committee beyond the end of his or her term until the governor appoints a successor. Members who have been appointed to fill the remainder of an unexpired term may be appointed to fill the succeeding full term.~~

~~(b) The members of the advisory committee shall serve without compensation but shall be entitled to their reasonable traveling expenses incurred in the performance of their duties, which shall be paid as a part of the expenses of administering this part 1.~~

~~(c) The committee shall consist of nine members who shall represent the various types of facilities licensed under the provisions of this part 1, four members representing various state and local governmental agencies with an interest in and concern for children, and two members at large who are parents, each having at least one child attending a facility licensed or certified under this part 1 at the time of such members' appointment.~~

~~(d) A majority of the members of the committee shall constitute a quorum, the presence of which at any meeting thereof duly called by the department shall have full and complete power to act upon and resolve in the name of the committee any matter or question referred to it by the department. The committee, as soon after appointment as practicable, shall elect from among its members a chairman, a vice-chairman, and a secretary who shall hold office until their successors are elected. The chairman shall preside at all meetings of the committee, and the secretary shall make a record of the proceedings thereof that shall be preserved in the office of the department. All members of the committee shall be entitled to vote on any matter or question that properly comes before it.~~

**SECTION 2.** In Colorado Revised Statutes, 26-6-113, **amend** (2) as follows:

**26-6-113. Periodic review of licensing regulations and procedures.** (2) Beginning with fiscal year 1995-1996, an initial comprehensive rule and regulation review shall be conducted in conjunction with the performance audit required by section 26-6-107 (1.5), and, at least every fifth fiscal year thereafter, a comprehensive review of the licensing rules and regulations for child care centers, family child care homes, and foster care homes and the procedures relating to and governing child care centers, family child care homes, and foster care homes shall be conducted by the department, including procedures for the review of backgrounds of employees and owners. In conducting such periodic review, the department shall consult with parents and consumers of child care, child care providers, the department of public health and environment, experts in the child care field, and other interested parties throughout the state. The periodic review shall include an examination of

1 the rules and regulations applicable to child care centers, family child care
2 homes, and foster care homes, the process of licensing such facilities,
3 uniformity of standards or lack thereof in the licensing process, statewide
4 standardization of investigations and enforcement of licensing by the
5 department, duplication and conflicts in regulations, requirements, or
6 procedures between the department and the department of public health
7 and environment, and recommendations for streamlining and unifying the
8 licensing process. Said review shall also include an examination of
9 regulations and procedures regarding the general physical and mental
10 health of employees and owners. At the conclusion of each review, the
11 department shall report its findings and conclusions and its
12 recommendations for administrative changes and for legislation to the
13 state board ~~the advisory committee on licensing of child care facilities,~~
14 and the executive director of the department of public health and
15 environment.
16 **SECTION 3. Act subject to petition - effective date.** This act
17 takes effect at 12:01 a.m. on the day following the expiration of the
18 ninety-day period after final adjournment of the general assembly; except
19 that, if a referendum petition is filed pursuant to section 1 (3) of article V
20 of the state constitution against this act or an item, section, or part of this
21 act within such period, then the act, item, section, or part will not take
22 effect unless approved by the people at the general election to be held in
23 November 2022 and, in such case, will take effect on the date of the
24 official declaration of the vote thereon by the governor.

**Office of Legislative Legal Services**

Colorado General Assembly

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# MEMORANDUM[1]

TO: Statutory Revision Committee

FROM: Sarah Lozano, Office of Legislative Legal Services

DATE: April 15, 2021

SUBJECT: Conforming references to "lease-purchase" to the accounting standards set forth by the governmental accounting standards board in Statement No. 87

## Summary

State law requires the state controller to comply with the accounting standards set forth by the governmental accounting standards board (GASB). According to GASB Statement No. 87 (Statement 87), starting in Fiscal Year 2022,[2] the state controller is required to account for certain state agreements called "lease-purchase agreements" as financed purchases of assets rather than leases. Therefore, the term "lease-purchase" should be replaced with the term "financed purchase of an asset or certificate of participation"[3] throughout the Colorado Revised Statutes (C.R.S.) to make it clear that these types of agreements should no longer be accounted for by the state controller as leases. The Office of the State Controller identified the existence of this anachronism within the law and the locations of the related statutory defects.

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[1] This legal memorandum was prepared by the Office of Legislative Legal Services (OLLS) in the course of its statutory duty to provide staff assistance to the Statutory Revision Committee (SRC). It does not represent an official legal position of the OLLS, SRC, General Assembly, or the state of Colorado, and is not binding on the members of the SRC. This memorandum is intended for use in the legislative process and as information to assist the SRC in the performance of its legislative duties.

[2] Statement No. 95 issued by GASB in May 2020 states that the standards set forth in Statement 87 apply to fiscal years beginning after June 15, 2021.

[3] A certificate of participation is a specific type of financing mechanism that the state uses to purchase equipment and buildings that is similar to the financed purchase of an asset.

## Analysis

Section 24-30-202 (12), C.R.S., requires that the state controller prescribe and install a system of accounts for the state that are based on the standards set forth by GASB. In addition, section 24-30-204 (1), C.R.S., requires that the state controller prepare the state's financial statements in accordance with generally accepted accounting principles (GAAP). For purposes of any headnotes to the annual appropriation act specifying the purpose of a line item of appropriation, section 24-75-112 (1)(h), C.R.S., defines the term "lease-purchase" as a capital lease as defined by GAAP issued by GASB.[4] However, Statement 87 now states that when title to the underlying asset(s) transfers to the lessor at any time during the lease or at the end of the lease, the lease should be accounted for as "financed purchases of underlying assets" rather than leases. Under Statement 87, the accounting terms "capital lease" and "operating lease" no longer exist; all lease types are referred to as "leases."

This change in accounting standards makes the use of the term "lease" to refer to these types of agreements contradictory to current GASB standards and creates the potential for confusion when accounting for these types of agreements. Because state law requires compliance with GASB standards, the state controller should no longer account for lease-purchase agreements as leases. Therefore, all references in the C.R.S. to "lease-purchase" should be amended to "financed purchase of an asset or certificate of participation" to clarify that these types of agreements should be accounted for as financed purchases of assets rather than leases.

## Statutory Charge[5]

The Statutory Revision Committee (SRC) is tasked with discovering "defects and anachronisms in the law" and recommending legislation "to effect such changes in the

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[4] GASB defines a capital lease as a contract that transfers ownership of an asset at the end of the contract term.

[5] The Statutory Revision Committee is charged with "[making] an ongoing examination of the statutes of the state and current judicial decisions for the purpose of discovering defects and anachronisms in the law and recommending needed reforms" and recommending "legislation annually to effect such changes in the law as it deems necessary in order to modify or eliminate antiquated, redundant, or contradictory rules of law and to bring the law of this state into harmony with modern conditions." § 2-3-902 (1), C.R.S. In addition, the SRC "shall propose legislation only to streamline, reduce, or repeal provisions of the Colorado Revised Statutes." § 2-3-902 (3), C.R.S.

law as it deems necessary in order to modify or eliminate antiquated, redundant, or contradictory rules of law." The replacement of "lease-purchase" with "financed purchase of an asset or certificate of participation" fits within the SRC's charge because it would correct a defining term that would otherwise be contradictory to GASB standards starting in fiscal year 2021-2022.

## Proposed Bill

Effective July 1, 2021,[6] the attached bill replaces "lease-purchase", or substantially similar terms, with "financed purchase of an asset or certificate of participation", or substantially similar terms, and adds conforming definitions throughout the C.R.S.

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[6] Statement 87 applies to fiscal years beginning after June 15, 2021, and the new state fiscal year begins on July 1, 2021.

First Regular Session
Seventy-third General Assembly
STATE OF COLORADO

DRAFT
4.13.21

**DRAFT**

LLS NO. 21-0842.01 Sarah Lozano x3858 **COMMITTEE BILL**

**Statutory Revision Committee**

**BILL TOPIC:** "Conform The Term Lease Purchase To Accounting Std"
**DEADLINES:** File by: 4/15/2021

## A BILL FOR AN ACT

101 **CONCERNING CHANGES TO THE TERM "LEASE-PURCHASE" AS IT**
102 **RELATES TO STATE OR LOCAL PUBLIC AGREEMENTS TO CLARIFY**
103 **THAT SUCH AGREEMENTS ARE TO BE ACCOUNTED FOR BY THE**
104 **STATE AUDITOR AS FINANCED PURCHASES OF ASSETS, AND, IN**
105 **CONNECTION THEREWITH, CONFORMING THE COLORADO**
106 **REVISED STATUTES WITH THE CURRENT ACCOUNTING**
107 **STANDARDS SET BY THE GOVERNMENTAL ACCOUNTING**
108 **STANDARDS BOARD.**

### 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/.)*

**Statutory Revision Committee.** The state controller is required to prescribe a unified system of accounts and prepare financial statements based on systems set forth by the governmental accounting standards board (GASB). Statement number 87 by GASB, which affects state and local government fiscal years after June 15, 2021, requires that a contract that transfers ownership of an asset be accounted for and reported as a financed purchase or sale of an asset, regardless of whether the contract is labeled by the parties as a lease.

Effective July 1, 2021, the bill replaces the term "lease-purchase agreement", and, as necessary to effectuate the purpose of the bill, substantially similar terms, with "financed purchase of an asset or certificate of participation agreement", and, as necessary to effectuate the intent of the bill, substantially similar terms, throughout the Colorado Revised Statutes to clarify that, in accordance with GASB requirements, any such state or local public contract is to be accounted for and reported by the state auditor as a financed purchase or sale of the underlying asset rather than as a lease.

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

**SECTION 1.** In Colorado Revised Statutes, 11-59.7-103, **amend** the introductory portion, (1)(b), (4), (7), (19), (20) introductory portion, (20)(o), (39), and (40); **repeal** (17); and **add** (5.5) and (11.5) as follows:

**11-59.7-103. Definitions.** As used in this ~~article~~ ARTICLE 59.7, unless the context otherwise requires:

(1) "Ancillary agreement" means any contract, agreement, or other arrangement that a public entity determines is necessary or convenient in connection with a stimulus obligation, including but not limited to any agreement, contract, or other arrangement:

(b) Relating to property that is leased or subleased pursuant to a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or on which the proceeds of a ~~lease-purchase financing~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF

PARTICIPATION AGREEMENT are spent;

(4) "Bond" means any bond, note, interim certificate, contract, evidence of indebtedness, loan, financing agreement, installment purchase or sale agreement, lease, ~~or lease-purchase~~ FINANCED PURCHASE OF AN ASSET AGREEMENT, OR CERTIFICATE OF PARTICIPATION agreement on which payments by a public entity are not subject to annual appropriation by its governing body or any debt or multiple-fiscal year financial obligation issued or entered into by a public entity.

(5.5) "CERTIFICATE OF PARTICIPATION" MEANS ANY CERTIFICATE EVIDENCING A PARTICIPATION RIGHT OR A PROPORTIONATE INTEREST IN ANY FINANCING AGREEMENT OR THE RIGHT TO RECEIVE PROPORTIONATE PAYMENTS FROM THE STATE OR AGENCY DUE UNDER ANY FINANCING AGREEMENT.

(7) "Charter school bond issuer" means any public entity that is authorized under state law to finance or refinance a project for the benefit of a charter school through the issuance of bonds or the execution of a loan agreement, financing agreement, ~~or lease-purchase~~ FINANCED PURCHASE OF AN ASSET, OR CERTIFICATE OF PARTICIPATION agreement with a charter school.

(11.5) "FINANCED PURCHASE OF AN ASSET AGREEMENT" MEANS A FINANCING AGREEMENT THAT INCLUDES THE PURCHASE OF AN ASSET.

(17) ~~"Lease-purchase agreement" means any agreement between a public entity and any other person:~~

~~(a) That is a lease or lease-purchase agreement under the laws of this state;~~

~~(b) Pursuant to which the public entity has agreed to make payments in future fiscal years subject to annual appropriation of the~~

~~payments by the governing body of the public entity; and~~

~~(c) That is treated as an installment sale agreement for federal income tax purposes.~~

(19) "Project" means any property, goods, or services on which the proceeds of a bond or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION financing are or may be spent, including but not limited to any job training or educational program on which the proceeds of recovery zone economic development bonds may be spent under federal law.

(20) "Public entity" means the state, any agency, department, or political subdivision of the state, any quasi-governmental entity, or any other entity created by or pursuant to the constitution or laws of the state that is authorized under state law to issue bonds or enter into a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, including but not limited to:

(o) A nonprofit corporation organized under the laws of the state that is authorized by law, or a trust created under the laws of the state that is authorized under its governing documents, to issue bonds or enter into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements on behalf of one or more public entities listed in ~~paragraphs (a) to (n) of this subsection (20)~~ SUBSECTIONS (20)(a) TO (20)(n) OF THIS SECTION.

(39) "Stimulus obligation" means any bond or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement that qualifies as a build America bond, clean renewable energy bond, new clean renewable energy bond, qualified energy conservation bond, qualified school construction bond, qualified zone academy bond,

or recovery zone bond.

(40) "Stimulus obligation document" means any resolution, ordinance, trust indenture, loan agreement, financing agreement, ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET AGREEMENT, CERTIFICATE OF PARTICIPATION agreement, lease, agreement, contract, or other instrument under which a stimulus obligation is issued or entered into or pursuant to which a public entity incurs obligations with respect to a stimulus obligation and any ancillary agreement entered into pursuant to section 11-59.7-104 (2).

**SECTION 2.** In Colorado Revised Statutes, 11-59.7-104, **amend** (1) introductory portion, (1)(a), and (1)(b)(II) as follows:

**11-59.7-104. Stimulus obligations authorized under state law - ancillary agreements.** (1) Public entities may issue or enter into stimulus obligations as authorized by this ~~article~~ ARTICLE 59.7. Except as otherwise provided in this section and section 11-59.7-105, each type of stimulus obligation shall be issued or entered into by a public entity in accordance with a law of the state that authorizes or permits the public entity to issue bonds or enter into a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement to finance or refinance a project that may be financed or refinanced with proceeds of the type of stimulus obligation under federal law. Notwithstanding any inconsistent provision of any other law of the state:

(a) Any public entity that is authorized or permitted under the laws of the state to issue bonds to finance or refinance a project that under federal law may be financed or refinanced with proceeds of build America bonds may issue the bonds as build America bonds. Any public entity that is authorized or permitted under the laws of the state to enter

1 into a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE
2 OF PARTICIPATION agreement to finance or refinance a project that may be
3 financed or refinanced under federal law with proceeds of build America
4 bonds may enter into the ~~lease-purchase~~ FINANCED PURCHASE OF AN
5 ASSET OR CERTIFICATE OF PARTICIPATION agreement as a build America
6 bond.
7 (b) (II) Any public entity that is authorized or permitted under the
8 laws of the state to enter into a ~~lease-purchase~~ FINANCED PURCHASE OF AN
9 ASSET OR CERTIFICATE OF PARTICIPATION agreement to finance or
10 refinance a project that may be financed or refinanced under federal law
11 with proceeds of a type of stimulus obligation other than a build America
12 bond may:
13 (A) Enter into a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET
14 OR CERTIFICATE OF PARTICIPATION agreement to finance or refinance any
15 project that may be financed or refinanced under federal law with
16 proceeds of the type of stimulus obligation; and
17 (B) Enter into the ~~lease-purchase~~ FINANCED PURCHASE OF AN
18 ASSET OR CERTIFICATE OF PARTICIPATION agreement as a stimulus
19 obligation under federal law.
20 **SECTION 3.** In Colorado Revised Statutes, 11-59.7-105, **amend**
21 (5) as follows:
22 **11-59.7-105. Federal tax credits - federal direct payments.**
23 (5) A public entity may identify federal direct payments expected to be
24 received in connection with a ~~lease-purchase~~ FINANCED PURCHASE OF AN
25 ASSET OR CERTIFICATE OF PARTICIPATION agreement that qualifies as a
26 stimulus obligation as the intended source for payment of any portion of
27 the ~~lease~~ payments under the ~~lease-purchase~~ FINANCED PURCHASE OF AN

ASSET OR CERTIFICATE OF PARTICIPATION agreement. Any portion of the ~~lease~~ payments payable under any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement that qualifies as a stimulus obligation may be payable in amounts corresponding to expected federal direct payments, and federal direct payments may be identified as the intended sole source or intended priority source for payment of any portion of the ~~lease~~ payments payable under any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement that qualifies as a stimulus obligation. If, and to the extent that, a public entity identifies federal direct payments expected to be received in connection with a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement as an intended source of payment, ~~of lease payments,~~ the federal direct payments that the public entity expects to receive with respect to the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement shall be netted against and shall reduce the amount of ~~lease~~ payments under the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement representing interest, and all other amounts payable by the public entity under or with respect to the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, for purposes of applying any limitation or restriction under the state constitution, any state law, any ballot question or ballot issue, any ancillary agreement, or any ordinance or resolution of the governing body of the public entity relating to the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, including but not limited to any limitation on interest or any other amount payable under the ~~lease-purchase~~ FINANCED

PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement and any determination as to the reasonableness of the ~~lease~~ payments under the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement.

**SECTION 4.** In Colorado Revised Statutes, **amend** 11-59.7-106 as follows:

**11-59.7-106. Qualified school construction bond volume cap.** (1) The state qualified school construction bond volume cap shall be allocated to the public school capital construction assistance board, which, subject to the provisions of subsections (3) and (4) of this section, shall use the volume cap to enter into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements to assist the financing or refinancing of projects pursuant to article 43.7 of title 22. ~~C.R.S.~~

(2) Any portion of the school district qualified school construction bond volume cap for a calendar year that is allocated to a school district that has not been used on bonds issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by the school district or for which a contract to purchase bonds or instruments evidencing interests in a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement has not been entered into on or before November 10 of the calendar year shall, on November 11 of the calendar year, automatically by law and without any action by the school district be reallocated by the school district to the public school capital construction assistance board. If a contract to purchase has been entered into on or before November 10 of the calendar year but the related bonds or ~~lease-purchase~~ FINANCED

PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement is not issued or entered into on or before November 30 of the calendar year, the volume cap shall automatically revert to the public school capital construction assistance board on December 1 of the calendar year.

(3) If the public school capital construction assistance board determines that it cannot use, or that a school district or a charter school bond issuer can make better use of, any portion of the state qualified school construction bond volume cap for a calendar year or any portion of the school district qualified school construction bond volume cap for a calendar year that is reallocated to the board pursuant to subsection (2) of this section, the board may allocate the portion of the volume cap to the school district or charter school bond issuer for the purpose of financing or refinancing a project approved by the board. Any volume cap allocated to a school district or charter school bond issuer pursuant to this subsection (3) that has not been used on bonds issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into or for which a contract to purchase bonds or instruments evidencing interests in a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement has not been entered into on or before November 10 of any calendar year shall, on November 11 of the calendar year, automatically revert to the public school capital construction assistance board. If a contract to purchase has been entered into on or before November 10 of the calendar year but the related bonds or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement is not issued or entered into on or before November 30 of the calendar year, the volume cap shall automatically revert to the public school capital construction assistance

board on December 1 of the calendar year. The public school capital construction assistance board may use or reallocate to any school district or charter school bond issuer, for the purpose of financing or refinancing a project approved by the board, any volume cap that reverts to the board pursuant to this subsection (3) or may carry the volume cap forward pursuant to subsection (4) of this section. Any volume cap that is reallocated to a school district or charter school bond issuer pursuant to this subsection (3) that has not been used on bonds issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by noon, prevailing Denver time, on December 31 of a calendar year shall, at 12:01 p.m., prevailing Denver time, on December 31 of the calendar year, automatically revert to the public school capital construction assistance board.

(4) The public school capital construction assistance board shall carry forward to the next calendar year any portion of the qualified school construction bond volume cap that has not been used on bonds issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by the end of a calendar year. In selecting projects to assist the financing or refinancing of pursuant to article 43.7 of title 22, ~~C.R.S.,~~ and in selecting projects of school districts for the purpose of allocating the qualified school construction bond volume cap pursuant to this section, the public school capital construction assistance board shall prioritize projects that are ready to be financed or refinanced and that are most consistent with the purpose of this ~~article~~ ARTICLE 59.7 described in section 11-59.7-102 (1)(b). The public school capital construction assistance board shall use or allocate the qualified school construction bond volume cap in a manner consistent with federal

law and the purpose of this ~~article~~ ARTICLE 59.7 described in section 11-59.7-102 (1)(b) to minimize the qualified school construction bond volume cap that has not been used on bonds issued or one or more ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into on or before the expiration of the qualified school construction bond program. A school district to which the school district qualified school construction bond volume cap has been allocated under federal law or a school district or charter school bond issuer to which the qualified school construction bond volume cap has been allocated pursuant to this section may, at any time, relinquish the volume cap to the public school capital construction assistance board. Any volume cap relinquished may be used by the public school capital construction assistance board to enter into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements to assist the financing or refinancing of projects pursuant to article 43.7 of title 22 ~~C.R.S.,~~ may be reallocated by the board to a school district or charter school bond issuer for the purpose of financing or refinancing a project approved by the board, or may be carried forward to the next calendar year. The public school capital construction assistance board may promulgate rules in accordance with article 4 of title 24 ~~C.R.S.,~~ regarding the manner in which the qualified school construction bond volume cap will be allocated.

**SECTION 5.** In Colorado Revised Statutes, 11-59.7-107, **amend** (3) and (4) as follows:

**11-59.7-107. Qualified energy conservation bond volume cap.** (3) Any portion of the qualified energy conservation bond volume cap for a calendar year that is allocated to a large local government pursuant

to subsection (1) of this section that has not been used on bonds issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into or for which a contract to purchase bonds or instruments evidencing interests in a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement has not been entered into on or before November 10 of the calendar year shall, on November 11 of the calendar year, automatically revert to the Colorado energy office. If a contract to purchase has been entered into on or before November 10 of the calendar year but the related bonds or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement is not issued or entered into on or before November 30 of the calendar year, the volume cap shall automatically revert to the Colorado energy office on December 1 of the calendar year. The Colorado energy office may reallocate to any public entity for the purpose of financing or refinancing a project approved by the office, or carry forward pursuant to subsection (4) of this section, any volume cap that reverts to the office pursuant to this subsection (3). Any volume cap that is reallocated to a public entity pursuant to this subsection (3) that has not been used on bonds issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by noon, prevailing Denver time, on December 31 of a calendar year shall, at 12:01 p.m., prevailing Denver time, on December 31 of the calendar year, automatically revert to the Colorado energy office.

(4) The Colorado energy office shall carry forward to the next calendar year any portion of the qualified energy conservation bond volume cap that has not been used on bonds issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION

agreement entered into by the end of a calendar year. In selecting projects for the purpose of allocating the qualified energy conservation bond volume cap, the Colorado energy office shall prioritize projects that are ready to be financed or refinanced and that are most consistent with the purpose of this ~~article~~ ARTICLE 59.7 described in section 11-59.7-102 (1)(b). The Colorado energy office shall allocate the qualified energy conservation bond volume cap in a manner consistent with federal law and the purpose of this ~~article~~ ARTICLE 59.7 described in section 11-59.7-102 (1)(b) to minimize the qualified energy conservation bond volume cap that has not been used on bonds issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into on or before the expiration of the qualified energy conservation bond program. The Colorado energy office may allocate the qualified energy conservation bond volume cap to the state pursuant to this section in anticipation of the enactment by the general assembly of legislation authorizing a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement. The state, any large local government, or any other public entity to which the qualified energy conservation bond volume cap has been allocated pursuant to this section may, at any time, relinquish the volume cap to the Colorado energy office. Any volume cap relinquished may be reallocated by the Colorado energy office to any public entity to finance or refinance a project approved by the office or may be carried forward to the next calendar year. The department of local affairs, in consultation with the Colorado energy office, may promulgate rules in accordance with article 4 of title 24 ~~C.R.S.,~~ regarding the manner in which the qualified energy conservation bond volume cap will be allocated.

1 **SECTION 6.** In Colorado Revised Statutes, 11-59.7-108, **amend**
2 (3), (4), (5), and (6) as follows:
3 **11-59.7-108. Recovery zone economic development bond**
4 **volume cap - recovery zone facility bond volume cap.** (3) Except as
5 otherwise provided in subsection (5) of this section, any portion of the
6 recovery zone economic development bond volume cap or recovery zone
7 facility bond volume cap allocated to a county or a large municipality
8 pursuant to subsection (2) of this section that has not been used on bonds
9 issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
10 CERTIFICATE OF PARTICIPATION agreement entered into to finance or
11 refinance a project that is located in a recovery zone, is approved by the
12 commission on higher education, and either is or is to be owned or used
13 by one or more public institutions of higher education or is expected to
14 increase economic development in the vicinity of a facility that is or is to
15 be owned or used by one or more public institutions of higher education
16 in a manner that is complementary to the use of such higher education
17 facility or for which a contract to purchase bonds or instruments
18 evidencing interests in a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET
19 OR CERTIFICATE OF PARTICIPATION agreement has not been entered into
20 on or before November 10 of any calendar year shall, on November 11 of
21 the calendar year, automatically revert to the commission. If a contract to
22 purchase has been entered into on or before November 10 of the calendar
23 year but the related bonds or ~~lease-purchase~~ FINANCED PURCHASE OF AN
24 ASSET OR CERTIFICATE OF PARTICIPATION agreement is not issued or
25 entered into on or before November 30 of the calendar year, the volume
26 cap shall automatically revert to the commission on higher education on
27 December 1 of the calendar year. The commission on higher education

may reallocate any recovery zone economic development bond volume cap or recovery zone facility bond volume cap that reverts to the commission pursuant to this subsection (3) to any public entity for the purpose of financing or refinancing a project that is located in a recovery zone, is approved by the commission, and either is or is to be owned or used by one or more public institutions of higher education or is expected to increase economic development in the vicinity of a facility that is or is to be owned or used by one or more public institutions of higher education in a manner that is complementary to the use of such higher education facility or may carry the volume cap forward pursuant to subsection (4) of this section. Any recovery zone economic development bond volume cap or recovery zone facility bond volume cap that is reallocated to a public entity pursuant to this subsection (3) that has not been used on bonds issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into to finance or refinance a project that is located in a recovery zone, is approved by the commission on higher education, and either is or is to be owned or used by one or more public institutions of higher education or is expected to increase economic development in the vicinity of a facility that is or is to be owned or used by one or more public institutions of higher education in a manner that is complementary to the use of such higher education facility by noon, prevailing Denver time, on December 31 of a calendar year, shall, at 12:01 p.m., prevailing Denver time, on December 31 of the calendar year, automatically revert to the commission.

(4) The commission on higher education shall carry forward to the next calendar year any portion of the recovery zone economic

development bond volume cap or recovery zone facility bond volume cap that has not been used on bonds issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by the end of a calendar year.

(5) Notwithstanding any other provision of this section, if any portion of the recovery zone economic development bond volume cap or the recovery zone facility bond volume cap, including any portion that has been carried forward pursuant to subsection (4) of this section, has not been used on bonds issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by the ninetieth day preceding the date on which the recovery zone economic development bond program or recovery zone facility bond program, as applicable, is to expire under federal law, the remaining volume cap shall be allocated by the department of local affairs to public entities for the purpose of financing or refinancing any project that is located in a recovery zone and that qualifies for financing or refinancing with recovery zone economic development bonds or recovery zone facility bonds, as applicable. Any portion of any volume cap so allocated that has not been used on bonds issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by the fifteenth day preceding the date on which the recovery zone economic development bond program or recovery zone facility bond program, as applicable, is to expire under federal law shall revert to the department of local affairs, which shall reallocate the volume cap to public entities for the purpose of financing or refinancing any project that is located in a recovery zone and that qualifies for financing or refinancing with recovery zone economic development bonds or recovery

zone facility bonds, as applicable.

(6) In selecting projects for the purpose of allocating the recovery zone economic development bond volume cap or recovery zone facility bond volume cap, the commission on higher education and the department of local affairs shall prioritize projects that are ready to be financed or refinanced and that are most consistent with the purpose of this ~~article~~ ARTICLE 59.7 described in section 11-59.7-102 (1)(b). The commission on higher education and the department of local affairs shall allocate the recovery zone economic development bond volume cap and the recovery zone facility bond volume cap in a manner consistent with federal law and the purpose of this ~~article~~ ARTICLE 59.7 described in section 11-59.7-102 (1)(b) to minimize the volume cap that has not been used on bonds issued or one or more ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into at the expiration of the recovery zone economic development bond program or the recovery zone facility bond program, as applicable, under federal law. Any county or large municipality to which the recovery zone economic development bond volume cap or recovery zone facility bond volume cap has been allocated pursuant to this section may, at any time, relinquish the volume cap to the commission on higher education or, in the circumstances described in subsection (5) of this section, the department of local affairs. Any volume cap relinquished may be reallocated by the commission on higher education to any public entity for the purpose of financing or refinancing a project that is located in a recovery zone, has been approved by the commission, and either is or is to be owned or used by one or more public institutions of higher education or is expected to increase economic development in the vicinity

of a facility that is or is to be owned or used by one or more public institutions of higher education in a manner that is complementary to the use of such higher education facility, may be carried forward to the next calendar year, or, if the circumstances described in subsection (5) of this section apply, may be reallocated by the department of local affairs for the purpose of financing or refinancing any project that is located in a recovery zone and that qualifies for financing or refinancing with recovery zone economic development bonds or recovery zone facility bonds, as applicable. The commission on higher education and the department of local affairs may promulgate rules in accordance with article 4 of title 24 ~~C.R.S.,~~ regarding the manner in which the recovery zone economic development bond volume cap and the recovery zone facility bond volume cap that they are respectively responsible for allocating pursuant to this section will be allocated.

**SECTION 7.** In Colorado Revised Statutes, 11-59.7-109, **amend** (2), (3), and (4) as follows:

**11-59.7-109. Qualified zone academy bond volume cap.** (2) Any portion of the qualified zone academy bond volume cap for a calendar year that is allocated to a school district pursuant to subsection (1) of this section and that has not been used on bonds issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into or for which a contract to purchase bonds or instruments evidencing interests in a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement has not been entered into on or before November 10 of the calendar year shall, on November 11 of the calendar year, automatically revert to the public school capital construction assistance board. If a contract to

purchase has been entered into on or before November 10 of the calendar year but the related bonds or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement is not issued or entered into on or before November 30 of the calendar year, the volume cap shall automatically revert to the public school capital construction assistance board on December 1 of the calendar year. The public school capital construction assistance board may reallocate to any school district for the purpose of financing or refinancing a project approved by the board any volume cap that reverts to the board pursuant to this subsection (2) or may carry the volume cap forward pursuant to subsection (3) of this section. Any volume cap that is reallocated to a school district pursuant to this subsection (2) that has not been used on bonds issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by noon, prevailing Denver time, on December 31 of a calendar year shall, at 12:01 p.m., prevailing Denver time, on December 31 of the calendar year, automatically revert to the public school capital construction assistance board.

(3) The public school capital construction assistance board shall carry forward to the next calendar year any portion of the qualified zone academy bond volume cap that has not been used on bonds issued or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by the end of a calendar year.

(4) In selecting projects for the purpose of allocating the qualified zone academy bond volume cap, the public school capital construction assistance board shall prioritize projects that are ready to be financed or refinanced and that are most consistent with the purpose of this ~~article~~ ARTICLE 59.7 described in section 11-59.7-102 (1)(b). The public school

capital construction assistance board shall allocate the qualified zone academy bond volume cap in a manner consistent with federal law and the purpose of this ~~article~~ ARTICLE 59.7 described in section 11-59.7-102 (1)(b) to minimize the qualified zone academy bond volume cap that has not been used on bonds issued or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into by the expiration of the qualified zone academy bond program. Any school district to which the qualified zone academy bond volume cap has been allocated pursuant to this section may, at any time, relinquish the volume cap to the public school capital construction assistance board. Any volume cap relinquished may be reallocated by the public school capital construction assistance board to a school district to finance or refinance a project approved by the board or may be carried forward to the next calendar year. The public school capital construction assistance board may promulgate rules in accordance with article 4 of title 24 ~~C.R.S.~~, regarding the manner in which the qualified zone academy bond volume cap will be allocated.

**SECTION 8.** In Colorado Revised Statutes, 11-59.7-110, **amend** (2)(e), (3)(a), (6), and (7) as follows:

**11-59.7-110. Recovery and reinvestment act finance authorities.** (2) The contract pursuant to which a recovery and reinvestment act finance authority is created shall specify:

(e) The term of the contract creating the authority, which may be continued for a definite term or until rescinded or terminated, and the method, if any, by which it may be rescinded or terminated; except that the contract may not be rescinded or terminated so long as the authority has bonds or one or more ~~lease-purchase~~ FINANCED PURCHASE OF AN

ASSET OR CERTIFICATE OF PARTICIPATION agreements outstanding unless provision for full payment of the bonds or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or agreements, by escrow or otherwise, has been made pursuant to the terms of the bonds or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or agreements;

(3) The general powers of a recovery and reinvestment finance authority shall include the following powers:

(a) To issue or enter into bonds and ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements that qualify as the type or types of stimulus obligations identified in the contract;

(6) The contracting public entities may provide in the contract creating a recovery and reinvestment act financing authority for payment to the authority of ~~moneys~~ MONEY from any legally available source to be used for payment of the bonds, ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements, and contractual and other obligations and liabilities of the authority.

(7) (a) To carry out the purposes for which a recovery and reinvestment act finance authority was created, the authority may issue bonds and enter into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements payable solely from amounts paid to the authority from the contracting public entities, amounts paid to the authority by other persons, and any other available ~~moneys~~ MONEY of the authority. The terms, conditions, and details of the bonds or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements and the procedures related thereto shall be set

forth in the stimulus obligation documents authorizing the bonds or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements. The terms, conditions, and details of the bonds or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements shall, as nearly as may be practicable and subject to the provisions of sections 11-59.7-104 and 11-59.7-105, be substantially the same as those provided in part 6 of article 4 of title 43 ~~C.R.S.,~~ relating to regional transportation authorities. Bonds or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements issued or entered into under this subsection (7) shall not constitute a debt of a recovery and reinvestment act finance authority or a debt or multiple-fiscal year financial obligation of the state or any of the contracting public entities within the meaning of any constitutional or statutory limitations or provisions. Each bond or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement issued or entered into under this subsection (7) shall recite in substance that the bond or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, including the interest thereon, is payable solely from the revenues and other available funds of the recovery and reinvestment act finance authority pledged for the payment thereof and that the bond or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement does not constitute a debt of the authority or a debt or multiple-fiscal year financial obligation of the state or any of the contracting public entities within the meaning of any constitutional or statutory limitations or provisions.

(b) The stimulus obligation documents under which bonds are

issued or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements are entered into pursuant to ~~paragraph (a) of this subsection (7)~~ SUBSECTION (7)(a) OF THIS SECTION shall constitute a contract with the holders thereof and may contain such provisions as are determined by the board of the recovery and reinvestment act finance authority to be appropriate and necessary in connection therewith and to provide security for the payment thereof, including, without limitation, any mortgage or other security interest in any revenues, funds, rights, or properties of the authority.

**SECTION 9.** In Colorado Revised Statutes, 13-32-101, **amend** (7)(a) and (7)(c) as follows:

**13-32-101. Docket fees in civil actions - judicial stabilization cash fund - justice center cash fund - justice center maintenance fund - created - legislative declaration - report.** (7) (a) There is hereby created in the state treasury the justice center cash fund, referred to in this subsection (7) as the "fund", that shall consist of all fees required by law to be deposited in the fund and any lease payments received by the judicial department from agencies occupying the state justice center. The ~~moneys~~ MONEY in the fund shall be subject to annual appropriation by the general assembly for the expenses related to the design, construction, maintenance, operation, and interim accommodations for the state justice center, including but not limited to payments on any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to the provisions of section 2 of Senate Bill 08-206, as enacted at the second regular session of the sixty-sixth general assembly, collectively referred to in this subsection (7) as ~~"lease-purchase~~ "FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF

PARTICIPATION agreements". Any ~~moneys~~ MONEY in the fund not expended for the purpose of this subsection (7) may be invested by the state treasurer as provided in section 24-36-113. ~~C.R.S.~~ All interest and income derived from the investment and deposit of ~~moneys~~ MONEY in the fund shall be credited to the fund. Any unexpended and unencumbered ~~moneys~~ MONEY remaining in the fund at the end of any fiscal year shall remain in the fund and shall not be credited or transferred to the general fund or any other fund.

(c) (I) For the fiscal year commencing July 1, 2014, and each fiscal year thereafter so long as there are any payments due under any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements, the executive director of the department of personnel shall calculate the net savings to the state by locating the department of law and any other executive branch agency in the new state justice center.

(II) For the fiscal year commencing July 1, 2014, and each year thereafter so long as there are payments due on any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements, the general assembly shall appropriate from the general fund to the fund the amount of savings calculated by the executive director of the department of personnel pursuant to ~~subparagraph (I) of this paragraph (c)~~ SUBSECTION (7)(c)(I) OF THIS SECTION. Any ~~moneys~~ MONEY received in the fund pursuant to this ~~paragraph (c)~~ SUBSECTION (7)(c) shall be used to prepay any obligations due pursuant to any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement.

**SECTION 10.** In Colorado Revised Statutes, 17-24-106, **amend**

the introductory portion and (1)(f)(II) as follows:

**17-24-106. General powers of the division.** (1) In addition to any other powers granted to the division by this ~~article~~ ARTICLE 24, the division shall have the following powers:

(f) (II) To sell such goods to ~~lessors~~ ENTITIES who have entered into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements with any public entity enumerated in ~~subparagraph (I) of this paragraph (f)~~ SUBSECTION (1)(f)(I) OF THIS SECTION pursuant to which such goods are ~~leased to and~~ used by such public entity;

**SECTION 11.** In Colorado Revised Statutes, 17-24-111, **amend** (1)(a) as follows:

**17-24-111. Purchasing requirement.** (1) (a) The director is hereby authorized to develop programs that produce goods and services, including capital construction items, which are used by agencies financed in whole or in part by the state, any political subdivision thereof, or the federal government and to develop programs that produce goods, including capital construction items, which are used by public entities involved in ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements as provided in section 17-24-106 (1)(f)(II). The director shall also develop programs to market goods and services to distributor networks, nonprofit organizations, private sector retailers, and the general public. The state and its institutions, agencies, and departments may purchase through the department of personnel or purchasing agency authorized by section 24-102-302 (2) such goods and services as are produced by the division, unless similar goods and services can be obtained at or below the amount

1 established for small purchases which are exempt from the
2 invitation-for-bids requirements of the "Procurement Code" contained in
3 part 2 of article 103 of title 24. Goods and services produced by the
4 division shall be provided at a price comparable to the current market
5 price for similar goods and services. State agencies may purchase goods
6 and services from sources other than the division; except that office
7 furniture and office systems shall be purchased from the division. Printing
8 services shall be purchased from the division unless a state agency
9 operates its own printing operation. If the division is not able to provide
10 its goods or services at a price or level of quality which is comparable to
11 that provided by the private sector or provide them in a timely manner,
12 which price, level of quality, or timeliness is determined by the
13 department of personnel, the department of personnel shall make a
14 certification to that effect, and the state agency purchasing such goods or
15 services shall not be required to purchase them from the division.
16 **SECTION 12.** In Colorado Revised Statutes, 22-32-108.5,
17 **amend** (2)(a) as follows:
18 **22-32-108.5. Board of education - distribution of additional**
19 **mill levy revenue - definitions - legislative declaration.** (2) As used in
20 this section, unless the context otherwise requires:
21 (a) "Additional mill levy revenue" means the amount of property
22 tax revenue that a school district collects from mills that are authorized
23 by voters before, on, or after June 2, 2017, and that a school district levies
24 in addition to the school district's total program mill levy established in
25 section 22-54-106 (2) or (2.1), whichever is applicable, not including
26 mills that a school district may levy for purposes of incurring or repaying
27 bonded indebtedness or for paying amounts due pursuant to installment

sales agreements, ~~or lease-purchase~~ FINANCED PURCHASE OF AN ASSET AGREEMENTS, OR CERTIFICATE OF PARTICIPATION agreements entered into as of June 2, 2017, for which additional mill levy revenue was contractually committed as of June 2, 2017.

**SECTION 13.** In Colorado Revised Statutes, 22-32-127, **amend** (4) as follows:

**22-32-127. Leases or installment purchases for periods exceeding one year.** (4) The principal amount of any indebtedness incurred by a school district by means of installment purchase, ~~or lease-purchase~~ FINANCED PURCHASE OF AN ASSET, OR CERTIFICATE OF PARTICIPATION, or ~~sublease-purchase~~ SUB-FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements having terms of more than one year shall be subject to the limitation imposed by law on the amount of bonded indebtedness that may be incurred by a school district.

**SECTION 14.** In Colorado Revised Statutes, 22-43.7-102, **amend** (2)(b), (2)(c), and (2)(d) as follows:

**22-43.7-102. Legislative findings and declarations.** (2) The general assembly further finds and declares that:

(b) It is necessary and appropriate for the state to build excellent schools today by assisting school districts, boards of cooperative services, and charter schools in completing needed public school facility capital construction projects more quickly by:

(I) Entering into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements for the purpose of financing such projects; and

(II) Subject to the annual appropriation of such ~~moneys~~ MONEY by

the general assembly, using a portion of the rental income and royalties derived from state school lands and, unless and until the state treasurer, pursuant to section 22-43.7-104 (2)(b)(I)(B), provides written notice to the joint budget committee of the general assembly that the state treasurer has determined that the use of interest or income earned on the deposit and investment of ~~moneys~~ MONEY in the public school fund to make lease payments under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to section 22-43.7-110 (2) will prevent the interest component of the ~~lease~~ payments from qualifying for exemption from federal income taxation and at any time after the state treasurer, pursuant to section 22-43.7-104 (2)(b)(I)(C), has rescinded any such determination, interest, and other income, other than land sale proceeds, derived from state school lands, as well as certain other available state ~~moneys~~ MONEY and matching ~~moneys~~ MONEY provided by school districts, boards of cooperative services, and charter schools, to make ~~lease~~ payments payable under the terms of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements.

(c) It is also necessary and appropriate for the state to use a portion of such rental income and royalties and, unless and until the state treasurer, pursuant to section 22-43.7-104 (2)(b)(I)(B), provides written notice to the joint budget committee of the general assembly that the state treasurer has determined that the use of interest or income earned on the deposit and investment of ~~moneys~~ MONEY in the public school fund to make ~~lease~~ payments under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to section 22-43.7-110 (2) will prevent the interest component of the ~~lease~~

payments from qualifying for exemption from federal income taxation and at any time after the state treasurer, pursuant to section 22-43.7-104 (2)(b)(I)(C), has rescinded any such determination, interest and other income, as well as certain other available state ~~moneys~~ MONEY to continue to provide financial assistance to school districts, boards of cooperative services, and charter schools in the form of cash funding for school renovation and controlled maintenance projects.

(d) In accordance with the decision of the Colorado court of appeals in the case denominated *Colorado Criminal Justice Reform Coalition v. Ortiz*, Case No. 04 CA 0879 (April 7, 2005), the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements to be entered into by the state pursuant to this ~~article~~ ARTICLE 43.7 do not constitute a multiple-fiscal year direct or indirect district debt or other financial obligation whatsoever for purposes of section 20 (4)(a) of article X of the state constitution.

**SECTION 15.** In Colorado Revised Statutes, 22-43.7-104, **amend** (2)(b) introductory portion, (2)(b)(I), (2)(b)(II), (2)(b)(IV), (3.5), (4), (5), and (6) as follows:

**22-43.7-104. Public school capital construction assistance fund - creation - crediting of money to fund - use of fund - emergency reserve - creation - reserve account - creation and use.** (2) (b) For each fiscal year commencing on or after July 1, 2008, the following ~~moneys~~ MONEY shall be credited to the assistance fund:

(I) (A) Unless and until the state treasurer, pursuant to ~~sub-subparagraph (B) of this subparagraph (I)~~ SUBSECTION (2)(b)(I)(B) OF THIS SECTION, provides written notice to the joint budget committee of the general assembly that the state treasurer has determined that the use

of interest or income earned on the deposit and investment of ~~moneys~~ MONEY in the public school fund to make ~~lease~~ payments under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to section 22-43.7-110 (2) will prevent the interest component of the ~~lease~~ payments from qualifying for exemption from federal income taxation, the greater of thirty-five percent of the gross amount of public school lands income received during the fiscal year or forty million dollars. The ~~moneys~~ MONEY required to be credited to the assistance fund pursuant to this ~~sub-subparagraph (A)~~ SUBSECTION (2)(b)(I)(A) may be taken from any single source or combination of sources of public school lands income.

(B) Except as otherwise provided in ~~sub-subparagraph (C) of this subparagraph (I)~~ SUBSECTION (2)(b)(I)(C) OF THIS SECTION, if the state treasurer determines during any fiscal year that the use of interest or income earned on the deposit and investment of ~~moneys~~ MONEY in the public school fund to make ~~lease~~ payments under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement will prevent the interest component of the ~~lease~~ payments from qualifying for exemption from federal income taxation and provides written notice to the joint budget committee of the general assembly of the determination, for the portion of the fiscal year beginning on the date the written notice is provided to the joint budget committee and for each subsequent fiscal year, the greater of fifty percent of the gross amount of public school lands income other than interest or income earned on the deposit and investment of ~~moneys~~ MONEY in the public school fund received during the fiscal year or forty million dollars. The ~~moneys~~ MONEY required to be credited to the assistance fund pursuant to this

~~sub-subparagraph (B)~~ SUBSECTION (2)(b)(I)(B) may be taken from any single source or combination of sources of public school lands income other than interest or income earned on the deposit and investment of ~~moneys~~ MONEY in the public school fund.

(C) If, after making a determination and providing notice pursuant to ~~sub-subparagraph (B) of this subparagraph (I)~~ SUBSECTION (2)(b)(I)(B) OF THIS SECTION, the state treasurer makes a new determination during any fiscal year that the use of interest or income earned on the deposit and investment of ~~moneys~~ MONEY in the public school fund to make ~~lease~~ payments under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to section 22-43.7-110 (2) will not prevent the interest component of the ~~lease~~ payments from qualifying for exemption from federal income taxation and the state treasurer provides written notice to the joint budget committee of the general assembly that the state treasurer has made a new determination and is rescinding the determination made pursuant to ~~said sub-subparagraph (B)~~ SUBSECTION (2)(b)(I)(B) OF THIS SECTION as of the date the written notice is provided, for the portion of the fiscal year beginning on the date the written notice is provided to the joint budget committee and for each subsequent fiscal year, the greater of thirty-five percent of the gross amount of public school lands income received during the fiscal year or forty million dollars. The ~~moneys~~ MONEY required to be credited to the assistance fund pursuant to this ~~sub-subparagraph (C)~~ SUBSECTION (2)(b)(I)(C) may be taken from any single source or combination of sources of public school lands income.

(II) The net proceeds made available to the state from the sale of instruments evidencing rights to receive ~~lease~~ payments made and to be

made under the terms of any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to section 22-43.7-110 (2), unless otherwise required by the documents pursuant to which the instruments are issued;

(IV) Matching ~~moneys~~ MONEY paid to the state for use by the state in making scheduled payments payable by the state under the terms of ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to section 22-43.7-110 (2);

(3.5) In determining the amount of financial assistance that it provides and in so doing managing the balance of the assistance fund, the board shall ensure that, effective June 30, 2013, and effective each June 30 thereafter, the balance of the assistance fund, not including the amounts credited to the charter school facilities assistance account pursuant to ~~paragraph (d) of subsection (2)~~ SUBSECTION (2)(d) of this section, is at least equal to the total amount of payments to be made by the state during the next fiscal year under the terms of any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to section 22-43.7-110 (2) less the amount of any school district matching ~~moneys~~ MONEY and any federal ~~moneys~~ MONEY to be received for the purpose of making the payments.

(4) For each fiscal year commencing on or after July 1, 2008, an emergency reserve of at least one million dollars shall be maintained in the assistance fund; except that an emergency reserve need not be maintained in any fiscal year in which the amount of either public school lands income or public school lands income other than interest or income earned on the deposit and investment of ~~moneys~~ MONEY in the public

school fund, or both, credited to the assistance fund pursuant to ~~subparagraph (I) of paragraph (b) of subsection (2)~~ SUBSECTION (2)(b)(I) of this section is an amount equal to the difference between the total amount of ~~lease~~ payments to be made by the state under the terms of ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to section 22-43.7-110 (2) and the total amount of matching ~~moneys~~ MONEY to be paid to the state as ~~lease~~ payments under the terms of ~~sublease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to section 22-43.7-110 (2) rather than, to the extent applicable, thirty-five percent of the gross amount of public school lands income received by the state during the fiscal year or fifty percent of the gross amount of public school lands income other than interest or income earned on the deposit and investment of ~~moneys~~ MONEY in the public school fund received by the state during the fiscal year. The board may expend ~~moneys~~ MONEY from the emergency reserve only to provide emergency financial assistance to address a public school facility emergency in accordance with section 22-43.7-109 (8).

(5) If the state treasurer, pursuant to ~~sub-subparagraph (B) of subparagraph (I) of paragraph (b) of subsection (2)~~ SUBSECTION (2)(b)(I)(B) of this section, provides written notice to the joint budget committee of the general assembly that the state treasurer has determined that the use of interest or income earned on the deposit and investment of ~~moneys~~ MONEY in the public school fund to make ~~lease~~ payments under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to section 22-43.7-110 (2) will prevent the interest component of the ~~lease~~ payments from

qualifying for exemption from federal income taxation, any such interest or income credited to the assistance fund before the treasurer provides the written notice shall be segregated into a separate restricted account of the assistance fund. All interest and income earned on the deposit and investment of ~~moneys~~ MONEY in the restricted account shall be credited to the restricted account. ~~Moneys~~ MONEY in the restricted account shall not be commingled with other ~~moneys~~ MONEY in the assistance fund. Notwithstanding any other provision of law, ~~moneys~~ MONEY in the restricted account shall not be used and shall not be available to pay ~~lease~~ payments under any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to section 22-43.7-110 (2) unless and until the state treasurer, pursuant to ~~sub-subparagraph (C) of subparagraph (I) of paragraph (b) of subsection (2)~~ SUBSECTION (2)(b)(I)(C) of this section, provides written notice to the joint budget committee of the general assembly that the state treasurer is rescinding the determination made pursuant to ~~sub-subparagraph (B) of said subparagraph (I)~~ SUBSECTION (2)(b)(I)(B) OF THIS SECTION as of the date the written notice is provided. ~~Moneys~~ MONEY in the restricted account may be used for the other purposes for which ~~moneys~~ MONEY in the assistance fund may be used under this ~~article~~ ARTICLE 43.7.

(6) If the amount of ~~moneys~~ MONEY in the assistance fund that, subject to the limitations set forth in subsection (5) of this section, is available to pay ~~lease~~ payments under any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to section 22-43.7-110 (2) will be insufficient to cover the full amount of the ~~lease~~ payments required by the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF

PARTICIPATION agreements, the general assembly may appropriate or transfer from any legally available source to the assistance fund sufficient ~~moneys~~ MONEY to make the ~~lease~~ payments.

**SECTION 16.** In Colorado Revised Statutes, 22-43.7-106, **amend** (2) introductory portion, (2)(g), and (2)(h) as follows:

**22-43.7-106. Public school capital construction assistance board - creation - general powers and duties - rules.** (2) The function of the board is to protect the health and safety of students, teachers, and other persons using public school facilities and maximize student achievement by ensuring that the condition and capacity of public school facilities are sufficient to provide a safe and uncrowded environment that is conducive to students' learning. In performing its function, the board shall ensure the most equitable, efficient, and effective use of state revenues dedicated to provide financial assistance for capital construction projects pursuant to the provisions of this ~~article~~ ARTICLE 43.7 by assessing public school capital construction needs throughout the state and providing expert recommendations based on objective criteria to the state board regarding the appropriate prioritization and allocation of such financial assistance. To further the performance of its function, the board, in addition to any other powers and duties specified in this ~~article~~ ARTICLE 43.7, has the following powers and duties:

(g) To authorize the state treasurer to enter into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements on behalf of the state as authorized by this ~~article~~ ARTICLE 43.7 in order to finance public school facility capital construction;

(h) To enter into ~~sublease-purchase~~ SUB-FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements on behalf of the

state to ~~sublease~~ SUB-FINANCE public school facilities financed by the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements to applicants; and

**SECTION 17.** In Colorado Revised Statutes, 22-43.7-109, **amend** (1) introductory portion, (1)(a), (3), (4)(f), (7), (9) introductory portion, (9)(a)(VII), and (9)(b)(VII) as follows:

**22-43.7-109. Financial assistance for public school capital construction - application requirements - evaluation criteria - local match requirements - technology grants - career and technical education capital construction grants - rules - definition.** (1) For fiscal years commencing on or after July 1, 2008, the board, with the support of the division and subject to the approval of the state board and, in the case of financial assistance that involves ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements, subject to both the preliminary approval of the state board and the final approval of the capital development committee, regarding financial assistance awards as specified in this section, shall provide financial assistance as specified in this section subject to the following limitations:

(a) The board may only provide financial assistance for a capital construction project for a public school facility that the applicant owns or will have the right to own in the future under the terms of a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement with the owner of the facility or a ~~sublease-purchase~~ SUB-FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement with the state entered into pursuant to section 22-43.7-110 (2).

(3) A charter school that chooses to apply for financial assistance

must apply directly to the board. A charter school shall notify its authorizer if the charter school applies for financial assistance. The authorizer for an applying charter school may submit a letter to the board stating its position on the application. The Colorado school for the deaf and blind shall also apply for financial assistance directly. Financial assistance awarded to a charter school as a matching cash grant shall be provided to the authorizer, which shall distribute all financial assistance received as a grant to the charter school and may not retain any portion of such ~~moneys~~ MONEY for any purpose. All other financial assistance shall be provided in the form of ~~lease~~ payments made by the board directly to a lessor or trustee as required by the terms of the applicable ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement.

(4) Applications for financial assistance submitted to the board must be in a form prescribed by the board and must include:

(f) A statement regarding the means by which the applicant intends to provide matching money required for the projects, including but not limited to means such as voter-approved multiple-fiscal year debt or other financial obligations; utility cost savings associated with any utility costs-savings contract, as defined in section 24-30-2001 (6); gifts, grants, donations, a loan obtained pursuant to section 22-43.7-110.5, or any other means of financing permitted by law; or the intent of the applicant to seek a waiver of the matching money requirement pursuant to subsection (10) of this section. If an applicant that is a school district or a board of cooperative services with a participating school district intends to raise matching money by obtaining voter approval to enter into a ~~sublease-purchase~~ SUB-FINANCED PURCHASE OF AN ASSET OR

CERTIFICATE OF PARTICIPATION agreement that constitutes an indebtedness of the district as authorized by section 22-32-127, it shall indicate whether it has received the required voter approval or, if the election has not already been held, the anticipated date of the election.

(7) (a) Pursuant to the timelines established pursuant to subsection (2) of this section for any fiscal year for which financial assistance is to be awarded, and after prioritizing public school facility capital construction projects as specified in subsection (5) of this section, the board shall submit to the state board a prioritized list of projects for which the board recommends the provision of financial assistance. The prioritized list must include the board's recommendation as to the amount and type of financial assistance to be provided and a statement of the source and amount of applicant matching ~~moneys~~ MONEY for each recommended project based upon information provided by the applicant. The board may recommend that any specific project only receive financial assistance if another higher priority project or group of projects becomes ineligible for financial assistance due to the inability of an applicant to raise required matching ~~moneys~~ MONEY by a deadline prescribed by the board as a condition of a financial assistance award for the higher priority project or group of projects. If an applicant is approved for an award of financial assistance as an alternate award recipient and the applicant successfully raises required matching ~~moneys~~ MONEY through voter-approval of a ballot question for contracting bonded indebtedness but does not actually receive financial assistance because all primary award recipients or higher priority alternate award recipients also successfully raised required matching ~~moneys~~ MONEY, the alternate award recipient may resubmit its application for financial assistance as

previously approved during the next application cycle. If the board, in consultation with the state treasurer, determines that the combination of matching ~~moneys~~ MONEY raised by the alternate award recipient, plus either unspent proceeds from completed ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements or ~~moneys~~ MONEY to be raised through entry into an additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement that the state has the capacity to execute, or both, are sufficient to fund the applicant's project, the board may award financial assistance to the applicant and, if necessary, order the state treasurer to enter into a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement on behalf of the state. The state board shall review and make decisions regarding the prioritized list no later than June 20 of each year and may approve, disapprove, or modify the provision of financial assistance for any project recommended by the board if the state board concludes that the board misinterpreted the results of the prioritization assessment conducted pursuant to section 22-43.7-108 or misapplied the prioritization criteria specified in subsection (5) of this section. The state board shall specifically explain in writing its reasons for finding that the board misinterpreted the results of the priority assessment or misapplied the prioritization criteria when disapproving or modifying any financial assistance award recommended by the board.

(b) No later than June 25 of each year, the state board shall submit to the capital development committee a revised prioritized list that includes only those projects for which the state board is recommending awards of financial assistance that involve ~~lease-purchase~~ FINANCED

PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements. The state board shall submit with the list the information regarding the details of the financing of the listed projects that the board submitted to the state board as required by ~~paragraph (a) of this subsection (7)~~ SUBSECTION (7)(a) OF THIS SECTION. No later than July 15 of each year, the capital development committee may approve the list or may disapprove the list if the committee concludes that the inclusion of one or more of the projects on the list will unreasonably increase the cost of providing financial assistance that involves ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements for all of the projects on the list. If the capital development committee does not approve or disapprove the list by July 15, it is deemed to have approved the list as submitted.

(c) If the capital development committee disapproves the revised prioritized list, it shall provide its reasons for doing so in writing to the board no later than July 20. No later than August 1, the board may resubmit the list with modifications or additional information, or both, that address the committee's concerns. No later than August 15, the capital development committee may approve the entire resubmitted list or may disapprove one or more projects on the resubmitted list if the committee again concludes that the inclusion of the project or projects will unreasonably increase the cost of providing financial assistance that involves ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements for all of the projects on the list. If the capital development committee disapproves a project on the resubmitted list, the project shall not receive financial assistance that involves ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR

CERTIFICATE OF PARTICIPATION agreements, and the remaining projects on the resubmitted list shall receive such financial assistance as recommended by the state board. If the capital development committee does not approve or disapprove the resubmitted list by August 15, it is deemed to have approved the list as resubmitted.

(9) Except as otherwise provided in subsection (10) of this section, the board may recommend, and the state board may approve financial assistance that does not involve a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement for or recommend to the capital development committee the approval of financial assistance that involves a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement for a public school facility capital construction project only if the applicant provides matching ~~moneys~~ MONEY in an amount equal to a percentage of the total financing for the project determined by the board after consideration of the applicant's financial capacity, as determined by the following factors:

(a) With respect to a school district's application for financial assistance:

(VII) The amount of effort put forth by the school district to obtain voter approval for a ballot question for bonded indebtedness, including but not limited to a ballot question for entry by the district into a ~~sublease-purchase~~ SUB-FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement of the type that constitutes an indebtedness of the district pursuant to section 22-32-127, during the ten years preceding the year in which the district submitted the application, which factor may be used only to reduce the percentage of matching ~~moneys~~ MONEY required from a district that has put forth such effort and

not to increase the amount of matching ~~moneys~~ MONEY required from any district;

(b) With respect to a board of cooperative services' application for financial assistance:

(VII) The amount of effort put forth by the members of the board of cooperative services to obtain voter approval for a ballot question for bonded indebtedness, including but not limited to a ballot question for entry by any member into a ~~sublease-purchase~~ SUB-FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement of the type that constitutes an indebtedness of the member pursuant to section 22-32-127, during the ten years preceding the year in which the board of cooperative services submitted the application. This factor may be used only to reduce the percentage of matching ~~moneys~~ MONEY required from a board of cooperative services if one or more of its members have put forth such effort and may not be used to increase the amount of matching ~~moneys~~ MONEY required from any board of cooperative services.

**SECTION 18.** In Colorado Revised Statutes, 22-43.7-110, **amend** (2) introductory portion, (2)(a) introductory portion, (2)(b)(I), (2)(c), (2)(d), (2)(e), (2)(f), (2)(g), and (2)(h) as follows:

**22-43.7-110. Financial assistance - grants - financed purchase of an asset agreements.** (2) Subject to the following requirements and limitations, the board may also instruct the state treasurer to enter into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements on behalf of the state to provide financial assistance to applicants by financing public school facility capital construction projects for which the state board has recommended and the capital development committee has authorized the provision of financial

assistance that involves a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement pursuant to section 22-43.7-109 (7):

(a) Subject to the limitation specified in subsection (2)(b) of this section, the maximum total amount of annual ~~lease~~ payments payable by the state during any fiscal year under the terms of all outstanding ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into by the state treasurer as instructed by the board pursuant to this subsection (2) is:

(b) (I) The state treasurer may enter into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements for which the aggregate annual ~~lease~~ payments of principal or interest for any fiscal year exceed one-half of the maximum total amount of annual ~~lease~~ payments permitted for the fiscal year pursuant to ~~paragraph (a) of this subsection (2)~~ SUBSECTION (2)(a) OF THIS SECTION only if the aggregate amount of matching ~~moneys~~ MONEY expected to be credited to the assistance fund pursuant to ~~paragraph (c) of this subsection (2)~~ SUBSECTION (2)(c) OF THIS SECTION and section 22-43.7-104 (2)(b)(IV) and any interest or income derived from the deposit and investment of the matching ~~moneys~~ MONEY is at least equal to the annual ~~lease~~ payments of principal and interest that exceed one-half of said maximum total amount.

(c) Whenever the state treasurer enters into a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement on behalf of the state pursuant to this subsection (2) to finance a public school facility, the board shall enter into a ~~sublease-purchase~~ SUB-FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement for the facility on behalf of the state with the applicant that

will use the facility. The ~~sublease-purchase~~ SUB-FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement shall require the applicant to perform for the state all duties of the state to maintain and operate the public school facility that are required by the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement and to make periodic rental payments to the state, which payments shall be credited to the assistance fund as matching ~~moneys~~ MONEY of the applicant. The ~~sublease-purchase~~ SUB-FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement shall also provide for the transfer of ownership of the public school facility from the state to the applicant upon the fulfillment of both the state's obligations under the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement and the applicant's obligations under the ~~sublease-purchase~~ SUB-FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement. A ~~sublease-purchase~~ SUB-FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement may provide that the legal obligation of an applicant to make periodic rental payments is subject to the annual appropriation of ~~moneys~~ MONEY for that purpose by the applicant if the absence of such a provision would create a district multiple-year fiscal obligation without voter approval in advance in violation of section 20 (4)(b) of article X of the state constitution.

(d) A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by the state treasurer on behalf of the state pursuant to this subsection (2) shall provide that all payment obligations of the state under the agreement are subject to annual appropriation by the general assembly and that

obligations shall not be deemed or construed as creating an indebtedness of the state within the meaning of any provision of the state constitution or the laws of the state concerning or limiting the creation of indebtedness by the state.

(e) A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by the state treasurer on behalf of the state pursuant to this subsection (2) may contain such terms, provisions, and conditions as the state treasurer may deem appropriate. The provisions shall allow the state to receive title to the real and personal property that is the subject of the agreement on or prior to the expiration of the entire term of the agreement, including all optional renewal terms. Such a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement may further provide for the issuance, distribution, and sale of instruments evidencing rights to receive rentals and other payments made and to be made under the agreement. Such instruments shall not be notes, bonds, or any other evidence of indebtedness of the state within the meaning of any provision of the state constitution or the laws of the state concerning or limiting the creation of indebtedness by the state. Interest paid under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, including interest represented by such instruments, shall be exempt from Colorado income tax.

(f) The board may only enter into a ~~sublease-purchase~~ SUB-FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement on behalf of the state pursuant to this subsection (2) if the state treasurer has reviewed the agreement and provided written authorization to the board to enter into the agreement.

(g) If the state treasurer deems it to be necessary or advisable, the state treasurer may enter into a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement on behalf of the state for only a portion of a public school facility for which financial assistance is being provided or for all or a portion of a different public school facility or other property of a school district.

(h) Notwithstanding the authority of the board to instruct the state treasurer to enter into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements on behalf of the state, in order to ensure that ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements are entered into under favorable financial market conditions, the state treasurer shall have sole discretion to determine the timing of the state treasurer's entry into any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement on behalf of the state pursuant to this subsection (2).

**SECTION 19.** In Colorado Revised Statutes, 22-43.7-110.5, **amend** (2)(b), (4)(b), and (4)(c) as follows:

**22-43.7-110.5. Charter school matching money loan program - rules - definitions.** (2) (b) The board shall direct the state treasurer to include the amount of a loan approved pursuant to this section in the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to section 22-43.7-110 (2) to provide financial assistance to the eligible charter school for which the loan is approved.

(4) To receive a loan through the loan program, an eligible charter school shall:

(b) Pay an interest rate on the loan that is equal to the interest rate paid by the state treasurer on the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to section 22-43.7-110 to provide financial assistance to the eligible charter school for which the loan is approved;

(c) Amortize the loan payments over the same period in years as the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to section 22-43.7-110 to provide financial assistance to the eligible charter school for which the loan is approved; except that the eligible charter school may pay the full amount of the loan early without incurring a prepayment penalty; and

**SECTION 20.** In Colorado Revised Statutes, 22-43.7-111, **amend** (1)(a)(I), (1)(a)(II), and (1)(e) as follows:

**22-43.7-111. Reporting requirements - auditing by state auditor.** (1) Notwithstanding section 24-1-136 (11)(a)(I), no later than February 15, 2010, and no later than each February 15 thereafter, the board shall present a written report to the education and finance committees of the house of representatives and the senate and the capital development committee, or any successor committees, regarding the provision of financial assistance to applicants pursuant to this article 43.7. The report must include, at a minimum:

(a) An accounting of the financial assistance provided through the prior fiscal year that includes:

(I) A statement of the aggregate amount of financial assistance awarded through the prior fiscal year, including statements of the amount of grants provided, and the amount of payments made and payments committed to be made but not yet made in connection with ~~lease-purchase~~

FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements;

(II) A statement of the aggregate amount of financial assistance provided as grants and the aggregate amount of payments made in connection with ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements during the prior fiscal year;

(e) An estimate, to the extent feasible, of the total amounts of revenues to be credited to the assistance fund during the current fiscal year and the next fiscal year and financial assistance to be awarded during the next fiscal year, including separate estimates of the total amounts of financial assistance to be awarded as cash grants and under the terms of ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to section 22-43.7-110 (2).

**SECTION 21.** In Colorado Revised Statutes, 22-44-105, **amend** (1)(c.5) as follows:

**22-44-105. Budget - contents - mandatory.** (1) The budget shall be presented in the standard budget report format established by the state board of education by rule pursuant to subsection (5) of this section. The standard budget report format established by the state board shall be substantially consistent from year to year and shall adhere to the following guidelines:

(c.5) The budget shall ensure that the school district holds unrestricted general fund or cash fund emergency reserves in the amount required under the provisions of section 20 (5) of article X of the state constitution; except that, if a board of education provides for a district emergency reserve in the general fund for the budget year, established at

1 an amount equal to at least three percent of the amount budgeted to the
2 general fund, the board may:
3 (I) Designate real property owned by the district as all or a portion
4 of the reserve required by section 20 (5) of article X of the state
5 constitution so long as the board has filed with the state treasurer and the
6 department of education a letter of intent that expresses the intent of the
7 board to increase the liquidity of such property upon the occurrence of a
8 declared emergency within the meaning of section 20 (5) of article X of
9 the state constitution by entering into one or more ~~lease-purchase~~
10 FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION
11 agreements with respect to such property or by other means acceptable to
12 the state treasurer; or
13 (II) Secure a letter of credit from an investment-grade bank as all
14 or a portion of the reserve required by section 20 (5) of article X of the
15 state constitution so long as the board has filed with the state treasurer
16 and the department of education a letter of intent that expresses the intent
17 of the board to satisfy its obligation to reimburse the bank for ~~moneys~~
18 MONEY drawn on the letter of credit upon the occurrence of a declared
19 emergency within the meaning of section 20 (5) of article X of the state
20 constitution that are not reimbursed to the bank within the same fiscal
21 year by entering into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
22 CERTIFICATE OF PARTICIPATION agreements with respect to real property
23 owned by the district.
24 **SECTION 22.** In Colorado Revised Statutes, 22-45-112, **amend**
25 (2)(a)(II) and (2)(a)(III) as follows:
26 **22-45-112. Sale of assets.** (2) (a) Prior to July 1, 2005, a school
27 district may sell land, buildings, or land and buildings and deposit in and

expend from its general fund the proceeds, less costs, of the sale if:

(II) The school district sells the property to ~~a lessor~~ AN ENTITY, including but not limited to the state treasurer pursuant to section 22-54-110 (2)(d), who, at the time of the sale, ~~leases all of the property back to the district pursuant to a lease-purchase~~ ENTERS INTO A FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement WITH THE DISTRICT COVERING ALL OF THE PROPERTY that is subject to annual appropriation by the school district and has a term of no more than one year; and

(III) The state treasurer approves in writing the terms of the sale and ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements.

**SECTION 23.** In Colorado Revised Statutes, 22-54-110, **amend** (2)(d)(II), (2)(d)(III), and (2)(d)(V) as follows:

**22-54-110. Loans to alleviate cash flow deficits - financed purchase of an asset agreements.** (2) (d) (II) Such sale may only be made if:

(A) At the same time of the sale, the state treasurer ~~leases back all of the property to the district pursuant to a lease-purchase~~ ENTERS INTO A FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement WITH THE DISTRICT COVERING ALL OF THE PROPERTY that is subject to annual appropriation by the school district;

(B) The district pays any legal or other transaction costs incurred by the state treasurer related to the sale of the property and the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement; and

(C) The state treasurer agrees to the sale of the property and the

~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement.

(III) The provisions of ~~paragraph (c) of this subsection (2)~~ SUBSECTION (2)(c) OF THIS SECTION shall not apply to the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, and no lien shall attach to any district tax revenues in order to secure the district's ~~lease~~ payments. The ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement shall not authorize the district to receive fee title to the property that is the subject of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement prior to the expiration of the terms of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement.

(V) If a district defaults in the payment of rent required by the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, it shall have thirty days to cure ~~such~~ THE default. If after thirty days the district has not cured the default and if the district remains in possession of the property, the state treasurer shall recover possession of the property pursuant to the provisions of article 40 of title 13. ~~C.R.S.~~ If a court enters a judgment in favor of the state treasurer and issues a writ of restitution pursuant to section 13-40-115, ~~C.R.S.,~~ the state treasurer shall liquidate the property to the best advantage of the state.

**SECTION 24.** In Colorado Revised Statutes, 23-1-106.3, **amend** (1)(a), (1)(b)(I), (1)(b)(II), (1)(b)(IV), (1)(b)(V), (2), (3), (4)(a), (5)(a), and (5)(c) as follows:

**23-1-106.3. Duties and powers of the commission - capital**

**construction projects - federal mineral lease revenues fund - higher education institutions financed purchase of an asset cash fund.** (1) (a) As soon as possible after May 12, 2008, the commission, after consultation with the appropriate governing boards of state-supported institutions of higher education, shall submit to the office of state planning and budgeting and to the capital development committee of the general assembly, established pursuant to section 2-3-1302, ~~C.R.S.,~~ a prioritized list of capital construction projects at the state-supported institutions of higher education to be constructed using ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements funded through the higher education federal mineral lease revenues fund established pursuant to section 23-19.9-102 (1) and referred to in this section as the "revenues fund". As soon as possible after receipt of the list from the commission, the office of state planning and budgeting shall submit to the capital development committee a prioritized list of capital construction projects at state-supported institutions of higher education to be constructed using ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements funded through the revenues fund.

(b) (I) As soon as possible after receipt of the prioritized list from the office of state planning and budgeting, the capital development committee shall review the prioritized lists submitted by the commission and the office of state planning and budgeting and shall submit to the joint budget committee of the general assembly a prioritized list of capital construction projects at state-supported institutions of higher education to be constructed using ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements funded through the

1 revenues fund.

2 (II) As soon as possible after receipt of the prioritized list from the
3 capital development committee, the joint budget committee shall review
4 the prioritized list submitted by the capital development committee and
5 shall sponsor a joint resolution specifying a prioritized list of capital
6 construction projects at state-supported institutions of higher education
7 to be constructed using ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET
8 OR CERTIFICATE OF PARTICIPATION agreements funded through the
9 revenues fund. The resolution shall contain a listing of the maximum
10 amount of principal to be raised through ~~lease-purchase~~ FINANCED
11 PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements to
12 be paid from the revenues fund, the minimum amount of principal to be
13 contributed by the institution, and the total anticipated cost of the project.

14 (IV) The anticipated annual state-funded payments for the
15 principal and interest components of amount payable under all
16 ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF
17 PARTICIPATION agreements on the projects listed in the joint resolution
18 adopted and approved pursuant to this ~~paragraph (b)~~ SUBSECTION (1)(b)
19 entered into during the fiscal year commencing July 1, 2008, shall not
20 exceed an average of sixteen million two hundred thousand dollars per
21 year for the first ten years of payments and sixteen million eight hundred
22 thousand dollars per year during the second ten years of payments.

23 (V) To the extent that any projects on the prioritized list contained
24 in the joint resolution introduced and approved pursuant to this subsection
25 (1) are not the subject of ~~lease-purchase~~ FINANCED PURCHASE OF AN
26 ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into
27 pursuant to subsection (3) of this section and to the extent that the state

1 treasurer determines that there is sufficient money in the revenues fund
2 to enter into an additional ~~lease-purchase~~ FINANCED PURCHASE OF AN
3 ASSET OR CERTIFICATE OF PARTICIPATION agreement or agreements during
4 the fiscal year commencing July 1, 2009, the remaining projects on the
5 prioritized list in the joint resolution shall be the prioritized list for
6 ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF
7 PARTICIPATION agreements entered into during the fiscal year
8 commencing July 1, 2009.
9 (2) (a) On or before August 15, 2009, and on or before August 15
10 of each year thereafter through August 15, 2015, the state treasurer shall
11 notify the commission, the office of state planning and budgeting, the
12 capital development committee, and the joint budget committee of the
13 amount of money in the revenues fund and whether the treasurer
14 determines that there ~~are~~ IS sufficient ~~moneys~~ MONEY in the revenues
15 fund to enter into additional ~~lease-purchase~~ FINANCED PURCHASE OF AN
16 ASSET OR CERTIFICATE OF PARTICIPATION agreements to be funded from
17 the revenues fund. On and after April 14, 2016, the state shall not enter
18 into any additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
19 CERTIFICATE OF PARTICIPATION agreements to be funded from the
20 revenues fund.
21 (b) After the notification required by ~~paragraph (a) of this~~
22 ~~subsection (2)~~ SUBSECTION (2)(a) OF THIS SECTION is received, and the
23 treasurer has determined that there ~~are~~ IS sufficient ~~moneys~~ MONEY in the
24 revenues fund to enter into additional ~~lease-purchase~~ FINANCED
25 PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements,
26 the commission, the office of state planning and budgeting, the capital
27 development committee, and the joint budget committee, pursuant to the

procedures established in subsection (1) of this section, may promptly consider a new prioritized list of capital construction projects at state-supported institutions of higher education to be constructed using ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements funded through the revenues fund. A joint resolution introduced pursuant to this ~~paragraph (b)~~ SUBSECTION (2)(b) shall also include a statement of the maximum average anticipated state-funded payments under all ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements to be authorized through the joint resolution.

(3) (a) (I) Notwithstanding the provisions of sections 24-82-102 (1)(b) and 24-82-801, ~~C.R.S.,~~ the state of Colorado, acting by and through the state treasurer, is authorized to execute ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements each for no more than twenty years of annual payments on the projects listed in the joint resolution adopted and approved pursuant to ~~paragraph (b) of subsection (1) of this section or paragraph (b) of subsection (2)~~ SUBSECTION (1)(b) OR (2)(b) of this section. The ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements authorized pursuant to this ~~paragraph (a)~~ SUBSECTION (3)(a) may be for the total amount of the project cost as reflected in the joint resolution. A state-supported institution of higher education may either contribute the full amount of its share of the cost of the project at the commencement of the project or may have its share of the cost of the project included in the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement. Based upon the total amount of money that one or more ~~lease-purchase~~ FINANCED PURCHASE

1 OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements is able to
2 raise, the treasurer shall enter into ~~lease-purchase~~ FINANCED PURCHASE OF
3 AN ASSET OR CERTIFICATE OF PARTICIPATION agreements in the order of
4 the prioritized list contained in the joint resolution; except that, if, after
5 funding all previous projects on the list, the amount of money is
6 insufficient to fund the entire project that is next on the list, the treasurer
7 may enter into a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
8 CERTIFICATE OF PARTICIPATION agreement on the next project or projects
9 on the list that may be completely funded.
10 (II) The state treasurer shall ensure that each state-supported
11 institution of higher education submits a certificate of completion no later
12 than August 1, 2012, for each project funded in whole or in part by the
13 ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF
14 PARTICIPATION agreement entered into by the state treasurer in 2008
15 pursuant to this section. After such certificates of completion are received
16 by the state treasurer, the state treasurer and the state controller shall
17 calculate the amount of unspent proceeds raised through the 2008
18 ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF
19 PARTICIPATION agreement. The state treasurer and the state controller
20 shall also calculate the amount of the unspent institutional shares of the
21 total project costs. The state treasurer and state controller shall provide
22 these amounts to the capital development committee in writing no later
23 than August 15, 2012. No later than thirty days after receiving such
24 amounts, the capital development committee shall hold a public meeting
25 during the interim between the second regular session of the sixty-eighth
26 general assembly and the first regular session of the sixty-ninth general
27 assembly to decide, by majority vote, what the unspent proceeds raised

through the 2008 ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement and the unspent institutional shares of the total project costs should be used to fund. The capital development committee's decision shall be limited to funding capital construction projects at state-supported institutions of higher education or, so long as such projects are identified as eligible by bond counsel, controlled maintenance projects at state-supported institutions of higher education. The capital development committee shall communicate the decision to the state treasurer in writing, and the state treasurer shall ensure that the approved project or projects are funded from the unspent proceeds raised through the 2008 ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement and the unspent institutional shares of the total project costs as soon as possible.

(b) (I) The state of Colorado, acting by and through the state treasurer, at the state treasurer's sole discretion, may enter into one or more ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements authorized by ~~paragraph (a) of this subsection (3)~~ SUBSECTION (3)(a) OF THIS SECTION with any for-profit or nonprofit corporation, trust, or commercial bank as a trustee, as lessor, including but not limited to the Colorado educational and cultural facilities authority created pursuant to section 23-15-104.

(II) (A) Any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to ~~paragraph (a) of this subsection (3)~~ SUBSECTION (3)(a) OF THIS SECTION shall provide that all of the obligations of the state under the agreement shall be subject to the action of the general assembly in annually making ~~moneys~~ MONEY available for all payments thereunder. Payments under

any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement shall be made from the revenues fund and any money in the higher education institutions ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET cash fund established in subsection (4) of this section.

(B) Each agreement ~~shall~~ MUST also provide that the obligations of the state shall not be deemed or construed as creating an indebtedness of the state within the meaning of any provision of the state constitution or the laws of the state of Colorado concerning or limiting the creation of indebtedness by the state of Colorado and shall not constitute a multiple fiscal-year direct or indirect debt or other financial obligation of the state within the meaning of section 20 (4) of article X of the state constitution. In the event the state of Colorado does not renew a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to ~~paragraph (a) of this subsection (3)~~ SUBSECTION (3)(a) OF THIS SECTION, the sole security available to the ~~lessor~~ SELLER shall be the property that is the subject of the nonrenewed ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement.

(III) Any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to ~~paragraph (a) of this subsection (3)~~ SUBSECTION (3)(a) OF THIS SECTION may contain such terms, provisions, and conditions as the state treasurer, acting on behalf of the state of Colorado, may deem appropriate, including all optional terms; except that each ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement shall specifically authorize the state of Colorado or the governing board

of the applicable state-supported institution of higher education to receive fee title to all real and personal property that is the subject of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement on or prior to the expiration of the terms of the agreement. Any title to such property received by the state on or prior to the expiration of the terms of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement shall be held for the benefit and use of such governing board.

(IV) Any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to ~~paragraph (a) of this subsection (3)~~ SUBSECTION (3)(a) OF THIS SECTION may provide for the issuance, distribution, and sale of instruments evidencing rights to receive rentals and other payments made and to be made under the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement. The instruments may be issued, distributed, or sold only by the ~~lessor~~ SELLER or any person designated by the ~~lessor~~ SELLER and not by the state. The instruments shall not create a relationship between the purchasers of the instruments and the state or create any obligation on the part of the state to the purchasers. The instruments shall not be notes, bonds, or any other evidence of indebtedness of the state within the meaning of any provision of the state constitution or the law of the state concerning or limiting the creation of indebtedness of the state and shall not constitute a multiple fiscal-year direct or indirect debt or other financial obligation of the state within the meaning of section 20 (4) of article X of the state constitution.

(V) Interest paid under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized

pursuant to ~~paragraph (a) of this subsection (3)~~ SUBSECTION (3)(a) OF THIS SECTION, including interest represented by the instruments, shall be exempt from Colorado income tax.

(VI) The state of Colorado, acting through the state treasurer and the governing board of the institutions of higher education, is authorized to enter into ancillary agreements and instruments as are deemed necessary or appropriate in connection with a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, including but not limited to deeds, ground leases, sub-leases, easements, or other instruments relating to the real property on which the facilities are located or an agreement entered into pursuant to subsection (5) of this section.

(c) The provisions of section 24-30-202 (5)(b) ~~C.R.S.,~~ shall not apply to a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to ~~paragraph (a) of this subsection (3)~~ SUBSECTION (3)(a) OF THIS SECTION or any ancillary agreement or instrument entered into pursuant to ~~paragraph (b) of this subsection (3)~~ SUBSECTION (3)(b) OF THIS SECTION. The state controller or his or her designee shall waive any provision of the fiscal rules promulgated pursuant to section 24-30-202 (1) and (13) ~~C.R.S.,~~ that the state controller deems to be incompatible or inapplicable with respect to said ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements or any such ancillary agreement or instrument.

(4) (a) A local government or the governing board of a state-supported institution of higher education may pay to the state treasurer an amount to assist the state in making payments on any

~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to ~~paragraph (a) of subsection (3)~~ SUBSECTION (3)(a) of this section. State-supported institutions of higher education, including but not limited to the Auraria higher education center and its constituent institutions, are authorized to transfer ~~moneys~~ MONEY to the state treasurer pursuant to this subsection (4) for the projects for which the state treasurer executes a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement pursuant to subsection (3) of this section without an appropriation from the general assembly. The state treasurer shall credit any ~~moneys~~ MONEY received pursuant to this subsection (4) to the higher education institutions ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET cash fund, referred to in this subsection (4) as the "fund", which fund is hereby created in the state treasury. Except as provided in ~~subparagraph (II) of paragraph (a) of subsection (3)~~ SUBSECTION (3)(a)(II) of this section, ~~moneys~~ MONEY in the fund ~~are~~ IS continuously appropriated to the state treasurer to make payments on ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements executed pursuant to ~~paragraph (a) of subsection (3)~~ SUBSECTION (3)(a) of this section. Any ~~moneys~~ MONEY in the fund not expended for the purpose of this section shall be invested by the state treasurer as provided by law. All interest and income derived from the investment and deposit of ~~moneys~~ MONEY in the fund shall be credited to the fund. Except as provided in ~~paragraph (b) of this subsection (4)~~ SUBSECTION (4)(b) OF THIS SECTION, any unexpended and unencumbered ~~moneys~~ MONEY remaining in the fund at the end of a fiscal year shall remain in the fund and shall not be credited or transferred to the general fund or another

fund.

(5) (a) Prior to executing a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement pursuant to subsection (3) of this section, in order to protect against future interest rate increases, the state of Colorado, acting by and through the state treasurer and at the discretion of the state treasurer, may enter into an interest rate exchange agreement pursuant to article 59.3 of title 11. ~~C.R.S.~~ A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to subsection (3) of this section shall be a proposed public security for the purposes of article 59.3 of title 11. ~~C.R.S.~~ Any payments made by the state under an agreement entered into pursuant to this subsection (5) shall be made solely from ~~moneys~~ MONEY made available to the state treasurer from the execution of a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or from ~~moneys~~ MONEY appropriated from the revenues fund or the higher education institutions ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION cash fund created pursuant to subsection (4) of this section.

(c) Any ~~moneys~~ MONEY received by the state under an agreement entered into pursuant to this subsection (5) shall be used to make payments on ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to subsection (3) of this section or to pay the costs of the project for which a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement was executed.

**SECTION 25.** In Colorado Revised Statutes, 23-15-107, **amend**

the introductory portion and (1)(g) as follows:

**23-15-107. General powers of the authority.** (1) In addition to any other powers granted to the authority by this ~~article~~ ARTICLE 15, the authority shall have the following powers:

(g) To ~~lease to~~ ENTER INTO AN AGREEMENT WITH a participating institution of postsecondary education or cultural institution COVERING any or all of the facilities upon such terms and conditions as the authority shall deem proper, including, but not limited to, renewable, one-year leases with institutions of postsecondary education supported in whole or in part by state funds if authorized pursuant to section 23-1-106 or section 24-82-709, ~~C.R.S.,~~ or a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to sections 24-82-102 (1)(b) and 24-82-801; ~~C.R.S.,~~ to charge and collect rent therefor and to terminate any such ~~lease~~ AGREEMENT upon the failure of the ~~lessee~~ BUYER to comply with any of the obligations thereof; and to include in any such ~~lease~~ AGREEMENT, if desired, provisions that the ~~lessee~~ BUYER thereof shall have options to renew the term of the ~~lease~~ AGREEMENT for such period or periods, at such rent, and upon such terms or conditions as shall be determined by the authority or to purchase any or all of the facilities or to include, if desired, provisions that, upon payment of all of the indebtedness incurred by the authority for the financing of such facilities, the authority will convey any or all of the facilities to the ~~lessee~~ BUYER or ~~lessees~~ BUYERS thereof with or without consideration;

**SECTION 26.** In Colorado Revised Statutes, 23-20-136, **amend** (3.5)(a) and (5) as follows:

**23-20-136. Fitzsimons trust fund - creation - legislative**

**declaration - repeal.** (3.5) (a) For the 2016-17 fiscal year and for each fiscal year thereafter in which the state receives ~~moneys~~ MONEY pursuant to the master settlement agreement, and in which money is due to a lessor under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to section 3 of House Bill 03-1256, enacted in 2003, the state treasurer shall transfer to the capital construction fund and the state controller shall transfer from the capital construction fund to the Fitzsimons trust fund, except as otherwise provided in section 24-75-1104.5 (5), ~~C.R.S.,~~ eight percent of the total amount received by the state pursuant to the master settlement agreement, other than attorney fees and costs, during the preceding fiscal year.

(5) ~~Moneys~~ MONEY in the Fitzsimons trust fund may be appropriated to pay for capital construction projects for the university of Colorado health sciences center at the former Fitzsimons Army base that have received the prior approval of the board of regents of the university of Colorado, the Colorado commission on higher education, the capital development committee, the general assembly, and the joint budget committee or for ~~lease~~ payments on any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to section 3 of House Bill 03-1256, as enacted at the first regular session of the sixty-fourth general assembly.

**SECTION 27.** In Colorado Revised Statutes, 23-31-901, **amend** (1)(b)(II) introductory portion and (2)(i) introductory portion as follows:

**23-31-901. Legislative declaration.** (1) The general assembly hereby finds and declares that:

(b) It is important to sustain and grow the national western stock show in Denver for the next one hundred years so that the state can

1 continue to realize the benefits that it provides and additional benefits
2 estimated to accrue from its transformational redevelopment, which
3 include but are not limited to:
4 (II) The following significant economic impacts, which an
5 economic analysis by strategic advisory group estimates, of developing
6 the Colorado state university facilities at the national western center based
7 upon the current ten-year build-out of the site without the use of
8 ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF
9 PARTICIPATION agreements:
10 (2) The general assembly further finds and declares that:
11 (i) It is necessary, appropriate, and in the best interests of the state
12 to authorize the state, acting by and through the state treasurer, to enter
13 into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF
14 PARTICIPATION agreements for the purpose of providing financing for the
15 construction of facilities for Colorado state university at the national
16 western center and on-campus affiliated facilities, and such financing is
17 contingent upon approval, through established state executive and
18 legislative branch capital construction project review and approval
19 processes, of specific projects to be financed and the voters of the city
20 and county of Denver approving an extension of the lodging and car
21 rental taxes or another similar tax, which would generate necessary
22 funding for the national western center. Further, it is in the best interests
23 of the state to accelerate the development of the Colorado state university
24 educational facilities resulting in the following economic benefits to the
25 state:
26 **SECTION 28.** In Colorado Revised Statutes, 23-31-902, **amend**
27 (2) and (3) as follows:

**23-31-902. Annual project report - national western center trust fund - creation - use.** (2) The national western center trust fund is created in the state treasury. The trust fund consists of ~~moneys~~ MONEY transferred from the general fund to the trust fund pursuant to subsection (3) of this section. Interest and income derived from the deposit and investment of the trust fund is credited to the trust fund. All unexpended and unencumbered ~~moneys~~ MONEY in the trust fund at the end of a fiscal year remains in the trust fund and shall not be credited to the general fund or any other fund. Subject to annual appropriation by the general assembly, the board of governors of Colorado state university may expend money from the trust fund to make ~~lease~~ payments payable under the terms of ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into as authorized by section 23-31-903. The principal and interest of the trust fund shall not be expended or appropriated for any other purpose.

(3) If, in order to contribute to the financing of the phased development of the national western center, the state enters into one or more ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements as authorized by section 23-31-903, on July 1 of any fiscal year commencing on or after July 1, 2019, for which money is due to a ~~lessor~~ SELLER under such a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, the state treasurer shall transfer from the general fund to the national western center trust fund the lesser of twenty million dollars or the amount due to any ~~lessor~~ SELLER during the fiscal year.

**SECTION 29.** In Colorado Revised Statutes, 23-31-903, **amend** (1), (2)(a), (2)(b)(I) introductory portion, (2)(b)(I)(A), (2)(b)(II), (2)(c),

(2)(d), (2)(e), and (3) as follows:

**23-31-903. Authorization for financed purchase of an asset or certificate of participation agreements.** (1) (a) Subject to the requirements specified in ~~paragraph (c) of this subsection (1)~~ SUBSECTION (1)(c) OF THIS SECTION, the state of Colorado, acting by and through the state treasurer, may execute one or more ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements for up to twenty years of principal and interest payments for the state to finance the construction of facilities for Colorado state university at the national western center and affiliated facilities at the Colorado state university campus. The total amount of the principal component of said ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement shall not exceed two hundred fifty million dollars, plus reasonable and necessary administrative, monitoring, and closing costs and interest, including capitalized interest.

(b) Enactment of this part 9 satisfies the requirements of sections 24-82-102 (1)(b) and 24-82-801, ~~C.R.S.,~~ which require authorization of a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement by a bill other than an annual general appropriation bill or a supplemental appropriation bill.

(c) The state shall not enter into a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement as authorized by this section unless the specific facilities to be financed by the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement have been included in the unified, five-year capital improvements report prepared and transmitted by the Colorado commission on higher education pursuant to section 23-1-106, prioritized

for funding by the office of state planning and budgeting in its submission to the capital development committee made pursuant to section 24-37-304 (1)(c.3)(I)(C), ~~C.R.S.,~~ recommended for funding by the capital development committee pursuant to section 2-3-1305, ~~C.R.S.,~~ and included in the governor's annual executive budget proposed to the general assembly pursuant to section 24-37-301. ~~C.R.S.~~ Prior to closing, the state controller must approve all agreements relating to the financing of the facilities, and the voters of the city and county of Denver must approve an extension of the lodging and car rental taxes or another similar tax.

(2) (a) A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized in subsection (1) of this section must provide that all of the obligations of the state under the agreement are subject to the action of the general assembly in annually making ~~moneys~~ MONEY available for all payments thereunder. Payments under any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement shall be made only from such action of the general assembly. No ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized in subsection (1) of this section creates any liability or indebtedness of Colorado state university. Such an agreement must also provide that the obligations do not create an indebtedness of the state within the meaning of any provision of the state constitution or the laws of the state of Colorado concerning or limiting the creation of indebtedness by the state of Colorado and do not constitute a multiple fiscal-year direct or indirect debt or other financial obligation of the state within the meaning of section 20 (4) of article X of the state constitution. If the state of

1 Colorado does not renew a ~~lease-purchase~~ FINANCED PURCHASE OF AN
2 ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized in
3 subsection (1) of this section, the sole security available to the ~~lessor~~
4 SELLER is the real property that is the subject of the nonrenewed
5 ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF
6 PARTICIPATION agreement.
7 (b) (I) A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
8 CERTIFICATE OF PARTICIPATION agreement authorized in subsection (1) of
9 this section may contain such terms, provisions, and conditions as the
10 state treasurer may deem appropriate, including all optional terms; except
11 that the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE
12 OF PARTICIPATION agreement must specifically authorize the state of
13 Colorado to:
14 (A) Receive fee title to all real and personal property that is the
15 subject of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
16 CERTIFICATE OF PARTICIPATION agreement on or prior to the expiration of
17 the terms of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
18 CERTIFICATE OF PARTICIPATION agreement; and
19 (II) Any title to property received by the state on or prior to the
20 expiration of the terms of the ~~lease-purchase~~ FINANCED PURCHASE OF AN
21 ASSET OR CERTIFICATE OF PARTICIPATION agreement will be held by the
22 state for the benefit and use of Colorado state university.
23 (c) Any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
24 CERTIFICATE OF PARTICIPATION agreement authorized in subsection (1) of
25 this section may provide for the issuance, distribution, and sale of
26 instruments evidencing rights to receive ~~rentals and other~~ payments made
27 and to be made under the ~~lease-purchase~~ FINANCED PURCHASE OF AN

ASSET OR CERTIFICATE OF PARTICIPATION agreement. The instruments may be issued, distributed, or sold only by the ~~lessor~~ SELLER or any person designated by the ~~lessor~~ SELLER and not by the state. The instruments do not create a relationship between the purchasers of the instruments and the state or create any obligation on the part of the state to the purchasers. The instruments are not notes, bonds, or any other evidence of indebtedness of the state within the meaning of any provision of the state constitution or the law of the state concerning or limiting the creation of indebtedness of the state and do not constitute a multiple fiscal-year direct or indirect debt or other financial obligation of the state within the meaning of section 20 (4) of article X of the state constitution.

(d) Interest paid under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized in subsection (1) of this section, including interest represented by the instruments, is exempt from state tax.

(e) The state of Colorado, acting through the state treasurer, is authorized to enter into such ancillary agreements and instruments as are deemed necessary or appropriate in connection with the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements, including but not limited to ground leases, easements, or other instruments relating to the facilities to be purchased.

(3) The provisions of section 24-30-202 (5)(b) ~~C.R.S.,~~ do not apply to a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized in subsection (1) of this section or to any ancillary agreement entered into pursuant to ~~paragraph (c) of subsection (2)~~ SUBSECTION (2)(c) of this section. The state controller or his or her designee may waive any provision of the

fiscal rules promulgated pursuant to section 24-30-202 (1) and (13) ~~C.R.S.,~~ that the state controller deems to be incompatible or inapplicable with respect to such a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or ancillary agreement.

**SECTION 30.** In Colorado Revised Statutes, 24-1-136.5, **amend** (7) as follows:

**24-1-136.5. Long-range planning for capital construction, controlled maintenance, capital renewal - policy - heads of principal departments.** (7) Any acquisition or utilization of real property by a department that is conditional upon or requires expenditures of state funds or federal funds is subject to the approval of the executive director and the office of the state architect, regardless of whether the acquisition is by lease, ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET, CERTIFICATE OF PARTICIPATION, purchase, gift, or otherwise.

**SECTION 31.** In Colorado Revised Statutes, 24-30-202, **amend** (5)(b) and (5.5) as follows:

**24-30-202. Procedures - vouchers, warrants, and checks - rules - penalties - definitions.** (5) (b) 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 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)~~ SUBSECTION (5)(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~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to the master lease program authorized by part 7 of article 82 of this ~~title~~ TITLE 24.

(5.5) Any commitment voucher that provides that the financial obligations of the state in subsequent fiscal years are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available shall not be deemed to create any state multiple-fiscal year direct or indirect debt or other financial obligation whatsoever for purposes of section 20 (4)(b) of article X of the state constitution. If a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement is subject to the requirement of specific authorization by the general assembly under part 8 of article 82 of this ~~title~~ TITLE 24, such committees shall make a recommendation to the general assembly concerning whether to authorize the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement. ~~involving the issuance of certificates of participation or other instruments.~~ The department of personnel and the Colorado commission on higher education shall maintain comparative data which will assist in determining the relative costs to the state, over the entire term of the arrangement, of financing the purchase or lease of property through pay-as-you-go methods, certificates of participation, or other arrangements.

**SECTION 32.** In Colorado Revised Statutes, 24-30-1303.9, **amend** (7)(a)(VI) as follows:

**24-30-1303.9. Eligibility for state controlled maintenance funding - legislative declaration.** (7) (a) Controlled maintenance funds may not be used for:

(VI) Any real property acquired by a state agency or a state institution of higher education through a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement where the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement requires authorization set forth in section 24-82-801.

**SECTION 33.** In Colorado Revised Statutes, 24-30-1310, **amend** (2)(c) introductory portion as follows:

**24-30-1310. Funding for capital construction, controlled maintenance, or capital renewal - definitions.** (2) Except for the 2020-21 annual general appropriation act, for every appropriation in the capital construction section of the 2015-16 annual general appropriation act and every appropriation in the capital construction section of each annual general appropriation act thereafter, not including appropriations for information technology projects, additional funding must be set aside as follows:

(c) If the funding source for the appropriation is a financing arrangement, including a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement allowed pursuant to section 24-82-802, and the source of the funding for the financing payment is:

**SECTION 34.** In Colorado Revised Statutes, 24-30-1502, **amend**

(4.5) as follows:

**24-30-1502. Definitions.** As used in this part 15, unless the context otherwise requires:

(4.5) "Property" means both real property as defined in section 39-1-102 (14) ~~C.R.S.,~~ and personal property as defined in section 39-1-102 (11). ~~C.R.S.~~ For purposes of the self-insured property fund, "personal property" means personal property owned by the state of Colorado or personal property leased by the state of Colorado for which the state is required to provide insurance under the terms of a lease, ~~or lease-purchase~~ FINANCED PURCHASE OF AN ASSET, OR CERTIFICATE OF PARTICIPATION agreement. For purposes of the self-insured property fund, "personal property" does not include aircraft owned by the state of Colorado or vehicles licensed for use on highways or roads. For purposes of the self-insured property fund, "real property" means buildings owned by the state of Colorado or buildings leased by the state of Colorado for which the state is required to provide insurance under the terms of a lease or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET agreement, OR CERTIFICATE OF PARTICIPATION.

**SECTION 35.** In Colorado Revised Statutes, 24-30-2003, **amend** (3) and (4) as follows:

**24-30-2003. Energy cost-savings contracts.** (3) An energy cost-savings contract may include appropriate ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION or other authorized financing agreements.

(4) The legislative authorization required by section 24-82-801 (1) shall not apply to a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement in an energy cost-savings

contract and no subsequent legislative authorization shall be required for any payment made pursuant to such an agreement.

**SECTION 36.** In Colorado Revised Statutes, 24-36-121, **amend** (1)(g), (3)(a)(I)(A), (3)(c)(I), and (4)(a)(II) as follows:

**24-36-121. Authority to manage state public financing - state public financing cash fund - rules - legislative declaration - definitions.** (1) The general assembly hereby finds, determines, and declares that:

(g) Senate Bill 12-150, enacted in 2012, is not intended to grant the state treasurer any authority that supersedes a state agency's authority to enter into or incur a financial obligation, nor is Senate Bill 12-150 intended to affect other state laws regarding the general assembly's approval of any ~~capital lease or lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement over five hundred thousand dollars.

(3) As used in this section, unless the context otherwise requires:

(a) (I) "Financial obligation" means any financial contract, note, warrant, check, bond, certificate, instrument, debenture, or other security, the principal amount of which is one million dollars or more, that is authorized to be issued or entered into by the state acting by and through a state agency under the laws of this state, that is fully or partially secured by any state revenues, and that is directly or indirectly related to the state's credit rating. "Financial obligation" includes, but is not limited to:

(A) Any ~~capital lease or lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement the principal amount of which is one million dollars or more authorized pursuant to section 24-82-102 and part 8 of article 82 of this ~~title~~ TITLE 24; and

1 (c) (I) "State agency" means a department, board, bureau,
2 commission, division, institution, quasi-governmental entity, or other
3 agency or instrumentality of the state, including a state institution of
4 higher education. "State agency" also includes an enterprise, as defined
5 in section 24-77-102 (3), a nonprofit corporation organized under the
6 laws of this state and created solely for the purpose of issuing financial
7 obligations on behalf of the state acting by and through a state agency,
8 and a trust that may be formed by the state or a state agency to implement
9 ~~capital lease or lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
10 CERTIFICATE OF PARTICIPATION financing.
11 (4) (a) (II) For a state institution of higher education, for the
12 2012-13 state fiscal year and each state fiscal year thereafter, the state
13 treasurer shall act as the issuing manager, subject to the criteria
14 established in the state public financing policy promulgated as specified
15 in subsection (5) of this section, for any ~~lease-purchase~~ FINANCED
16 PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement
17 similar to those authorized in section 23-1-106.3, ~~C.R.S.,~~ and any
18 financial contract, note, warrant, check, bond, certificate, instrument,
19 debenture, or other security, the principal amount of which is one million
20 dollars or more, that is authorized under the laws of this state to be issued
21 or entered into by the state acting by and through a state agency other than
22 a state institution of higher education and that finances improvements that
23 benefit a state institution of higher education. The state treasurer has the
24 sole discretion to manage the issuance or incurrence of such financial
25 obligations for a state institution of higher education and shall manage the
26 issuance or incurrence of such financial obligations in accordance with
27 the duties set forth in ~~sub-subparagraphs (A) to (E) of subparagraph (I)~~

1 ~~of this paragraph (a)~~ SUBSECTIONS (4)(a)(I)(A) TO (4)(a)(I)(E) OF THIS
2 SECTION. The state treasurer shall not act as the issuing manager for any
3 bonds subject to the higher education revenue bond intercept program
4 established in section 23-5-139. ~~C.R.S.~~

5 **SECTION 37.** In Colorado Revised Statutes, 24-38.5-106,
6 **amend** (3)(a) introductory portion, (3)(a)(III), (3)(b), (3)(c), (3)(d), (3)(e),
7 (3)(f), (3)(g), (3)(h), and (4) as follows:

8 **24-38.5-106. Financing of capital projects to make state**
9 **government more energy efficient - financed purchase of asset**
10 **agreements - legislative declaration - definition.** (3) (a) Upon receipt
11 of the letter from the capital development committee regarding its review
12 pursuant to subsection (2) of this section, the state treasurer may enter
13 into one or more ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
14 CERTIFICATE OF PARTICIPATION agreements on behalf of the state in order
15 to generate the proceeds needed to complete the projects. A
16 ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF
17 PARTICIPATION agreement:

18 (III) Shall include provisions that:

19 (A) Specify that all payment obligations of the state under the
20 ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF
21 PARTICIPATION agreement are subject to annual appropriation by the
22 general assembly and that obligations shall not be deemed or construed
23 as creating an indebtedness of the state within the meaning of any
24 provision of the state constitution or the laws of the state concerning or
25 limiting the creation of indebtedness by the state;

26 (b) Only a building or facility subject to an energy performance
27 contract, as defined in section 24-30-2001 (1), that is under consideration

by the office of the state architect as of thirty days following June 10, 2010, may be the subject of a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by the state treasurer pursuant to this subsection (3).

(c) The state, acting by and through the state treasurer, may enter into ancillary agreements and instruments deemed necessary or appropriate in connection with a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to this subsection (3), including but not limited to deeds, leases, subleases, easements, or other instruments relating to the real property on which the facilities are located.

(d) The provisions of section 24-30-202 (5)(b) shall not apply to a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or any ancillary agreement or instrument authorized pursuant to this subsection (3). Any provision of the fiscal rules promulgated pursuant to section 24-30-202 (1) and (13) that the state controller deems to be incompatible or inapplicable with respect to such a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or ancillary agreement or instrument may be waived by the controller or his or her designee within the office of the state controller.

(e) Interest paid under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, including interest represented by such instruments, shall be exempt from state income tax.

(f) Notwithstanding the authority of the capital development committee of the general assembly to authorize, after approval by the office of state planning and budgeting, the state treasurer to enter into

~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements on behalf of the state, in order to ensure that ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements are entered into under favorable financial market conditions, the state treasurer shall have sole discretion to determine the timing of the state treasurer's entry into any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement on behalf of the state pursuant to this subsection (3).

(g) The state treasurer shall coordinate with the office of state planning and budgeting in regard to the schedule of ~~lease~~ payments required in connection with any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement.

(h) Once a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement has been executed, the state treasurer shall submit the schedule for annual payments to the office of state planning and budgeting and the joint budget committee of the general assembly. The office of state planning and budgeting shall submit a budget request to the joint budget committee to reduce any corresponding operating appropriations for state capital facilities realizing utility cost savings from projects financed by ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements and to appropriate annual payments in the capital construction section of the budget for those facilities for which operation and maintenance is funded in whole or in part with ~~moneys~~ MONEY that ~~are~~ IS subject to state appropriation. Upon receipt of the budget request from the office of state planning and budgeting, the joint budget committee shall recommend to the general assembly an appropriation for annual payments in the capital

construction section of the budget and a reduction of the same amount in the applicable utilities line item of the operating budget. The office of state planning and budgeting and the joint budget committee recommendation shall also include an appropriation of the original funding sources of the utility line item equal to the identified savings for transfer to the energy efficiency project proceeds fund created in subsection (4) of this section unless such transfer is prohibited by the requirements of the original funding source. It is the intent of the general assembly that the utilities line item reduction be permanent, and that any future appropriated increases be defended in relation to the balance for utilities that remain in the line.

(4) The energy efficiency project proceeds fund is hereby created in the state treasury. The principal of the fund shall consist of ~~moneys~~ MONEY received by the state in connection with any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to subsection (3) of this section and any other legally available ~~moneys~~ MONEY that may be appropriated or transferred to the fund. All interest and income derived from the deposit and investment of ~~moneys~~ MONEY in the fund shall be credited to the fund. Any unexpended and unencumbered ~~moneys~~ MONEY remaining in the fund at the end of a fiscal year shall remain in the fund and shall not be credited or transferred to the general fund or any other fund. ~~Moneys~~ MONEY in the fund that ~~were~~ WAS received by the state in connection with any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement and that ~~are~~ IS trustee funds may be expended by the state treasurer, and other ~~moneys~~ MONEY in the fund not identified for funding annual payments or to be used to defray

any incremental costs incurred by the state controller in managing accounting and reporting requirements related to ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to subsection (3) of this section ~~are~~ IS hereby continuously appropriated to the state treasurer, for the purpose of making disbursements necessary to complete projects associated with current utility cost-savings contracts that are authorized to be financed through ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into by the state treasurer on behalf of the state pursuant to subsection (3) of this section. ~~Moneys~~ MONEY in the fund shall also be subject to appropriation by the general assembly for the purpose of paying the principal of and interest on and defraying any incremental costs incurred by the state controller in managing accounting and reporting requirements related to such ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements.

**SECTION 38.** In Colorado Revised Statutes, 24-48.5-312, **amend** (3)(a)(II)(A), (3)(a)(III) introductory portion, and (3)(a)(III)(D) as follows:

**24-48.5-312. Art in public places program - allocations from capital construction costs - guidelines - fund created - definitions.** (3) (a) (II) (A) Except as provided in subsection (3)(a)(III) of this section, commencing after August 11, 2010, any capital construction project that is the subject of a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, as defined in section 24-82-801 (4), that provides for ~~lease~~ payments from money that has been appropriated in full or in part by the state must include as a nondeductible item in the project budget an allocation of not less than one percent of the

state-funded portion of the total construction costs to be used for the acquisition of works of art.

(III) The requirements specified in this ~~paragraph (a)~~ SUBSECTION (3)(a) do not apply to:

(D) Any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into by the state treasurer on behalf of the state pursuant to article 43.7 of title 22; ~~C.R.S.;~~

**SECTION 39.** In Colorado Revised Statutes, 24-75-108, **amend** (3)(b) and (12) as follows:

**24-75-108. Intradepartmental transfers between appropriations - repeal.** (3) (b) Any savings realized from an energy cost-savings contract pursuant to section 24-30-2003 may be transferred to an operating expense item for the purpose of making an annual payment on a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement under such contract.

(12) As used in this section, "utilities" means water, sewer service, electricity, or other fuel sources, equipment purchased for the purpose of utility cost savings, payments made to private companies for services rendered or equipment installed for the purpose of reducing utility costs, ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION payments to private companies for the purpose of reducing utility costs, and all heating fuels.

**SECTION 40.** In Colorado Revised Statutes, 24-75-112, **amend** (1)(b) and (1)(r); **repeal** (1)(h); and **add** (1)(b.5) and (1)(d.5) as follows:

**24-75-112. Annual general appropriation act - headnote definitions - general provisions - footnotes.** (1) As used in the annual general appropriation act, the following definitions and general provisions

shall apply for the headnote terms preceding and specifying the purpose of certain line items of appropriation:

(b) "Centralized appropriation" means the appropriation of funds to an executive director of a department or a central administrative program intended for subsequent allocation and expenditure at and among a department's divisions, programs, agencies, or long bill groups in order to reflect the amount of such resources actually used in each program or division. Such centralized appropriations may include salary survey, merit pay or anniversary increases, senior executive service, shift differential, group health and life insurance, capital outlay, ADP capital outlay, information technology asset maintenance, legal services, purchase of services from computer center, multiuse network payments, vehicle lease payments, leased space, ~~lease purchase~~ FINANCED PURCHASE OF AN ASSET, CERTIFICATE OF PARTICIPATION, payment to risk management and property funds, short-term disability insurance, utilities, communications services payments, amortization equalization disbursements, supplemental amortization equalization disbursements, administrative law judge services, and centralized ADP. As provided in ~~paragraph (l) of this subsection (1)~~ SUBSECTION (1)(l) OF THIS SECTION, capital outlay is included within the appropriation for "operating expenses".

(b.5) "CERTIFICATE OF PARTICIPATION" MEANS ANY CERTIFICATE EVIDENCING A PARTICIPATION RIGHT OR A PROPORTIONATE INTEREST IN ANY FINANCING AGREEMENT OR THE RIGHT TO RECEIVE PROPORTIONATE PAYMENTS FROM THE STATE OR AN AGENCY DUE UNDER ANY FINANCING AGREEMENT.

(d.5) "FINANCED PURCHASE OF AN ASSET" MEANS A FINANCING AGREEMENT THAT INCLUDES THE PURCHASE OF AN ASSET.

(h) ~~"Lease purchase" means a capital lease as defined in the generally accepted accounting principles issued by the governmental accounting standards board that the controller prescribes for the state as specified in section 24-30-202 (12).~~

(r) "Vehicle lease payments" means the annual payments to the department of personnel for the cost of administration, repayment of a loan from the state treasury, and ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION payments for new and replacement vehicles.

**SECTION 41.** In Colorado Revised Statutes, 24-75-302, **amend** (3.5) as follows:

**24-75-302. Capital construction fund - capital assessment fees - calculation - information technology capital account.** (3.5) There is hereby created a special account within the capital construction fund established pursuant to subsection (1) of this section to be known as the ~~"lease-purchase~~ "FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION servicing account" for the benefit of the department of personnel. The state treasurer shall deposit into the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION servicing account all ~~moneys~~ MONEY transferred or received pursuant to section 24-82-802 (9). ~~Moneys~~ MONEY in the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION servicing account ~~are~~ IS subject to annual appropriation and may only be used to pay annual ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION payments, as defined in section 24-82-802 (1)(a), for ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements authorized pursuant to section

24-82-802 or for operating, maintenance, and controlled maintenance costs and to establish a reserve for controlled maintenance costs for the buildings subject to the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements. All interest and income derived from the investment and deposit of ~~moneys~~ MONEY in the account shall be credited to the account. All ~~moneys~~ MONEY remaining in the account at the end of a fiscal year that ~~are~~ IS unexpended or unencumbered must remain in the account.

**SECTION 42.** In Colorado Revised Statutes, 24-75-303, **amend** (5)(a) introductory portion as follows:

**24-75-303. Appropriation for capital construction.** (5) (a) Except for an appropriation for a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION payment, except as provided in subsection (5)(b) of this section, and unless otherwise noted in a footnote in an appropriation act, an appropriation for a capital construction budget item or an information technology capital project, including capital construction, controlled maintenance, or capital renewal projects, as such terms are defined in section 24-30-1301, included in:

**SECTION 43.** In Colorado Revised Statutes, 24-75-307, **amend** (2) introductory portion and (2)(a) as follows:

**24-75-307. Capitol complex master plan implementation fund - creation - transfers for fund.** (2) On July 1, 2019, and on July 1 of each succeeding fiscal year, the state treasurer, upon the request of the capital development committee, may make a transfer from the general fund to the capitol complex master plan implementation fund in an amount equal to twenty million dollars less the amount transferred to the

national western center trust fund pursuant to section 23-31-902 (3), ~~C.R.S.,~~ subject to the following limitations:

(a) If the state has not entered into one or more ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements as authorized by section 23-31-903, ~~C.R.S.,~~ and no transfer is made to the national western center trust fund pursuant to section 23-31-902, ~~C.R.S.,~~ ten million dollars may be transferred to the capitol complex master plan implementation fund and ten million dollars may be transferred to the controlled maintenance trust fund created in section 24-75-302.5 (2)(a); and

**SECTION 44.** In Colorado Revised Statutes, 24-75-601, **amend** (2) as follows:

**24-75-601. Definitions.** As used in this part 6, unless the context otherwise requires:

(2) "Public funds" means any funds in the custody, possession, or control of a public entity; any funds over which a public entity has investment control; any funds over which a public entity would have investment control but for the entity's delegation of that control to another person; and any funds over which another person exercises investment control on behalf of or for the benefit of a public entity. "Public funds" includes, but is not limited to, proceeds of the sale of securities of a public entity and proceeds of certificates of participation or other securities evidencing rights in payments to be made by a public entity under a lease, ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET AGREEMENT, CERTIFICATE OF PARTICIPATION agreement, or other similar arrangement, regardless of whether such proceeds are held by the public entity, a third-party trustee, or any other person. "Public funds" shall not

include funds invested by the public employees' retirement association created in article 51 of this ~~title~~ TITLE 24 or any other funds invested for employee retirement or pensions. "Public funds" shall also not include trusts managed on behalf of the board of education of a school district coterminous with a city and county for the benefit of a retiree's health insurance and teacher compensation.

**SECTION 45.** In Colorado Revised Statutes, 24-75-601.1, **amend** (1)(h), (1)(h.5), and (1)(l)(III)(B) as follows:

**24-75-601.1. Legal investments of public funds - definition.** (1) It is lawful to invest public funds in any of the following securities:

(h) Any security of the investing public entity or any certificate of participation or other security evidencing rights in payments to be made by the investing public entity under a lease, ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET agreement, or similar arrangement;

(h.5) Any certificate of participation or other security evidencing rights in payments to be made by a school district under a lease, ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET agreement, or similar arrangement if the security, at the time of purchase, carries at least two credit ratings from NRSROs and is rated at or above "A- or A3" or its equivalent by all such organizations that have provided a rating;

(l) (III) (B) Contracts or agreements with a maturity period greater than three years shall only be purchased with proceeds of the sale of securities of a public entity and proceeds of certificates of participation or other securities evidencing rights in payments to be made by a public entity under a lease, ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET agreement, or other similar arrangement or if purchased by revenues pledged to the payment of such securities or certificates; except that no

contract or agreement may be purchased pursuant to ~~this paragraph (l)~~ SUBSECTION (1)(l) OF THIS SECTION with the proceeds of any of the foregoing that are held in an escrow or otherwise for the purpose of refunding bonds or other obligations of a public entity.

**SECTION 46.** In Colorado Revised Statutes, 24-82-102, **amend** (1)(a), (1)(b), and (1)(f) as follows:

**24-82-102. State authorized to acquire property - disposition.** (1) (a) On behalf of the state of Colorado and with the approval of the governor, the executive director of the department of personnel is authorized to acquire fee simple title, or any lesser interest therein, to any real property for present or future use by the state. Title to such property may be acquired by purchase, donation, ~~or lease-purchase~~ FINANCED PURCHASE OF AN ASSET AGREEMENTS, OR CERTIFICATE OF PARTICIPATION agreements or by the exercise of the power of eminent domain through condemnation proceedings in accordance with law from funds appropriated by the general assembly or from funds donated to the state for the purpose. In the event that the executive director plans to acquire any real property by any of the means authorized by this ~~paragraph (a)~~ SUBSECTION (1)(a), except for easements or rights-of-way, or to sell or otherwise dispose of such property, the executive director shall first submit a report to the capital development committee which outlines the anticipated use of the real property, the maintenance costs related to the property, the current value of the property, any conditions or limitations which may restrict the use of the property, and, in the event real property is acquired, the potential liability to the state which will result from such acquisition. The capital development committee shall review the reports submitted by the executive director and make recommendations to the

executive director concerning the disposition of the real property. The executive director shall not acquire, sell, or otherwise dispose of any real property without considering the recommendations of the capital development committee.

(b) Any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement that is entered into pursuant to ~~paragraph (a) of this subsection (1)~~ SUBSECTION (1)(a) OF THIS SECTION shall comply with the requirements of section 24-82-801.

(f) As used in this section, ~~"lease-purchase~~ "FINANCED PURCHASE OF AN ASSET agreement" means a ~~capital lease as defined in the generally accepted accounting principles issued by the governmental accounting standards board that the controller prescribes for the state as specified in section 24-30-202 (12)~~ FINANCING AGREEMENT THAT INCLUDES THE PURCHASE OF AN ASSET AND "CERTIFICATE OF PARTICIPATION AGREEMENT" MEANS ANY CERTIFICATE EVIDENCING A PARTICIPATION RIGHT OF A PROPORTIONATE INTEREST IN ANY FINANCING AGREEMENT OR THE RIGHT TO RECEIVE PROPORTIONATE PAYMENTS FROM THE STATE OR AN AGENCY DUE UNDER ANY FINANCING AGREEMENT.

**SECTION 47.** In Colorado Revised Statutes, 24-82-103, **amend** (4)(b) as follows:

**24-82-103. Off-street parking - financing.** (4) (b) Notwithstanding ~~the provisions of paragraph (a) of this subsection (4)~~ SUBSECTION (4)(a) OF THIS SECTION, the department of personnel is authorized, subject to appropriation by the general assembly, to expend ~~moneys~~ MONEY in the special account described in ~~paragraph (a) of this subsection (4)~~ SUBSECTION (4)(a) OF THIS SECTION for the purpose of demolishing the state-owned buildings in the capitol complex at 1550

Lincoln street and making payments on a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement for a parking structure on the southeast corner of fourteenth avenue and Lincoln street in the capitol complex.

**SECTION 48.** In Colorado Revised Statutes, 24-82-701, **amend** (1), (3), and (4); **repeal** (3.5); and **add** (3.3) as follows:

**24-82-701. Definitions.** As used in this part 7, unless the context otherwise requires:

(1) "Additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement" means any transaction entered into on or after July 1, 1987, in which the state, acting by and through the department of personnel as provided by this part 7, is the lessee of real or personal property, which shall be used by the state and in which the state has an option to purchase such real or personal property.

(3) "Existing ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement" means any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into prior to July 1, 1987, in which the state is the lessee of real or personal property which shall be used by the state and in which the state has an option to purchase such real or personal property.

(3.3) "FINANCED PURCHASE OF ASSET" MEANS A FINANCING AGREEMENT THAT INCLUDES THE PURCHASE OF AN ASSET.

(3.5) ~~"Lease purchase" means a capital lease as defined in the generally accepted accounting principles issued by the governmental accounting standards board that the controller prescribes for the state as specified in section 24-30-202 (12).~~

(4) "Master ~~lease~~ FINANCING program" means the refinancing, revising, replacement, or consolidation of any existing or additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or agreements.

**SECTION 49.** In Colorado Revised Statutes, 24-82-702, **amend** (1) as follows:

**24-82-702. Financed purchase of an asset or certificate of participation agreements.** (1) If the director determines that the state will realize economic or other benefits by revising or replacing existing ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements, or by entering into additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements, or by combining all or any portion of existing or additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements authorized by appropriations made by the general assembly, the director may develop a master ~~lease~~ FINANCING program and execute such agreements. Any additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement executed by the director pursuant to this part 7 may include personal property ~~which~~ THAT is the subject of an existing ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or personal property for which an appropriation has been made by the general assembly for the fiscal year commencing July 1, 1987, and any fiscal year thereafter. An additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement executed by the director pursuant to this part 7 may include real property only if the initial acquisition of such property by means of a

1 ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF
2 PARTICIPATION agreement was specifically authorized by a separate bill
3 enacted by the general assembly pursuant to section 24-82-801. For the
4 purposes of this subsection (1), appropriations made by the general
5 assembly do not include continuing appropriations made by permanent
6 statute.

7 **SECTION 50.** In Colorado Revised Statutes, 24-82-703, **amend**
8 (1) and (2)(a) as follows:

9 **24-82-703. Seller.** (1) The ~~lessor~~ SELLER under any additional
10 ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF
11 PARTICIPATION agreement entered into by the director pursuant to the
12 provisions of this part 7 shall be any for-profit or nonprofit corporation,
13 trust, or commercial bank as trustee.

14 (2) On and after August 11, 2010:

15 (a) The director is authorized to execute on behalf of the nonprofit
16 corporation abolished by Senate Bill 10-122, enacted in 2010, any
17 documents related to any additional ~~lease-purchase~~ FINANCED PURCHASE
18 OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement for which said
19 nonprofit corporation was the ~~lessor~~ SELLER pursuant to ~~the provisions of~~
20 this part 7;

21 **SECTION 51.** In Colorado Revised Statutes, **amend** 24-82-704
22 as follows:

23 **24-82-704. Payment obligations subject to annual**
24 **appropriation by the general assembly.** Every additional ~~lease-purchase~~
25 FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION
26 agreement authorized by the director pursuant to ~~the provisions of~~ this
27 part 7 shall provide that all payment obligations of the state under such

additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement are subject to annual appropriation by the general assembly and that such obligations shall not be deemed or construed as creating an indebtedness of the state within the meaning of any provision of the Colorado constitution or the laws of the state of Colorado concerning or limiting the creation of indebtedness by the state of Colorado.

**SECTION 52.** In Colorado Revised Statutes, **amend** 24-82-705 as follows:

**24-82-705. Terms and conditions of financed purchase of an asset or certificate of participation agreements.** Any additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by the director pursuant to ~~the provisions of~~ this part 7 may contain such terms, provisions, and conditions as the director may deem appropriate. Such provisions may allow the state to receive fee title to the real and personal property which is the subject of such additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement on or prior to the expiration of the entire term of the agreement, including all optional renewal terms. Any additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to ~~the provisions of~~ this part 7 may further provide for the issuance, distribution, and sale of instruments evidencing rights to receive rentals and other payments made and to be made under such additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, but only if and after a court of competent jurisdiction renders a final decision as to the constitutionality of the

issuance of certificates of participation or other instruments evidencing the commitment of a district to make payments in subsequent fiscal years of ~~moneys~~ MONEY due under an installment purchase agreement for the purchase of real or personal property which requires payments during more than one fiscal year, or any agreement for the lease or rental of real or personal property which requires payments during more than one fiscal year and under which such district is entitled to receive title to the property at the end of the term for nominal or no additional consideration. Such instruments shall not be notes, bonds, or any other evidence of indebtedness of the state of Colorado within the meaning of any provision of the Colorado constitution or the laws of the state of Colorado concerning or limiting the creation of indebtedness by the state of Colorado. Interest paid under any additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to this part 7, including interest represented by such instruments, shall be exempt from Colorado income tax. Any such additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements shall provide an option for the state to purchase the property ~~which~~ THAT is the subject of the ~~lease~~ AGREEMENT prior to the termination of such additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement. In no event shall any individual representing a firm ~~which~~ THAT was the successful bidder for a proposed financial services contract, which contract related to a master ~~leasing~~ FINANCING program, prior to June 20, 1987, be allowed to become the underwriter or financial advisor for any master ~~leasing~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by the director prior to June 30,

1988, pursuant to ~~the provisions of~~ this part 7.

**SECTION 53.** In Colorado Revised Statutes, **amend** 24-82-706 as follows:

**24-82-706. Subsequent payments.** Rentals and other payments made by the state under any additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to ~~the provisions of~~ this part 7 may be made from ~~moneys~~ MONEY appropriated by the general assembly without the necessity of a separate bill.

**SECTION 54.** In Colorado Revised Statutes, **amend** 24-82-707 as follows:

**24-82-707. Ancillary agreements.** The director may enter into or execute or may negotiate with any officer of the state to enter into or execute any deed, conveyance, escrow agreement, or other agreement or instrument ~~which~~ THAT he deems necessary or appropriate in connection with any additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to this part 7.

**SECTION 55.** In Colorado Revised Statutes, 24-82-708, **amend** (1) as follows:

**24-82-708. Fiscal rules inapplicable - independent powers.** (1) The provisions of section 24-30-202 (5)(b) shall not apply to any additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or ancillary agreement entered into pursuant to this part 7. Any provision of the fiscal rules promulgated pursuant to section 24-30-202 (1) and (13) ~~which~~ THAT the controller deems to be incompatible or inapplicable with respect to any such

~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or ancillary agreement may be waived by the controller or his designee.

**SECTION 56.** In Colorado Revised Statutes, **amend** 24-82-709 as follows:

**24-82-709. Participation by institutions of postsecondary education.** Institutions of postsecondary education, including the board of directors of the Auraria higher education center, may utilize the provisions of this part 7 so long as the criteria established by this part 7 for inclusion in a master ~~lease~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION AGREEMENT are satisfied and so long as such institutions act in a manner ~~which~~ THAT is consistent with ~~the provisions of~~ section 23-1-104. ~~C.R.S.~~

**SECTION 57.** In Colorado Revised Statutes, 24-82-801, **amend** (1)(a)(I), (1)(a)(II)(A), (1)(b), (1)(c), (2), (3), (4), (5), (6), and (8) as follows:

**24-82-801. Financed purchase of an asset or certification of participation agreements for acquisition of real or personal property - definition.** (1) (a) (I) Except as provided in subsection (6) of this section, and subject to the requirement set forth in subsection (1)(a)(II) of this section, no ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement for real property that requires total payments exceeding five hundred thousand dollars over the term of the agreement shall be entered into unless such agreement is specifically authorized, prior to its execution, by a bill enacted by the general assembly, other than the annual general appropriation act or a supplemental appropriation act.

1 (II) (A) Each bill enacted by the general assembly on or after
2 August 8, 2018, as required in subsection (1)(a)(I) of this section, must
3 include a requirement that the state agency or state institution of higher
4 education entering into the ~~lease-purchase~~ FINANCED PURCHASE OF AN
5 ASSET OR CERTIFICATE OF PARTICIPATION agreement present a plan to the
6 capital development committee, no later than the December of the
7 fourteenth calendar year or the January of the fifteenth calendar year after
8 either the date of the substantial completion of the construction or after
9 the date of acquisition, that details how the state agency or state
10 institution of higher education is prepared to fund the controlled
11 maintenance needs of the real property so that at least an amount equal to
12 an estimation of the sum of one percent of the insured value of the real
13 property for each year starting with the sixteenth year after either the date
14 of the substantial completion of the construction or after the date of
15 acquisition is available for a total period of twenty-five years for the real
16 property's controlled maintenance needs. The plan presented by the state
17 agency or state institution of higher education may include a request for
18 an additional ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
19 CERTIFICATE OF PARTICIPATION agreement for such controlled
20 maintenance needs or may include a request for partial or complete state
21 funding of such controlled maintenance needs. The capital development
22 committee shall review the plan presented by the state agency or state
23 institution of higher education. Any approved plan shall be authorized by
24 bill enacted by the general assembly, other than the annual general
25 appropriation act or a supplemental appropriation act; except that, if the
26 approved plan is for a state institution of higher education to fund such
27 controlled maintenance needs from cash funds then the plan may be

approved by majority vote of the capital development committee.

(b) Except as provided in subsection (6) of this section, no ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement for personal property that requires total payments exceeding five hundred thousand dollars over the term of the agreement shall be entered into unless such agreement is specifically authorized, prior to its execution, by a bill enacted by the general assembly, other than the annual general appropriation act or a supplemental appropriation act, or specifically authorized by appropriation in the annual general appropriation act or a supplemental appropriation act.

(c) Subsequent to the general assembly's authorization of a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement as specified in ~~paragraphs (a) and (b) of this subsection (1)~~ SUBSECTIONS (1)(a) AND (1)(b) OF THIS SECTION, rentals and other payments by the state under any such ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement may be made from ~~moneys~~ MONEY appropriated by the general assembly as a separate line item in the capital construction or operating section of an annual general appropriation act or a supplemental appropriation act.

(2) Except as provided in subsection (6) of this section, ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements that require total payments of five hundred thousand dollars or less over the term of the agreement shall require an appropriation by the general assembly in an annual general appropriation act or a supplemental appropriation act.

(3) A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR

CERTIFICATE OF PARTICIPATION agreement that requires total payments in excess of five hundred thousand dollars over the term of the agreement shall require, prior to its execution, approval by the state controller as authorized by section 24-30-202.

(4) As used in this section:

(a) "FINANCED PURCHASE OF AN ASSET AGREEMENT" MEANS A FINANCING AGREEMENT THAT INCLUDES THE PURCHASE OF AN ASSET AND "CERTIFICATE OF PARTICIPATION AGREEMENT" MEANS ANY CERTIFICATE EVIDENCING A PARTICIPATION RIGHT OF A PROPORTIONATE INTEREST IN ANY FINANCING AGREEMENT OR THE RIGHT TO RECEIVE PROPORTIONATE PAYMENTS FROM THE STATE OR AN AGENCY DUE UNDER ANY FINANCING AGREEMENT.

(b) ~~"lease-purchase agreement" means a capital lease as defined in the generally accepted accounting principles issued by the governmental accounting standards board that the controller prescribes for the state as specified in section 24-30-202 (12).~~

(5) A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement may further provide for the issuance, distribution, and sale of instruments evidencing rights to receive rentals and other payments made by the state, but only if the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement includes a provision that payments made by the state are subject to annual appropriation. A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement shall not include notes, bonds, or any other evidence of indebtedness of the state within the meaning of any provision of the constitution or laws of the state of Colorado concerning or limiting the creation of

indebtedness by the state.

(6) (a) Notwithstanding any provision of this section to the contrary, the department of transportation, institutions of higher education, the Auraria higher education center established in article 70 of title 23, ~~C.R.S.,~~ and the state treasurer may enter into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements if the state controller as authorized by section 24-30-202 approves each ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement that requires total payments in excess of five hundred thousand dollars over the term of the agreement or as otherwise provided by law.

(b) Notwithstanding any provision of this section to the contrary, the legislative department may enter into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements pursuant to section 2-2-320. ~~C.R.S.~~

(8) All ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements described in section 24-48.5-312 (3)(a)(II) shall include the terms specified in said section.

**SECTION 58.** In Colorado Revised Statutes, 24-82-802, **amend** (1)(a)(I) introductory portion, (1)(a)(I)(A), (1)(e), (2), (3) introductory portion, (3)(a), (3)(b), (3)(c), (3)(d), (3)(e), (3)(f), (4), (5), (6), (7)(a), (7)(b) introductory portion, (7)(b)(II)(A), (7)(b)(II)(B), (7)(c), (7)(d), (7)(e), (7)(f), (8), (9), (10)(a) introductory portion, and (10)(b)(I) as follows:

**24-82-802. Financed purchase of an asset or certificate of participation agreements for real property - definitions - financed purchase of an asset or certificate of participation rental cash fund.**

(1) As used in this section, unless the context otherwise requires:

(a) (I) "Annual ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION payment" means the total amount due from the state on property subject to a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement and includes:

(A) The annual base rent scheduled to be paid and the additional rent estimated to be paid on or pursuant to the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement and any ancillary agreements that may include, but need not be limited to, any of the following that are paid on a current basis and not paid by a ~~lessor~~ SELLER or other third party as part of a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement: All acquisition costs, such as due diligence costs associated with evaluation of an existing building; land acquisition; penalties for breaking lease agreements; a capital reserve for space planning and capital improvements needed in the building for demolition and construction of tenant space for state agencies or the release to existing tenants; relocation costs; office furniture and equipment; insurance; and the costs associated with any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION financing; plus

(e) ~~"Lease-purchase~~ "FINANCED PURCHASE OF AN ASSET agreement" AND "CERTIFICATE OF PARTICIPATION AGREEMENT" shall have the same ~~definition~~ MEANINGS as provided in section 24-82-801 (4).

(2) (a) Subject to the provisions of this section, the state treasurer, on behalf of the state of Colorado for the use of the department, is authorized to enter into one or more ~~lease-purchase~~ FINANCED PURCHASE

OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements for real and associated personal property existing or to be constructed pursuant to requirements of the state to be exclusively used, possessed, and managed by the department for state agencies and nonstate lessees of the department as the executive director may solely determine according to the plan approved pursuant to subsection (4) of this section and subject to the terms of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement.

(b) Subject to ~~the provisions of~~ section 2 of article XI of the state constitution, the state treasurer, for the use and benefit of the department, may enter into such ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements in conjunction with the state board of land commissioners, created pursuant to section 9 of article IX of the state constitution, or with a private person. The state treasurer shall transfer all benefits and responsibilities under the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement to the department. The department shall manage the property for the state as the executive director may solely determine, subject to the terms of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement.

(3) The state treasurer shall enter into a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to subsection (2) of this section on behalf of the state for the use and benefit of the department only if, at the time that the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement is executed:

(a) The state agencies that will be located in the property that is

the subject of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement are funded, in whole or in part, by appropriations and a portion of the appropriations are being expended to pay rent to a ~~lessor~~ SELLER;

(b) The projected annual rent costs of the state agencies that will be located in the property plus any current rental payments or rental payments projected to be received from nonstate lessees for each fiscal year during the maximum term of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement exceed the annual ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION payment for the property, adjusted as appropriate to account for any differences in services provided to, or costs paid for the benefit of, the state under the related leases and ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements;

(c) The property or proposed construction plan for the property has been reviewed by the state architect who shall make written recommendations to the executive director for controlled maintenance needs during the term of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement;

(d) The plan for the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION transaction has been approved first by the office of state planning and budgeting and the capital development committee of the general assembly pursuant to subsection (4) of this section;

(e) The executive director acknowledges his or her approval of the terms of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements and any ancillary agreements;

(f) The agreements for the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION transaction accurately reflect the plan approved by the office of state planning and budgeting and the capital development committee; and

(4) Prior to the state treasurer entering into any ~~lease-purchase agreement~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION pursuant to this section, the executive director shall submit the report required by section 24-82-102 (1) and the plan for the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION transaction to the office of state planning and budgeting. If the office of state planning and budgeting approves the report and the plan, it shall submit the report and the plan to the capital development committee of the general assembly. The capital development committee shall approve the plan or refer its recommendations regarding the plan, with written comments, to the executive director and the office of state planning and budgeting.

(5) Approval of the plan by the office of state planning and budgeting shall not authorize the department to expend any ~~moneys~~ MONEY on the annual ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION payment in any fiscal year in an amount greater than the projected annual rent costs of the state agencies plus any rental payments projected to be received from nonstate lessees for such fiscal year, adjusted as appropriate to account for any differences in services provided to, or costs paid for the benefit of, the state under the related leases and ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements.

(6) The state of Colorado, acting by and through the state

treasurer, for the use and benefit of the department may, at the state treasurer's sole discretion, enter into one or more ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements authorized by subsection (2) of this section with any for-profit or nonprofit corporation, trust, or commercial bank as a trustee, as ~~lessor~~ SELLER.

(7) (a) A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized in subsection (2) of this section shall provide that all of the obligations of the state under the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement shall be subject to the action of the general assembly in annually making ~~moneys~~ MONEY available for all payments thereunder. The ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement shall also provide that the obligations shall not be deemed or construed as creating an indebtedness of the state within the meaning of any provision of the state constitution or the laws of the state of Colorado concerning or limiting the creation of indebtedness by the state of Colorado and shall not constitute a multiple fiscal-year direct or indirect debt or other financial obligation of the state within the meaning of section 20 (4) of article X of the state constitution. In the event the state of Colorado does not renew a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized in subsection (2) of this section, the sole security available to the ~~lessor~~ SELLER shall be the property encumbered to secure the nonrenewed ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or equivalent substitute collateral provided by the state.

(b) A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized in subsection (2) of this section may contain such terms, provisions, and conditions as the state treasurer, acting on behalf of the state of Colorado and for the use and benefit of the department, may deem appropriate, including all optional terms; except that a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement:

(II) Shall specifically authorize the state of Colorado:

(A) To receive title to all real and personal property that is the subject of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement on or prior to the expiration of the terms of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement; and

(B) To reduce the term of the ~~lease~~ AGREEMENT through prepayment of rental and other payments subject to the terms of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement and any ancillary agreement.

(c) A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized in subsection (2) of this section may provide for the issuance, distribution, and sale of instruments evidencing rights to receive rentals and other payments made and to be made under the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement. The instruments shall not be notes, bonds, or any other evidence of indebtedness of the state within the meaning of any provision of the state constitution or the law of the state concerning or limiting the creation of indebtedness of the state and shall not constitute a multiple fiscal-year direct or indirect debt

or other financial obligation of the state within the meaning of section 20 (4) of article X of the state constitution.

(d) Interest paid under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized in subsection (2) of this section, including interest represented by the instruments, shall be exempt from Colorado income tax.

(e) The state of Colorado, acting through the state treasurer, for the use and benefit of the department, is authorized, if the executive director concurs, to enter into ancillary agreements and instruments as are deemed necessary or appropriate in connection with a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, including but not limited to ground leases, site leases, easements, or other instruments relating to the real property on which the facilities are located; except that no ancillary agreement is authorized that would cause the annual ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION payment to exceed the annual rent costs appropriated to the state agencies prior to the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement plus any rent projected to be received from nonstate lessees.

(f) A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized in subsection (2) of this section may require the state to provide insurance; except that no insurance is authorized that would cause the annual ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION payment to exceed the annual rent costs of the state agencies prior to the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement plus any rent projected to be received from

nonstate lessees, adjusted as described in ~~paragraph (b) of subsection (3)~~ SUBSECTION (3)(b) of this section. The insurance may be provided through the self-insured property fund created pursuant to section 24-30-1510.5.

(8) Any provision of the fiscal rules promulgated pursuant to section 24-30-202 (1) and (13) that the state controller deems to be incompatible or inapplicable with respect to said ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements or any such ancillary agreement may be waived by the controller or his or her designee.

(9) If a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to subsection (2) of this section is executed, during the term of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, ~~moneys~~ MONEY that at the time of the execution ~~are~~ IS appropriated to a state agency for rental payments in an amount equal to the annual ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION payment, less any payments projected to be received from nonstate lessees pursuant to subsection (10) of this section, shall be transferred to the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION servicing account of the capital construction fund, created in section 24-75-302 (3.5), and, subject to annual appropriation, shall be used to pay the annual ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION payments for the property that is the subject of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or for operating, maintenance, and controlled maintenance costs for the property subject to the ~~lease-purchase~~

FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement. ~~Moneys~~ MONEY held in the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION servicing account shall be for the benefit of the department.

(10) (a) If the executive director determines that, in a property subject to a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to subsection (2) of this section, there is space that is not needed by a state agency, the executive director, separately or in conjunction with the state board of land commissioners or another person, may:

(b) (I) Any ~~moneys~~ MONEY received by the executive director on behalf of nonstate lessees pursuant to ~~paragraph (a) of this subsection (10)~~ SUBSECTION (10)(a) shall be transmitted to the state treasurer, who shall credit the same to the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION rental cash fund for the benefit of the department, which fund is hereby created and referred to in this section as the "fund". The ~~moneys~~ MONEY in the fund shall be subject to annual appropriation by the general assembly to the department of personnel and shall only be used for the annual ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION payments for ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements authorized pursuant to subsection (2) of this section or for operating, maintenance, and controlled maintenance costs for the buildings subject to the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements.

(II) Any ~~moneys~~ MONEY in the fund not expended for the purpose of this subsection (10) may be invested by the state treasurer as provided

by law. All interest and income derived from the investment and deposit of ~~moneys~~ MONEY in the fund shall be credited to the fund. Any unexpended and unencumbered ~~moneys~~ MONEY remaining in the fund at the end of a fiscal year shall remain in the fund and shall not be credited or transferred to the general fund or another fund.

**SECTION 59.** In Colorado Revised Statutes, 24-82-803, **amend** (1)(b)(I), (2), (3)(a), (3)(c), and (4) as follows:

**24-82-803. Financed purchase of an asset or certificate of participation agreements for certain capital construction projects - legislative declaration.** (1) (b) The general assembly further finds and declares that:

(I) The deadline to issue the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement in subsection (2)(a) of this section is meant to provide the state treasurer with as much flexibility as possible to ensure that the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement is executed on behalf of the state with the most favorable terms that the market will allow. The general assembly agrees with the need for this deadline flexibility and at the same time declares that the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement should be executed as soon as possible.

(2) (a) Notwithstanding the provisions of sections 24-82-102 (1)(b) and 24-82-801, and pursuant to section 24-36-121, no later than June 30, 2021, the state, acting by and through the state treasurer, shall execute a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement for the purpose described in subsection (4) of this section in an amount up to sixty-five million five

hundred thousand dollars plus reasonable and necessary administrative, monitoring, and closing costs and interest, including capitalized interest and credit enhancement costs such as a debt service reserve fund or bond insurance.

(b) The anticipated annual state-funded payments for the principal and interest components of the amount payable under the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to subsection (2)(a) of this section shall not exceed five million five hundred thousand dollars, with principal amortization not occurring before July 1, 2022.

(c) The state, acting by and through the state treasurer, at the state treasurer's sole discretion, may enter into the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized by subsection (2)(a) of this section with any for-profit or nonprofit corporation, trust, or commercial bank as a trustee as the ~~lessor~~ SELLER.

(d) The ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement executed as required by subsection (2)(a) of this section shall provide that all of the obligations of the state under the agreement are subject to the action of the general assembly in annually making money available for all payments thereunder. Payments under any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement must be made subject to annual appropriation by the general assembly, as applicable, from the capital construction fund, from the general fund, or from any other legally available source of money.

(e) The agreement must also provide that the state's obligation

1 does not create state debt within the meaning of any provision of the state
2 constitution or state law concerning or limiting the creation of state debt
3 and is not a multiple fiscal-year direct or indirect debt or other financial
4 obligation of the state within the meaning of section 20 (4) of article X of
5 the state constitution. If the state does not renew the ~~lease-purchase~~
6 FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION
7 agreement executed as required by subsection (2)(a) of this section, the
8 sole security available to the ~~lessor~~ SELLER is the property that is the
9 subject of the nonrenewed ~~lease-purchase~~ FINANCED PURCHASE OF AN
10 ASSET OR CERTIFICATE OF PARTICIPATION agreement.
11 (f) (I) The ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
12 CERTIFICATE OF PARTICIPATION agreement executed as required by
13 subsection (2)(a) of this section may contain such terms, provisions, and
14 conditions as the state treasurer, acting on behalf of the state, deems
15 appropriate, including all optional terms; except that the ~~lease-purchase~~
16 FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION
17 agreement must specifically authorize the state or the governing board of
18 the applicable state institution of higher education to receive fee title to
19 all real and personal property that is the subject of the ~~lease-purchase~~
20 FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION
21 agreement on or before the expiration of the terms of the agreement.
22 (II) The state treasurer, acting on behalf of the state, has the
23 authority as he or she deems appropriate to determine what collateral to
24 use for the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
25 CERTIFICATE OF PARTICIPATION agreement.
26 (g) The ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
27 CERTIFICATE OF PARTICIPATION agreement executed as required by

subsection (2)(a) of this section may provide for the issuance, distribution, and sale of instruments evidencing rights to receive rentals and other payments made and to be made under the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement. The instrument may be issued, distributed, or sold only by the ~~lessor~~ SELLER or any person designated by the ~~lessor~~ SELLER and not by the state. The instrument does not create a relationship between the purchasers of the instrument and the state or create any obligation on the part of the state to the purchasers. The instrument is not a note, bond, or any other evidence of state debt within the meaning of any provision of the state constitution or state law concerning or limiting the creation of state debt and is not a multiple fiscal-year direct or indirect debt or other financial obligation of the state within the meaning of section 20 (4) of article X of the state constitution.

(h) Interest paid under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to subsection (2)(a) of this section, including interest represented by the instruments, is exempt from Colorado income tax.

(i) The state, acting by and through the state treasurer and the governing boards of the institutions of higher education, is authorized to enter into ancillary agreements and instruments that are necessary or appropriate in connection with a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, including but not limited to deeds, ground leases, sub-leases, easements, or other instruments relating to the real property on which the facilities are located.

(j) The provisions of section 24-30-202 (5)(b) do not apply to a

~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement executed as required by or to any ancillary agreement or instrument entered into pursuant to this subsection (2). The state controller or his or her designee shall waive any provision of the fiscal rules promulgated pursuant to section 24-30-202 (1) and (13) that the state controller finds incompatible or inapplicable with respect to a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or an ancillary agreement or instrument.

(3) (a) Before executing the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement required by subsection (2)(a) of this section, in order to protect against future interest rate increases, the state, acting by and through the state treasurer and at the discretion of the state treasurer, may enter into an interest rate exchange agreement pursuant to article 59.3 of title 11. A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement executed as required by subsection (2)(a) of this section is a proposed public security for the purposes of article 59.3 of title 11. Any payments made by the state under an agreement entered into pursuant to this subsection (3) must be made solely from money made available to the state treasurer from the execution of a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or from money described in subsection (2)(d) of this section.

(c) Any money received by the state under an agreement entered into pursuant to this subsection (3) shall be used to make payments on the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to subsection (2) of this section or to pay the costs of the projects for which a ~~lease-purchase~~

FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement was executed.

(4) The proceeds of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement executed as required by subsection (2)(a) of this section shall be used to fund certain capital construction needs for state institutions of higher education that are continuations of previously funded projects as specified by the capital development committee. The capital development committee shall post the list of specific projects and the cost of each project, on its official website no later than August 15, 2020. In the event of any excess money as a result of the issuance, the capital development committee shall also specify in their list what any remainder money must be used for.

**SECTION 60.** In Colorado Revised Statutes, **amend** 24-82-1204 as follows:

**24-82-1204. Terms and conditions of lease agreements.** (1) A lease AGREEMENT, FINANCED PURCHASE OF AN ASSET AGREEMENT, OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to ~~the provisions of~~ this part 12 may contain such terms, provisions, and conditions as the executive director of the leasing state department or the governing board of the leasing institution may deem appropriate. Any lease agreement entered into pursuant to this part 12 shall comply with the requirements of section 24-82-801.

(2) As used in this section:

(a) "CERTIFICATE OF PARTICIPATION" MEANS ANY CERTIFICATE EVIDENCING A PARTICIPATION RIGHT OF A PROPORTIONATE INTEREST IN ANY FINANCING AGREEMENT OR THE RIGHT TO RECEIVE PROPORTIONATE PAYMENTS FROM THE STATE OR AN AGENCY DUE UNDER ANY FINANCING

AGREEMENT.

(b) "FINANCED PURCHASE OF AN ASSET" MEANS A FINANCING AGREEMENT THAT INCLUDES THE PURCHASE OF AN ASSET.

(c) ~~"lease agreement" means a capital lease as defined in the generally accepted accounting principles issued by the governmental accounting standards board that the controller prescribes for the state as specified in section 24-30-202 (12).~~

**SECTION 61.** In Colorado Revised Statutes, 24-82-1301, **amend** (1)(b) and (1)(c) as follows:

**24-82-1301. Legislative declaration.** (1) The general assembly hereby finds and declares that:

(b) By issuing ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements using state buildings as collateral as authorized by this part 13, the state can generate sufficient funds to accelerate the completion of many of the necessary high-priority state highway projects and capital construction projects that have been delayed and better maintain and preserve existing state capital assets;

(c) It is the intent of the general assembly that a majority of the additional funding for state capital construction projects realized from issuing ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements be used for controlled maintenance and upkeep of state capital assets.

**SECTION 62.** In Colorado Revised Statutes, 24-82-1303, **amend** (2)(a) introductory portion, (2)(c), (2)(d) introductory portion, (2)(d)(I), (2)(e), (2)(f), (2)(g), (2)(h), (2)(i), (2)(j), (3)(a), (3)(c), (4) introductory portion, (4)(a)(I) introductory portion, (4)(a)(III), and (4)(a.5) as follows:

**24-82-1303. Financed purchase of an asset or certificate of**

**participation agreements for capital construction and transportation projects.** (2) (a) Notwithstanding the provisions of sections 24-82-102 (1)(b) and 24-82-801, and pursuant to section 24-36-121, no sooner than July 1, 2018, the state, acting by and through the state treasurer, shall execute ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements, each for no more than twenty years of annual payments, for the projects described in subsection (4) of this section. The state shall execute the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements as soon as possible after July 1 of the applicable state fiscal year only in accordance with the following schedule:

(c) The state, acting by and through the state treasurer, at the state treasurer's sole discretion, may enter into one or more ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements authorized by subsection (2)(a) of this section with any for-profit or nonprofit corporation, trust, or commercial bank as a trustee as the ~~lessor~~ SELLER.

(d) Any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement executed as required by subsection (2)(a) of this section shall provide that all of the obligations of the state under the agreement are subject to the action of the general assembly in annually making money available for all payments thereunder. Payments under any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement must be made, subject to annual allocation pursuant to section 43-1-113 by the transportation commission created in section 43-1-106 (1) or subject to annual appropriation by the general assembly, as applicable, from the

following sources of money:

(I) First, nine million dollars annually, or any lesser amount that is sufficient to make each full payment due, shall be paid from the general fund or any other legally available source of money for the purpose of fully funding the controlled maintenance and capital construction projects in the state to be funded with the proceeds of ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements as specified in subsection (4)(a) of this section;

(e) Each agreement must also provide that the obligations of the state do not create state debt within the meaning of any provision of the state constitution or state law concerning or limiting the creation of state debt and are not a multiple fiscal-year direct or indirect debt or other financial obligation of the state within the meaning of section 20 (4) of article X of the state constitution. If the state does not renew a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement executed as required by subsection (2)(a) of this section, the sole security available to the ~~lessor~~ SELLER is the property that is the subject of the nonrenewed ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement.

(f) A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement executed as required by subsection (2)(a) of this section may contain such terms, provisions, and conditions as the state treasurer, acting on behalf of the state, deems appropriate, including all optional terms; except that each ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement must specifically authorize the state or the governing board of the applicable state institution of higher education to receive fee title to

all real and personal property that is the subject of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement on or before the expiration of the terms of the agreement.

(g) Any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement executed as required by subsection (2)(a) of this section may provide for the issuance, distribution, and sale of instruments evidencing rights to receive rentals and other payments made and to be made under the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement. The instruments may be issued, distributed, or sold only by the ~~lessor~~ SELLER or any person designated by the ~~lessor~~ SELLER and not by the state. The instruments do not create a relationship between the purchasers of the instruments and the state or create any obligation on the part of the state to the purchasers. The instruments are not notes, bonds, or any other evidence of state debt within the meaning of any provision of the state constitution or state law concerning or limiting the creation of state debt and are not a multiple fiscal-year direct or indirect debt or other financial obligation of the state within the meaning of section 20 (4) of article X of the state constitution.

(h) Interest paid under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to subsection (2)(a) of this section, including interest represented by the instruments, is exempt from Colorado income tax.

(i) The state, acting by and through the state treasurer and the governing boards of the institutions of higher education, is authorized to enter into ancillary agreements and instruments that are necessary or appropriate in connection with a ~~lease-purchase~~ FINANCED PURCHASE OF

AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, including but not limited to deeds, ground leases, sub-leases, easements, or other instruments relating to the real property on which the facilities are located.

(j) The provisions of section 24-30-202 (5)(b) do not apply to a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement executed as required by or to any ancillary agreement or instrument entered into pursuant to this subsection (2). The state controller or his or her designee shall waive any provision of the fiscal rules promulgated pursuant to section 24-30-202 (1) and (13) that the state controller finds incompatible or inapplicable with respect to a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or an ancillary agreement or instrument.

(3) (a) Before executing a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement required by subsection (2)(a) of this section, in order to protect against future interest rate increases, the state, acting by and through the state treasurer and at the discretion of the state treasurer, may enter into an interest rate exchange agreement pursuant to article 59.3 of title 11. A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement executed as required by subsection (2)(a) of this section is a proposed public security for the purposes of article 59.3 of title 11. Any payments made by the state under an agreement entered into pursuant to this subsection (3) must be made solely from money made available to the state treasurer from the execution of a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or from money described in subsections (2)(d)(I) and (2)(d)(II) of this

1 section.

2 (c) Any money received by the state under an agreement entered
3 into pursuant to this subsection (3) shall be used to make payments on
4 ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF
5 PARTICIPATION agreements entered into pursuant to subsection (2) of this
6 section or to pay the costs of the project for which a ~~lease-purchase~~
7 FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION
8 agreement was executed.

9 (4) Proceeds of ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET
10 OR CERTIFICATE OF PARTICIPATION agreements executed as required by
11 subsection (2)(a) of this section shall be used as follows:

12 (a) (I) The first one hundred twenty million dollars of the proceeds
13 of ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF
14 PARTICIPATION agreements issued during the 2018-19 state fiscal year
15 shall be used for controlled maintenance and capital construction projects
16 in the state as follows:

17 (III) When the actual cost of a controlled maintenance project
18 funded from the proceeds of the ~~lease-purchase~~ FINANCED PURCHASE OF
19 AN ASSET OR CERTIFICATE OF PARTICIPATION agreements executed as
20 required by subsection (2)(a) of this section, as specifically set forth in
21 subsections (4)(a)(I)(A) through (4)(a)(I)(C) of this section, is less than
22 the amount specifically earmarked for such project, the executive director
23 may utilize the savings to cover any additional cost of any other
24 controlled maintenance project funded from the proceeds of the
25 ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF
26 PARTICIPATION agreements executed as required by subsection (2)(a) of
27 this section, as specifically set forth in subsections (4)(a)(I)(A) through

(4)(a)(I)(C) of this section; except that the executive director's authority to use savings for other controlled maintenance projects may not in any way exceed the total allocation of one hundred thirteen million eight hundred fifty-two thousand nine hundred twenty-one dollars.

(a.5) Of the proceeds of ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements executed as required by subsection (2)(a)(II) of this section, the lesser of all proceeds in excess of five hundred million dollars or forty-nine million dollars of such excess proceeds shall be credited to the capital construction fund created in section 24-75-302 (1)(a) and appropriated only for controlled maintenance projects, including controlled maintenance projects that are capital renewal projects, in the state.

**SECTION 63.** In Colorado Revised Statutes, 24-82-1303, **amend** (2)(a) introductory portion and (2)(d) introductory portion; and **amend as they exist until a ballot issue is proclaimed by the governor**, (2)(a)(I), (2)(a)(II), (2)(a)(III), (2)(a)(IV), (2)(b), and (2)(d)(II) as follows:

**24-82-1303. Financed purchase of an asset or certificate of participation agreements for capital construction and transportation projects.** (2) (a) Notwithstanding the provisions of sections 24-82-102 (1)(b) and 24-82-801, and pursuant to section 24-36-121, no sooner than July 1, 2018, the state, acting by and through the state treasurer, shall execute ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements, each for no more than twenty years of annual payments, for the projects described in subsection (4) of this section. The state shall execute the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements as soon as possible after July 1 of the applicable state fiscal year only in accordance

with the following schedule:

(I) During the 2018-19 state fiscal year, the state shall execute ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements in an amount up to five hundred million dollars;

(II) During the 2019-20 state fiscal year, the state shall execute ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements in an amount up to five hundred million dollars;

(III) During the 2020-21 state fiscal year, the state shall execute ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements in an amount up to five hundred million dollars; and

(IV) During the 2021-22 fiscal year, the state shall execute ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements in an amount up to five hundred million dollars.

(b) The anticipated annual state-funded payments for the principal and interest components of the amount payable under all ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to subsection (2)(a) of this section shall not exceed one hundred fifty million dollars.

(d) Any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement executed as required by subsection (2)(a) of this section shall provide that all of the obligations of the state under the agreement are subject to the action of the general assembly in annually making money available for all payments

thereunder. Payments under any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement must be made, subject to annual allocation pursuant to section 43-1-113 by the transportation commission created in section 43-1-106 (1) or subject to annual appropriation by the general assembly, as applicable, from the following sources of money:

(II) Next, fifty million dollars annually, or any lesser amount that is sufficient to make each full payment due, shall be paid from any legally available money under the control of the transportation commission solely for the purpose of allowing the construction, supervision, and maintenance of state highways to be funded with the proceeds of ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements as specified in subsection (4)(b) of this section and section 43-4-206 (1)(b)(V); except that, for payments due during state fiscal years 2020-21 and 2021-22, sixty-two million dollars annually, or any lesser amount that is sufficient to make each full payment due shall be paid from such legally available money for said purpose; and

**SECTION 64.** In Colorado Revised Statutes, 24-82-1303, **amend** (2)(d) introductory portion; and **amend as they will become effective if a ballot issue is proclaimed by the governor** (2)(b) and (2)(d)(II) as follows:

**24-82-1303. Financed purchase of an asset or certificate of participation agreements for capital construction and transportation projects.** (2) (b) The anticipated annual state-funded payments for the principal and interest components of the amount payable under all ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to subsection (2)(a) of

this section shall not exceed one hundred twelve million five hundred thousand dollars.

(d) Any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement executed as required by subsection (2)(a) of this section shall provide that all of the obligations of the state under the agreement are subject to the action of the general assembly in annually making money available for all payments thereunder. Payments under any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement must be made, subject to annual allocation pursuant to section 43-1-113 by the transportation commission created in section 43-1-106 (1) or subject to annual appropriation by the general assembly, as applicable, from the following sources of money:

(II) Next, for state fiscal year 2021-22 and for each succeeding state fiscal year for which a payment under any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement must be made, thirty-six million seven hundred thousand dollars annually, or any lesser amount that is sufficient to make each full payment due, shall be paid from any legally available money under the control of the transportation commission solely for the purpose of allowing the construction, supervision, and maintenance of state highways to be funded with the proceeds of ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements as specified in subsection (4)(b) of this section and section 43-4-206 (1)(b)(V); except that, for the payment due during state fiscal year 2021-22 only, forty-eight million seven hundred thousand dollars, or any lesser amount that is sufficient to make the full payment due shall be paid from such legally

available money for said purpose; and

**SECTION 65.** In Colorado Revised Statutes, 24-90-114, **amend** (2) as follows:

**24-90-114. Abolishment of libraries.** (2) Following notice of public hearings, the abolishment of a joint library shall be by resolution of the legislative bodies of the governmental units ~~which~~ THAT established, operated, or maintained the joint library. The resolution shall specify that all indebtedness, including obligations arising from ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements, of the joint library must be fully protected until retired, that all trusts of the library will be continued as specified under current terms, and that all properties of the joint library will be divided as provided in the agreements entered into by the legislative bodies of the governmental units.

**SECTION 66.** In Colorado Revised Statutes, 29-1-103, **amend** (3)(a), (3)(c), (3)(d)(I)(A), (3)(d)(I)(B), (3)(d)(I)(C), (3)(d)(I)(D), and (3)(e); and **add** (3)(c.5) and (3)(c.7) as follows:

**29-1-103. Budgets required.** (3) (a) The general assembly finds and declares that the use of ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements by local governments creates financial obligations of those governments and that the disclosure of such obligations is in the public interest and is a matter of statewide concern.

(c) As used in this subsection (3), ~~"lease-purchase~~ "LEASE agreement" means a ~~capital~~ lease as defined in the generally accepted accounting principles issued by the governmental accounting standards board that the controller prescribes for the state as specified in section

24-30-202 (12). ~~C.R.S.~~

(c.5) AS USED IN THIS SUBSECTION (3), "CERTIFICATE OF PARTICIPATION" MEANS ANY CERTIFICATE EVIDENCING A PARTICIPATION RIGHT OF A PROPORTIONATE INTEREST IN ANY FINANCING AGREEMENT OR THE RIGHT TO RECEIVE PROPORTIONATE PAYMENTS FROM THE STATE OR AN AGENCY DUE UNDER ANY FINANCING AGREEMENT.

(c.7) AS USED IN THIS SUBSECTION (3), "FINANCED PURCHASE OF AN ASSET" MEANS A FINANCING AGREEMENT THAT INCLUDES THE PURCHASE OF AN ASSET.

(d) (I) The budget adopted by every local government shall separately set forth each of the following:

(A) The total amount to be expended during the ensuing fiscal year for payment obligations under all ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements involving real property;

(B) The total maximum payment liability of the local government under all ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements involving real property over the entire terms of such agreements, including all optional renewal terms;

(C) The total amount to be expended during the ensuing fiscal year for payment obligations under all ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements other than those involving real property;

(D) The total maximum payment liability of the local government under all ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements other than those involving real property over the entire terms of such agreements, including all

optional renewal terms.

(e) (I) No local government shall enter into any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement whose duration, including all optional renewal terms, exceeds the weighted average useful life of the assets being financed. In the case of a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement involving both real property and other property, the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement shall provide that the real property involved shall be amortized over a period not to exceed its weighted average useful life and the other property shall be separately amortized over a period not to exceed its weighted average useful life. This provision shall not prevent a local government from releasing property from a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement pursuant to an amortization schedule reflecting the times when individual pieces of property have been amortized.

(II) Nothing contained in this ~~paragraph (e)~~ SUBSECTION (3)(e) shall be construed to apply to any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into prior to April 9, 1990.

**SECTION 67.** In Colorado Revised Statutes, 29-12.5-101, **amend** (4)(a) and (4)(c) as follows:

**29-12.5-101. Definitions.** As used in this article 12.5:

(4) "Energy saving measure" means:

(a) The acquisition and installation, by purchase, lease, ~~lease-purchase, lease with an option to buy,~~ FINANCED PURCHASE OF AN

ASSET, CERTIFICATE OF PARTICIPATION, or installment purchase, of a utility cost-savings measure and any attendant architectural and engineering consulting services;

(c) The acquisition and installation, by purchase, lease, ~~lease-purchase, lease with an option to buy,~~ FINANCED PURCHASE OF AN ASSET, CERTIFICATE OF PARTICIPATION, or installment purchase of a vehicle fleet operational and fuel cost-savings measure.

**SECTION 68.** In Colorado Revised Statutes, 30-11-104.1, **amend** (1) and (3) as follows:

**30-11-104.1. Financed purchase of an asset or certificate of participation agreements.** (1) In order to provide for financing of a public park, a public trail, a public golf course, or public open space, or a courthouse, jail, or other county building or equipment used, or to be used, for governmental purposes, any county is authorized to enter into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements.

(3) The obligation under any such ~~leases~~ AGREEMENTS may only be from year to year and may not constitute a mandatory charge or requirement in any ensuing budget year.

**SECTION 69.** In Colorado Revised Statutes, 30-11-104.2, **amend** (2) as follows:

**30-11-104.2. Tax exemption.** (2) (a) A courthouse, jail, or other county building subject to ~~lease purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements in force on May 29, 1981, shall be accorded the same tax-exempt status as a courthouse, jail, or other county building financed by such agreements entered into after such date.

(b) Equipment subject to ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements in force on May 25, 1983, shall be accorded the same tax-exempt status as equipment financed by such agreements entered into after such date.

**SECTION 70.** In Colorado Revised Statutes, 32-14-110, **amend** (1) introductory portion and (1)(a) as follows:

**32-14-110. Privatization - study and consideration.** (1) The board shall study, consider, and pursue opportunities for privatizing the costs of acquiring a stadium site, the costs of constructing a stadium, or the costs of operating a stadium in order to minimize the use of sales tax revenues to the greatest extent possible for the purposes of this ~~article~~ ARTICLE 14. Such methods to be studied, considered, and pursued by the board in order to achieve such privatization shall include, but not be limited to, the following:

(a) Financial incentives from private sources, including landowners and developers, available to offset the cost of a stadium site and the construction, maintenance, and operation of a stadium, including, but not limited to: Contributions of money, goods, equipment, and services; ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET agreements; CERTIFICATE OF PARTICIPATION AGREEMENTS; sale-leaseback agreements; and joint venture proposals;

**SECTION 71.** In Colorado Revised Statutes, 32-15-106, **amend** (6)(a) introductory portion and (6)(a)(I) as follows:

**32-15-106. Board of directors - powers and duties.** (6) (a) The board shall study, consider, and pursue opportunities for privatizing the costs of acquiring Mile High stadium or acquiring a stadium site for a new stadium, the costs of renovating Mile High stadium or constructing

a new stadium, or the costs of operating a stadium in order to minimize the use of sales tax revenues to the greatest extent possible for the purposes of this ~~article~~ ARTICLE 15. Such methods to be studied, considered, and pursued by the board in order to achieve such privatization shall include, but not be limited to, the following:

(I) Financial incentives from private sources, including landowners and developers, available to offset the cost of a stadium site and the construction of a new stadium, the cost of renovating Mile High stadium, and the cost of maintenance, and operation of a stadium, including, but not limited to: Contributions of money, goods, equipment, and services; ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET agreements; CERTIFICATE OF PARTICIPATION AGREEMENTS; sale-leaseback agreements; and joint venture proposals;

**SECTION 72.** In Colorado Revised Statutes, 33-60-103, **amend** (1)(c) introductory portion, (1)(c)(I) introductory portion, (1)(c)(I)(B), (1)(c)(I)(C), (1)(c)(I)(D), (1)(c)(II), and (1)(c)(III) as follows:

**33-60-103. Distribution of net lottery proceeds - fourth quarter of fiscal year 1992-93 through fourth quarter of fiscal year 1997-98 - insufficiency - loan - repayment from net lottery proceeds.** (1) Beginning with the proceeds from the fourth quarter of fiscal year 1992-93 through the fourth quarter of fiscal year 1997-98, the state treasurer shall make monthly distributions of net lottery proceeds as follows:

(c) To the debt service repayment account in the capital construction fund created pursuant to the provisions of section 24-75-302 (3), ~~C.R.S.,~~ in an amount sufficient to defray all payments of principal and interest due on or before the date of the distribution for the payment

of the following outstanding financial obligations of the state:

(I) 1992 master ~~lease purchase~~ FINANCED PURCHASE OF AN ASSET agreement in the original principal amount of $108,310,000, less the principal amount of $5,700,000 or the appraised value, whichever is greater, for the Kipling facility building, which shall not be included. The 1992 master ~~lease purchase~~ FINANCED PURCHASE OF AN ASSET agreement represents the refunding of the following certificates of participation:

(B) 1986 master ~~lease purchase~~ FINANCED PURCHASE OF AN ASSET agreement in the original amount of $36,495,000;

(C) 1988 master ~~lease purchase~~ FINANCED PURCHASE OF AN ASSET agreement in the original amount of $63,025,000;

(D) 1989 master ~~lease purchase~~ FINANCED PURCHASE OF AN ASSET agreement in the original amount of $66,894,861.85; except that such refunding represents only that portion of the certificates which mature on and after November 1, 1999;

(II) 1990 master ~~lease purchase~~ FINANCED PURCHASE OF AN ASSET agreement in the original amount of $28,635,000; and

(III) 1989 master ~~lease purchase~~ FINANCED PURCHASE OF AN ASSET agreement in the original amount of $66,894,861.85, but only to the extent of payment for debt service from and including September 1, 1993, to and including November 30, 1998.

**SECTION 73.** In Colorado Revised Statutes, 34-63-102, **amend** (5.5)(b) as follows:

**34-63-102. Creation of mineral leasing fund - distribution - advisory committee - local government permanent fund created - definitions - transfer of money.** (5.5) (b) Notwithstanding ~~the provisions of paragraph (a) of subsection (5.4) of this section~~ SUBSECTION

(5.4)(a) OF THIS SECTION, if the amount of ~~moneys~~ MONEY in the higher education federal mineral lease revenues fund, established pursuant to section 23-19.9-102 (1), ~~C.R.S.,~~ is insufficient to cover the full amount of the payments due to be made under ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements authorized pursuant to section 23-1-106.3 (3), ~~C.R.S.,~~ the general assembly may reduce the transfer to the state public school fund by the amount needed to cover the full amount of payments and transfer that amount to the higher education federal mineral lease revenues fund.

**SECTION 74.** In Colorado Revised Statutes, 36-1-118.5, **amend** (1)(d), (2)(a) introductory portion, (2)(a)(III), (2)(a)(IV), (2)(a)(V), (2)(a)(VI), (2)(c), (2)(e), (4)(a), (4)(b), (4)(c), (5), (6), (7), (8), and (9)(b) as follows:

**36-1-118.5. Financed purchase of an asset or certificate of participation agreements for commercial real property - state board of land commissioners financed fund - legislative declaration - definition - repeal.** (1) The general assembly hereby finds and declares that:

(d) It is the general assembly's intent that annual payments on ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements that the state board of land commissioners instructed the state treasurer to enter into pursuant to this section be made solely from the state board of land commissioners ~~lease-purchase~~ FINANCED fund with transfers first from commercial real property revenues, second from the reserve established in the state board of land commissioners ~~lease-purchase~~ FINANCED fund, and, in the event of any shortfall, from the state board of land commissioners investment and

development fund.

(2) (a) Notwithstanding ~~the provisions of~~ section 24-82-801, ~~C.R.S.,~~ the state board of land commissioners may instruct the state treasurer to enter into ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements on behalf of the state school lands for the acquisition, construction, renovation, and improvement of commercial real property that the board will then offer as lease space for state agencies or other tenants only if:

(III) The projected annual rent costs of the state agencies that will be located in the property plus any current rental payment or rental payment projected to be received from other nonstate agency tenants for each fiscal year during the maximum term of the proposed ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement will exceed the annual ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION payment for the property;

(IV) A financial plan for the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION transaction that includes the items described in ~~paragraph (c) of this subsection (2)~~ SUBSECTION (2)(c) OF THIS SECTION has been approved by the office of state planning and budgeting and reviewed and recommended by the capital development committee of the general assembly pursuant to subsection (3) of this section;

(V) The state board of land commissioners approves the terms of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements and any ancillary agreements;

(VI) The state board of land commissioners ensures that the agreements for the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR

CERTIFICATE OF PARTICIPATION transaction accurately reflect the financial plan approved by the office of state planning and budgeting and the capital development committee; and

(c) The financial plan must include all necessary parameters of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, including but not limited to leased-space needs, subleasing agreements, income, expenses, capital maintenance costs, interest rates, reserve requirements, amortization, expected return on investment, and overall benefit to the permanent school fund as related to the state board's duties enumerated in section 10 of article IX of the state constitution. The financial plan must also include any other financial consideration that the office of state planning and budgeting or the capital development committee might request after their review of the financial plan. The state board may utilize the services of the state's financial advisors in order to prepare the financial plan.

(e) The state treasurer shall issue the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements as specified in section 24-36-121. ~~C.R.S.~~

(4) (a) The maximum total amount of annual ~~lease~~ payments of principal and interest payable by the state during any fiscal year under the terms of all outstanding ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into by the state treasurer as instructed by the state board pursuant to this section may not exceed the lesser of:

(I) The total amount of annual ~~lease~~ payments of principal and interest required to be paid per fiscal year on all outstanding ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF

PARTICIPATION agreements so long as the principal portions of the outstanding ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements do not exceed fifty million dollars; or

(II) Five million dollars per fiscal year in total annual lease payments of principal and interest required to be paid on all outstanding ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements.

(b) The term of any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by the state treasurer as instructed by the state board pursuant to this section may not exceed the shorter of the remaining useful life of the building or twenty-five years.

(c) Annual payments on ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements that the state board of land commissioners instructed the state treasurer to enter into pursuant to this section must be made solely from the state board of land commissioners ~~lease-purchase~~ FINANCED fund with transfers first from the commercial real property operating fund created in section 36-1-153.7, second from the reserve described in ~~paragraph (d) of subsection (7)~~ SUBSECTION (7)(d) of this section, and, in the event of any shortfall, from the state board of land commissioners investment and development fund created in section 36-1-153.

(5) A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by the state treasurer on behalf of the state board pursuant to this section shall provide that all payment obligations of the state under the agreement are subject

to annual appropriation by the general assembly and that obligations are not deemed or construed as creating an indebtedness of the state within the meaning of any provision of the state constitution or the laws of the state concerning or limiting the creation of indebtedness by the state and do not constitute a multiple fiscal year direct or indirect debt or other financial obligation of the state within the meaning of section 20 (4) of article X of the state constitution.

(6) (a) A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by the state treasurer on behalf of the state board pursuant to this section may contain such terms, provisions, and conditions as the state treasurer deems appropriate. The provisions shall allow the board, on behalf of the state school lands, to receive title to the commercial real property that is the subject of the agreement on or prior to the expiration of the entire term of the agreement, including all optional renewal terms. Such ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement may further provide for the issuance, distribution, and sale of instruments evidencing rights to receive rentals and other payments made and to be made under the agreement. Such instruments shall not be notes, bonds, or any other evidence of indebtedness of the state within the meaning of any provision of the state constitution or the laws of the state concerning or limiting the creation of indebtedness by the state. Interest paid under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, including interest represented by such instruments, is exempt from Colorado income tax.

(b) A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into by the state

1 treasurer on behalf of the state board pursuant to this section may require
2 the state to provide insurance; except that no insurance is authorized that
3 would cause the annual ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET
4 OR CERTIFICATE OF PARTICIPATION payment to exceed the annual rent
5 costs of the state agencies prior to the ~~lease-purchase~~ FINANCED
6 PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement plus
7 any rent projected to be received from other nonstate agency tenants.
8 (c) Any provision of the fiscal rules promulgated pursuant to
9 section 24-30-202 (1) and (13) ~~C.R.S.,~~ that the state controller deems to
10 be incompatible or inapplicable with respect to a ~~lease-purchase~~
11 FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION
12 agreement entered into by the state treasurer on behalf of the state board
13 pursuant to this section or any ancillary agreement may be waived by the
14 state controller or his or her designee.
15 (d) If a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
16 CERTIFICATE OF PARTICIPATION agreement entered into by the state
17 treasurer on behalf of the state board pursuant to this section is executed,
18 during the term of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET
19 OR CERTIFICATE OF PARTICIPATION agreement, ~~moneys~~ MONEY that at the
20 time of the execution ~~are~~ IS appropriated to a state agency for rental
21 payments shall be transferred to the commercial real property operating
22 fund created in section 36-1-153.7.
23 (7) (a) The state board of land commissioners ~~lease-purchase~~
24 FINANCED fund is hereby created in the state treasury. The principal of the
25 fund consists of:
26 (b) All interest and income earned on the deposit and investment
27 of ~~moneys~~ MONEY in the state board of land commissioners

~~lease-purchase~~ FINANCED fund are credited to the fund and may not be transferred to the general fund or any other fund at the end of any fiscal year. Any uncommitted fund balance at the end of a fiscal year, not including any amount held in reserve as required in ~~paragraph (d) of this subsection (7)~~ SUBSECTION (7)(d) OF THIS SECTION, is transferred to the permanent school fund.

(c) ~~Moneys~~ MONEY in the state board of land commissioners ~~lease-purchase~~ FINANCED fund ~~are~~ IS subject to annual appropriation by the general assembly in the capital section of the annual general appropriation act to make ~~lease or other~~ payments required by ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to this section.

(d) For each fiscal year commencing on or after July 1, 2014, a reserve consisting of ten percent of the principal of all outstanding ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to this section must be maintained. The reserve may only be expended upon a specific appropriation by the general assembly to meet any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION payments required by ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to this section if there are insufficient revenues to cover the ~~lease~~ payment. The reserve must be replenished within three years of expenditure.

(e) The state controller shall, in cooperation with the state board and the state treasurer, establish accounts in the state board of land commissioners ~~lease-purchase~~ FINANCED fund as necessary to ensure the proper accounting for all ~~lease-purchase~~ FINANCED PURCHASE OF AN

ASSET OR CERTIFICATE OF PARTICIPATION transactions.

(8) Net revenue from the disposal of the commercial real property originally acquired through a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized in this section shall be reinvested in land pursuant to ~~the provisions of~~ section 36-1-124.5.

(9) (b) The state auditor shall conduct or cause to be conducted a performance audit of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION program authorized by this section. The state auditor shall submit findings, conclusions, and recommendations resulting from the performance audit to the members of the legislative audit committee, the members of the joint budget committee, and the members of the capital development committee, or any successor committees, no later than twelve months after the issuance of the first ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement.

**SECTION 75.** In Colorado Revised Statutes, 36-1-153, **amend** (2) as follows:

**36-1-153. Investment and development fund.** (2) (a) ~~Moneys~~ MONEY in the fund shall be used at the discretion of the state board of land commissioners to hire staff, contract for services, make purchases, make annual payments on any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements the state board instructed the state treasurer to enter into as allowed in section 36-1-118.5, and take such other actions as the state board deems appropriate to provide for the development of additional value-added benefit for the state's trust lands, including both portfolio enhancement

and additional income. Such actions may include, but are not limited to, the rezoning, platting, master planning, or other development activities that increase the value of or rate of return from the state's trust lands. The state board of land commissioners may also use up to one million dollars per fiscal year of the ~~moneys~~ MONEY in the fund for asset maintenance, including, but not limited to, upkeep and replacement of buildings, agricultural sprinklers, fences, windmills, and water wells.

(b) The state board of land commissioners shall notify the state treasurer in writing of the amount that needs to be transferred from the investment and development fund to the state board of land commissioners ~~lease-purchase~~ FINANCED fund created in section 36-1-118.5 (7), and no later than thirty days after receipt of such notification, the state treasurer shall transfer such sum to the state board of land commissioners ~~lease-purchase~~ FINANCED fund created in section 36-1-118.5 (7).

**SECTION 76.** In Colorado Revised Statutes, 36-1-153.7, **amend** (1)(a) as follows:

**36-1-153.7. Commercial real property operating fund - created.** (1) (a) The commercial real property operating fund, referred to in this section as the "fund", is hereby created in the state treasury and consists of all lease income earned by the state board of land commissioners from commercial real property. The state board of land commissioners shall control and administer the fund. The state controller shall, in cooperation with the state board of land commissioners and the state treasurer, establish accounts in the fund as necessary to ensure the proper accounting for all commercial real property that the state board of land commissioners owns and leases to third parties. Each account must

consist of lease revenue, not including any damage deposits as allowed in section 36-1-129, for the commercial real property as separated by trust and must account for all expenses for the commercial real property held by each trust. ~~Moneys~~ MONEY in the fund ~~are~~ IS continuously appropriated to the state board of land commissioners and may be used to contract for the services of a third-party property management firm as specified in subsection (2) of this section, and for any other associated property management and operating costs. ~~Moneys~~ MONEY in the fund may be transferred to the state board of land commissioners ~~lease-purchase~~ FINANCED fund created in section 36-1-118.5 (7). The state board of land commissioners shall notify the state treasurer in writing of the amount that needs to be transferred from the fund to the state board of land commissioners ~~lease-purchase~~ FINANCED fund. The state treasurer shall transfer such amount no later than thirty days after receipt of such notification. All unencumbered and unexpended ~~moneys~~ MONEY in the fund at the end of each quarter in each fiscal year ~~are~~ IS distributed as specified in section 36-1-116.

**SECTION 77.** In Colorado Revised Statutes, 39-3-124, **amend** (1)(a) as follows:

**39-3-124. Property used by state entity - installment sales or lease agreement - financed purchase of an asset, certificate of participation, or leveraged lease agreement - exemption.** (1) (a) Property, real and personal, that is used by the state or any of its political subdivisions pursuant to the provisions of any installment sales agreement, ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET AGREEMENT, CERTIFICATE OF PARTICIPATION agreement, or any other agreement whereby the state or such political subdivision shall be entitled

to acquire title to such property at the end of the agreement term without cost or for only nominal consideration shall be exempt from the levy and collection of property tax.

**SECTION 78.** In Colorado Revised Statutes, 40-2-125.5, **amend** (4)(a)(VII) introductory portion as follows:

**40-2-125.5. Carbon dioxide emission reductions - goal to eliminate by 2050 - legislative declaration - interim targets - submission and approval of plans - definitions - cost recovery - reports - rules.** (4) **Submission and approval of plans.** (a) The first electric resource plan that a qualifying retail utility files with the commission after January 1, 2020, must include a clean energy plan that will achieve the clean energy target set forth in subsection (3)(a)(I) of this section and make progress toward the one-hundred-percent clean energy goal set forth in subsection (3)(a)(II) of this section in accordance with the following:

(VII) If the clean energy plan includes accelerated retirement of any existing generating facilities, the clean energy plan must include workforce transition and community assistance plans for utility workers impacted by any clean energy plan and a plan to pay community assistance to any local government or school district, the voters of which have approved projects the costs of which are expected to be paid for from property taxes that are directly impacted by the accelerated retirement of the electric generating facility in an amount equal to the costs of the voter-approved projects that were expected to be paid from the revenue sources directly impacted by the accelerated retirement of the projects, including but not limited to the payment of bonds, notes, or other multiple-fiscal year obligations or ~~lease purchase~~ FINANCED PURCHASE OF

1 AN ASSET OR CERTIFICATE OF PARTICIPATION agreements that have been
2 issued or entered into to pay the costs of such projects. Any payment of
3 community assistance shall be reduced on an equivalent basis to the
4 extent that property tax is derived from new electric infrastructure
5 developed in the same impacted community. The qualifying retail utility
6 may propose a cost-recovery mechanism to recover the prudently incurred
7 costs of any workforce transition and community assistance plans, while
8 giving due consideration to the impact on low-income customers. The
9 qualifying retail utility will not earn its authorized rate of return on any
10 noncapital costs incurred as part of any workforce transition plan. The
11 workforce transition and community assistance plans must include, to the
12 extent feasible, estimates of:
13 **SECTION 79.** In Colorado Revised Statutes, 40-41-104, **amend**
14 (5) as follows:
15 **40-41-104. Issuance of financing orders.** (5) If the voters of a
16 local government or school district have approved projects, the costs of
17 which are expected to be paid for from property taxes that are directly
18 impacted by the retirement of an electric generating facility pursuant to
19 the terms of a financing order, the financing order must provide for the
20 payment of community assistance to the local government in an amount
21 equal to the costs of the voter-approved projects that were expected to be
22 paid from the revenue sources directly impacted by the retirement of an
23 electric generating facility pursuant to the terms of the financing order,
24 including the costs of financing such projects, including but not limited
25 to the payment of bonds, notes, or other multiple-fiscal year obligations
26 or ~~lease purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF
27 PARTICIPATION agreements that have been issued or entered into to pay

the costs of such projects. Any payment of community assistance shall be reduced on an equivalent basis to the extent that property tax is derived from new electric infrastructure developed in the same impacted community.

**SECTION 80.** In Colorado Revised Statutes, 43-4-206, **amend** (1)(b)(V) and (2)(b) introductory portion as follows:

**43-4-206. State allocation.** (1) Except as otherwise provided in subsections (1)(b)(V), (2), and (3) of this section, after paying the costs of the Colorado state patrol and any other costs of the department, exclusive of highway construction, highway improvements, or highway maintenance, that are appropriated by the general assembly, money in the highway users tax fund shall be paid to the state highway fund and expended for the following purposes:

(b) Except as otherwise provided in subsection (2) of this section, all money in the state highway fund not required for the creation, maintenance, and application of the highway anticipation or sinking fund and all money in the state highway supplementary fund are available to pay for:

(V) The construction, reconstruction, repairs, improvement, planning, supervision, and maintenance of the state highway system and other public highways, including any county and municipal roads and highways, together with the acquisition of rights-of-way and access rights for the same. Any proceeds of ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements executed as required by section 24-82-1303 (2)(a) that are credited to the state highway fund pursuant to section 24-82-1303 (4)(b) shall be used only for qualified federal aid highway projects that are included in the strategic

transportation project investment program of the department of transportation and that are designated for tier 1 funding as ten-year development program projects on the department's development program project list, with at least twenty-five percent of the money being used for projects that are located in counties with populations of fifty thousand or less as of July 2015 as reported by the state demography office of the department of local affairs. No more than ninety percent of the proceeds shall be expended for highway purposes or highway-related capital improvements, and at least ten percent of the proceeds shall be expended for transit purposes or for transit-related capital improvements.

(2) (b) Notwithstanding section 24-1-136 (11)(a)(I), beginning in 1998, the department of transportation shall report annually to the transportation committee of the senate and the transportation and energy committee of the house of representatives concerning the revenue expended by the department pursuant to subsection (2)(a) of this section and, beginning in 2019, any state general fund money that is credited to the state highway fund pursuant to section 24-75-219 (5), any net proceeds of ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements executed as required by section 24-82-1303 (2)(a) that are credited to the state highway fund pursuant to section 24-82-1303 (4)(b) and expended by the department pursuant to subsection (1)(b)(V) of this section, and any net proceeds of transportation revenue anticipation notes issued as authorized by a ballot issue submitted to and approved by the registered electors of the state at the 2020 statewide election pursuant to section 43-4-705 (13)(b) that are credited to the state highway fund pursuant to this section. The department shall present the report at the joint meeting required under

section 43-1-113 (9)(a), and the report shall describe for each fiscal year, if applicable:

**SECTION 81.** In Colorado Revised Statutes, 43-4-705, **amend** (13)(b)(III) as follows:

**43-4-705. Revenue anticipation notes - ballot issue - repeal.** (13) (b) (III) The secretary of state shall submit to the registered electors of the state for their approval or rejection at the November 2021 statewide election the following ballot issue: "Shall state of Colorado debt be increased $1,337,000,000, with a maximum repayment cost of $1,865,000,000, without raising taxes, through the issuance of transportation revenue anticipation notes for the purpose of addressing critical priority transportation needs in the state by financing transportation projects, shall note proceeds and investment earnings on note proceeds be excluded from state fiscal year spending limits, and shall the amount of ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements required by current law to be issued for the purpose of financing transportation projects be reduced?"

**SECTION 82.** In Colorado Revised Statutes, 43-4-802, **amend** (2)(d) as follows:

**43-4-802. Legislative declaration.** (2) The general assembly further finds and declares that:

(d) The creation of a statewide bridge enterprise authorized to complete designated bridge projects, to impose a bridge safety surcharge and issue revenue bonds, and, if required approvals are obtained, to contract with the state to receive one or more loans of ~~moneys~~ MONEY received by the state under the terms of one or more ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION

agreements authorized by this part 8 and to use the revenues generated by the bridge safety surcharge to repay any such loan or loans, will improve the safety and efficiency of the state transportation system by allowing the state to accelerate the repair, reconstruction, and replacement of structurally deficient, functionally obsolete, and rated as poor bridges;

**SECTION 83.** In Colorado Revised Statutes, 43-4-805, **amend** (1)(b)(II), (2)(b)(III), (5)(n), (5)(r)(II), (5)(r)(III), (5)(r)(IV), (5)(r)(IV), (5)(r)(V), (5)(r)(VI), (5)(r)(VII)(A), and (5)(r)(VII)(C) as follows:

**43-4-805. Statewide bridge enterprise - creation - board - funds - powers and duties - legislative declaration.** (1) The general assembly hereby finds and declares that:

(b) Due to the limited availability of state and federal funding and the need to accomplish the financing, repair, reconstruction, and replacement of designated bridges as promptly and efficiently as possible, it is necessary to create a statewide bridge enterprise and to authorize the enterprise to:

(II) Impose a bridge safety surcharge at rates reasonably calculated to defray the costs of completing designated bridge projects and distribute the burden of defraying the costs in a manner based on the benefits received by persons paying the fees and using designated bridges, receive and expend revenues generated by the surcharge and other ~~moneys~~ MONEY, issue revenue bonds and other obligations, contract with the state, if required approvals are obtained, to receive one or more loans of ~~moneys~~ MONEY received by the state under the terms of one or more ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements authorized by this part 8, expend revenues generated by the surcharge to repay any such loan or loans received, and

exercise other powers necessary and appropriate to carry out its purposes; and

(2) (b) The business purpose of the bridge enterprise is to finance, repair, reconstruct, and replace any designated bridge in the state and, as agreed upon by the enterprise and the commission, or the department to the extent authorized by the commission, to maintain the bridges it finances, repairs, reconstructs, and replaces. To allow the bridge enterprise to accomplish this purpose and fully exercise its powers and duties through the bridge enterprise board, the bridge enterprise may:

(III) Contract with any other governmental or nongovernmental source of funding for loans or grants, including, but not limited to, one or more loans from the state of ~~moneys~~ MONEY received by the state pursuant to the terms of one or more ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements authorized pursuant to ~~paragraph (r) of subsection (5)~~ SUBSECTION (5)(r) OF THIS SECTION, to be used to support bridge enterprise functions.

(5) In addition to any other powers and duties specified in this section, the bridge enterprise board has the following powers and duties:

(n) To purchase, trade, exchange, acquire, buy, sell, lease, ~~lease with an option to purchase,~~ dispose of, or encumber real or personal property or any interest therein, including easements and rights-of-way, without restriction or limitation;

(r) (II) If the bridge enterprise board seeks to enter into a contract to borrow ~~moneys~~ MONEY from the state as authorized by ~~subparagraph (I) of this paragraph (r)~~ SUBSECTION (5)(r)(I) OF THIS SECTION, the board shall provide the governor with a list of designated bridge projects to be financed with the borrowed ~~moneys~~ MONEY and a statement of both the

total amount of the loan requested and the estimated amount of the loan that will be used to fund each project on the list. If the governor determines, in the governor's sole discretion, that lending ~~moneys~~ MONEY to the bridge enterprise as requested by the enterprise, or lending a lesser amount of ~~moneys~~ MONEY to the enterprise, is in the best interest of the state, the governor, after consultation with the executive director of the department of personnel and the state treasurer, shall prepare and provide to the state treasurer a list of state buildings or other state capital facilities that the state, acting by and through the state treasurer, may sell or lease and lease back pursuant to the terms of one or more ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements that the state, acting by and through the state treasurer, may enter into pursuant to ~~subparagraph (III) of this paragraph (r)~~ SUBSECTION (5)(r)(III) OF THIS SECTION. When providing the list, the governor shall also specify to the state treasurer the maximum permitted principal amount of any loan that may be made to the bridge enterprise under the terms of any loan contract that the state, acting by and through the state treasurer, may enter into pursuant to ~~sub-subparagraph (A) of subparagraph (III) of this paragraph (r)~~ SUBSECTION (5)(r)(III)(A) OF THIS SECTION.

(III) (A) If the state treasurer receives a list from the governor pursuant to ~~subparagraph (II) of this paragraph (r)~~ SUBSECTION (5)(r)(II) OF THIS SECTION, the state, acting by and through the state treasurer, may enter into a loan contract with the bridge enterprise and may raise the money needed to make a loan pursuant to the terms of the loan contract by selling or leasing one or more of the state buildings or other state capital facilities on the list. The state treasurer shall have sole discretion

to enter into a loan contract on behalf of the state and to determine the amount of a loan; except that the principal amount of a loan shall not exceed the maximum amount specified by the governor pursuant to ~~subparagraph (II) of this paragraph (r)~~ SUBSECTION (5)(r)(II) OF THIS SECTION. The state treasurer shall also have sole discretion to determine the timing of the entry of the state into any loan contract or the sale or lease of one or more state buildings or other state capital facilities. The loan contract shall require the bridge enterprise to pledge to the state all or a portion of the revenues of any bridge safety surcharge imposed pursuant to ~~paragraph (g) of this subsection (5)~~ SUBSECTION (5)(g) OF THIS SECTION for the repayment of the loan and may also require the enterprise to pledge to the state any other legally available revenues of the enterprise. Any loan contract entered into by the state, acting by and through the state treasurer, and the bridge enterprise pursuant to this ~~sub-subparagraph (A)~~ SUBSECTION (5)(r)(III)(A) and any pledge of revenues by the enterprise pursuant to such a loan contract shall be only for the benefit of, and enforceable only by, the state and the enterprise. Specifically, but without limiting the generality of said limitation, no such loan contract or pledge shall be for the benefit of, or enforceable by, a ~~lessor~~ SELLER under a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to this ~~subparagraph (III)~~ SUBSECTION (5)(r)(III), an owner of any instrument evidencing rights to receive rentals or other payments made and to be made under such a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement as authorized by ~~sub-subparagraph (B) of subparagraph (IV) of this paragraph (r)~~ SUBSECTION (5)(r)(IV)(B) OF THIS SECTION, a party to any ancillary

agreement or instrument entered into pursuant to ~~subparagraph (V) of this paragraph (r)~~ SUBSECTION (5)(r)(V) OF THIS SECTION, or a party to any interest rate exchange agreement entered into pursuant to ~~sub-subparagraph (A) of subparagraph (VII) of this paragraph (r)~~ SUBSECTION (5)(r)(VII)(A) OF THIS SECTION.

(B) The state, acting by and through the state treasurer, may enter into one or more ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements with respect to the state buildings or other capital facilities sold or leased pursuant to ~~sub-subparagraph (A) of this subparagraph (III)~~ SUBSECTION (5)(r)(III)(A) OF THIS SECTION with any for-profit or nonprofit corporation, trust, or commercial bank acting as a trustee, as the ~~lessor~~ SELLER.

(C) Any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to ~~sub-subparagraph (B) of this subparagraph (III)~~ SUBSECTION (5)(r)(III)(B) OF THIS SECTION shall provide that all of the obligations of the state under the agreement shall be subject to the action of the general assembly in annually making ~~moneys~~ MONEY available for all payments thereunder.

(D) Any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to ~~sub-subparagraph (B) of this subparagraph (III)~~ SUBSECTION (5)(r)(III)(B) OF THIS SECTION shall also provide that the obligations of the state under the agreement shall not be deemed or construed as creating an indebtedness of the state within the meaning of any provision of the state constitution or the laws of this state concerning or limiting the creation of indebtedness by the state, and shall not constitute a multiple-fiscal year direct or indirect debt or other financial obligation of the state within the

meaning of section 20 (4)(a) of article X of the state constitution. If the state does not renew a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to ~~sub-subparagraph (B) of this subparagraph (III)~~ SUBSECTION (5)(r)(III)(B) OF THIS SECTION, the sole security available to the ~~lessor~~ SELLER shall be the property that is the subject of the nonrenewed ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement.

(IV) (A) Any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized pursuant to ~~sub-subparagraph (B) of subparagraph (III) of this paragraph (r)~~ SUBSECTION (5)(r)(III)(B) OF THIS SECTION may contain such terms, provisions, and conditions as the state treasurer, acting on behalf of the state, may deem appropriate, including all optional terms; except that each ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement shall specifically authorize the state to receive fee title to all real and personal property that is the subject of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement on or prior to the expiration of the terms of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement upon payment of all amounts payable under the terms of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement and any amount required to be paid to remove liens or encumbrances on or claims with respect to the property that is the subject of the ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement, including, but not limited to, liens, encumbrances, or claims relating to any ancillary

1 agreement or instrument entered into pursuant to ~~sub-subparagraph (A)~~
2 ~~of subparagraph (VII) of this paragraph (r)~~ SUBSECTION (5)(r)(VII)(A) OF
3 THIS SECTION. Any title to such property received by the state on or prior
4 to the expiration of the terms of the ~~lease-purchase~~ FINANCED PURCHASE
5 OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement shall be held
6 for the benefit and use of the state.
7 (B) Any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
8 CERTIFICATE OF PARTICIPATION agreement authorized pursuant to
9 ~~sub-subparagraph (B) of subparagraph (III) of this paragraph (r)~~
10 SUBSECTION (5)(r)(III)(B) OF THIS SECTION may provide for the issuance,
11 distribution, and sale of instruments evidencing rights to receive rentals
12 and other payments made and to be made under the ~~lease-purchase~~
13 FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION
14 agreement. The instruments may be issued, distributed, or sold only by the
15 ~~lessor~~ SELLER or any person designated by the ~~lessor~~ SELLER and not by
16 the state. The instruments shall not create a relationship between the
17 purchasers of the instruments and the state or create any obligation on the
18 part of the state to the purchasers. The instruments shall not be notes,
19 bonds, or any other evidence of indebtedness of the state within the
20 meaning of any provision of the state constitution or the law of the state
21 concerning or limiting the creation of indebtedness of the state and shall
22 not constitute a multiple-fiscal year direct or indirect debt or other
23 financial obligation of the state within the meaning of section 20 (4)(a)
24 of article X of the state constitution.
25 (C) Interest paid under a ~~lease-purchase~~ FINANCED PURCHASE OF
26 AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized
27 pursuant to ~~sub-subparagraph (B) of subparagraph (III) of this paragraph~~

1 ~~(r)~~ SUBSECTION (5)(r)(III)(B) OF THIS SECTION, including interest
2 represented by the instruments, shall be exempt from state income tax.
3 (V) The state, acting by and through the state treasurer, may enter
4 into ancillary agreements and instruments deemed necessary or
5 appropriate in connection with a ~~lease-purchase~~ FINANCED PURCHASE OF
6 AN ASSET OR CERTIFICATE OF PARTICIPATION agreement authorized
7 pursuant to ~~sub-subparagraph (B) of subparagraph (III) of this paragraph~~
8 ~~(r)~~ SUBSECTION (5)(r)(III)(B) OF THIS SECTION, including but not limited
9 to deeds, leases, sub-leases, easements, or other instruments relating to
10 the real property on which the facilities are located or an agreement
11 entered into pursuant to ~~subparagraph (VII) of this paragraph (r)~~
12 SUBSECTION (5)(r)(VII) OF THIS SECTION.
13 (VI) The provisions of section 24-30-202 (5)(b), ~~C.R.S.,~~ shall not
14 apply to a ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR
15 CERTIFICATE OF PARTICIPATION agreement authorized pursuant to
16 ~~sub-subparagraph (B) of subparagraph (III) of this paragraph (r)~~
17 SUBSECTION (5)(r)(III)(B) OF THIS SECTION or any ancillary agreement or
18 instrument or interest rate exchange agreement entered into pursuant to
19 ~~subparagraph (V) or sub-subparagraph (A) of subparagraph (VII) of this~~
20 ~~paragraph (r)~~ SUBSECTION (5)(r)(V) OR (5)(r)(VII)(A) OF THIS SECTION.
21 Any provision of the fiscal rules promulgated pursuant to section
22 24-30-202 (1) and (13) ~~C.R.S.,~~ that the state controller deems to be
23 incompatible or inapplicable with respect to such a ~~lease-purchase~~
24 FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION
25 agreement, ancillary agreement or instrument, or interest rate exchange
26 agreement may be waived by the controller or his or her designee.
27 (VII) (A) Prior to executing a ~~lease-purchase~~ FINANCED PURCHASE

OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement pursuant to ~~sub-subparagraph (B) of subparagraph (III) of this paragraph (r)~~ subsection (5)(r)(III)(B) OF THIS SECTION, in order to protect against future interest rate increases, the lessor under any ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement or the state, acting by and through the state treasurer and at the discretion of the state treasurer, may enter into an interest rate exchange agreement in accordance with article 59.3 of title 11. ~~C.R.S.~~ A ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreement entered into pursuant to ~~sub-subparagraph (B) of subparagraph (III) of this paragraph (r)~~ SUBSECTION (5)(r)(III)(B) OF THIS SECTION shall be a proposed public security for the purposes of article 59.3 of title 11. ~~C.R.S.~~

(C) Any ~~moneys~~ MONEY received by the state under an agreement entered into pursuant to this ~~subparagraph (VII)~~ SUBSECTION (VII) shall be used to make payments on ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements entered into pursuant to ~~sub-subparagraph (A) of subparagraph (III) of this paragraph (r)~~ SUBSECTION (5)(r)(III)(A) OF THIS SECTION.

**SECTION 84.** In Colorado Revised Statutes, 43-4-806, **amend** (7.5) as follows:

**43-4-806. High-performance transportation enterprise - creation - board - funds - powers and duties - limitations - reporting requirements - legislative declaration - definition.** (7.5) In addition to any other powers and duties specified in this section, the transportation enterprise may enter into a transportation demand management contract with the department under which the department compensates the

transportation enterprise for relieving traffic congestion during peak travel times, as determined by the department and the transportation enterprise, in the portion of the interstate 70 mountain corridor that includes and lies between Floyd hill and the Eisenhower-Johnson tunnels by providing and operating reversible highway lanes within that portion of the corridor. If a feasibility study of a moveable barrier system on interstate 70 is completed and demonstrates that such a system is viable and that life safety issues can be addressed, a transportation demand management contract may establish, consistent with planning provisions in section 43-1-1103, the interstate 70 collaborative effort, context sensitive solutions, and the processes required by the federal "National Environmental Policy Act of 1969", 42 U.S.C. sec. 4321 et seq., the goal of beginning the provision and operation of reversible highway lanes and reporting to the general assembly no later than January 1, 2011. A transportation demand management contract may authorize the transportation enterprise to enter into single-fiscal year or multiple-fiscal year operating lease agreements or capital lease or ~~lease-purchase~~ FINANCED PURCHASE OF AN ASSET OR CERTIFICATE OF PARTICIPATION agreements with a private contractor as needed to provide and operate the reversible highway lanes.

**SECTION 85. Effective date.** This act takes effect July 1, 2021.

**SECTION 86. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

**Office of Legislative Legal Services**

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# MEMORANDUM [1]

TO: Statutory Revision Committee

FROM: Nicole Myers, Office of Legislative Legal Services

DATE: April 16, 2021

SUBJECT: Modernization of the terminology used in the Colorado Revised Statutes relating to the organization of Colorado state governmental agencies without altering the status of the powers assigned to those agencies pursuant to the "Administrative Organization Act of 1968"

## Background

In October 2016, Debbie Haskins, a longtime and esteemed employee of the Office of Legislative Legal Services (OLLS), first presented the idea of modernizing the anachronistic language used to transfer state agencies and functions in the "Administrative Organization Act of 1968" (Administrative Organization Act) and in the Colorado Revised Statutes (C.R.S.) to the Statutory Revision Committee (SRC). At the same meeting, the SRC gave the OLLS authority to begin drafting an Administrative Organization Act modernization bill and Debbie began her work. Debbie spent countless hours on the Administrative Organization Act modernization project and had a bill draft ready to share with the SRC in the fall of 2017. Unfortunately, Debbie was not able to discuss the bill with this Committee or to finish the project before her death in October 2017.

The bill has been through many changes and revisions since the first draft in 2017. The OLLS has reconsidered (and reconsidered again) the best way to approach the

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[1] This legal memorandum was prepared by the Office of Legislative Legal Services (OLLS) in the course of its statutory duty to provide staff assistance to the Statutory Revision Committee (SRC). It does not represent an official legal position of the OLLS, SRC, General Assembly, or the state of Colorado, and is not binding on the members of the SRC. This memorandum is intended for use in the legislative process and as information to assist the SRC in the performance of its legislative duties.

modernization of the language in the Administrative Organization Act and the corresponding terminology used elsewhere in the C.R.S. The OLLS has also into consideration the early comments from the principal departments in response to Debbie's first draft in 2017.

## Summary

For many years, staff at the OLLS has been aware of verbose and inconsistent language used in the C.R.S. to implement the Administrative Organization Act. The terminology used to transfer the functions of one agency to another and to assign newly created entities to principal departments is archaic, obsolete, and difficult for the agencies and the public to understand. Furthermore, at least 47 different variations of the transfer language currently appear in the C.R.S.

The opportunity to simplify and standardize this transfer language presents a needed reform that may benefit the agencies whose powers and duties are governed by it, as well as Coloradans who look to the statutes to understand how these agencies function.

## Analysis

### 1. Background on the Administrative Organization Act and analysis of drafting practices based on the Act.

In 1966, Colorado voters approved a constitutional amendment calling for the reorganization of the state government's executive branch into not more than 20 principal departments.[2]

In 1967, an interim committee analyzed every entity of state government, consolidated them into 17 principal departments,[3] and decided whether each entity should be a **type**

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[2] Amendment 1, titled "An Amendment to Article IV of the Constitution of the State of Colorado, by the addition of a new section 22, providing that executive and administrative offices, agencies, and instrumentalities of the executive department of the state government shall be allocated to not to exceed twenty departments, with certain exceptions," which was submitted to the electorate by the General Assembly. Amendment 1 is codified in article IV, § 22 of the state constitution.

[3] Currently, there are 19 principal departments.

**1** or a **type 2** entity or whether it should be abolished through a **type 3** transfer.[4] Based on that analysis, the General Assembly enacted Senate Bill 68-001, creating the "Administrative Organization Act of 1968"[5] in article 1 of title 24, C.R.S., which laid out the structure of the principal departments, assigned every entity of state government to a principal department, and specified its type.

The reorganization was based on a transfer concept set out in § 24-1-105, C.R.S., which defined the three types of transfers determining the relationship between an entity of state government and the principal department in which it was located.[6] To this day, the transfer of the entity's powers, duties, and functions to another principal department by a **type 1** or **type 2** transfer is used to affect the authority of the entity and to define the relationship between the entity and the principal department to which the entity is assigned.

According to the *Colorado Legislative Drafting Manual*, there is a significant difference between the powers of an entity transferred by a **type 1**[7] transfer and an entity transferred by a **type 2**[8] transfer:

> A **type 1** transfer denotes a relationship in which the subordinate division, board, or other agency exercises its powers, duties, and functions independently of the executive director of the department within which the agency is placed. The most important powers retained by a **type 1** agency – powers which may be exercised in whatever way the agency determines, even without the approval of the executive director – are the promulgation of rules and the rendering of administrative findings, orders, and adjudications. [9]

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[4] Report to the Colorado General Assembly, "Reorganizing the Executive Branch of Colorado's State Government," Colorado Legislative Council, Research Publication No. 131, December 1967, www.law.du.edu, digital collection of the Colorado Legislative Council.

[5] 1968 Colo. Sess. Laws, ch. 53.

[6] See **Addendum A**.

[7] Examples of entities transferred by a **type 1** transfer are the state board of education, the state board of health, and the public utilities commission.

[8] Examples of entities transferred by a **type 2** transfer are the state lottery division, the division of professions and occupations, and the division of local government.

[9] *Colorado Legislative Drafting Manual*, the Office of Legislative Legal Services, p. 6-1 (2020).

> In a **type 2** transfer, all powers, duties, and functions of the division, board, or other agency belong to the executive director of the department.[10]
>
> A **type 3** transfer involves the transfer of *all* functions of an agency to another agency and the abolition of the old agency; it is rarely used.[11]

In Senate Bill 68-001, each agency and its powers, duties, and functions were transferred to a principal department using the simple phrase "are transferred." For example:

> **24-1-117. Department of revenue - creation.** (2) The department of revenue and the office of director of revenue, created by article 35 of this title, and their powers, duties, and functions are transferred by a **type 2** transfer to the department of revenue.
>
> (3) The powers, duties, and functions of the secretary of state with respect to fermented malt beverages and malt, vinous, and spirituous liquors under the provisions of articles 46 to 48 of title 12, C.R.S., are transferred by a **type 2** transfer to the department of revenue.

The 1967 interim committee recommended and intended[12] that any new agencies created after the reorganization would be created using a transfer approach via the three statutorily defined types of transfers.

In 1969, the year following the reorganization, the simple phrase "are transferred" was again used when transferring or creating new departments; however, in 1970 and years thereafter, variations arose, including:

- "are hereby transferred"; and
- "as if the same were transferred to the department by a **type 1** transfer as such transfer is defined in the 'Administrative Organization Act of 1968'".

Ten years after the reorganization, the 1977 *Legislative Drafting Manual* explained to drafters that when drafting bills creating a new agency or transferring an agency to another agency, the drafter needed to do two things: 1) Amend the applicable section in the Administrative Organization Act *and* the organic statute governing the agency to specify the transfer and type of the agency; and 2) Use the phrase "as if it were transferred" when making such a transfer.

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[10] *Id.*

[11] *Id.*

[12] "Reorganizing the Executive Branch of Colorado's State Government", p. xx.

According to the 1977 *Legislative Drafting Manual*:

> In order to keep article 1 up to date and to clearly define the status of newly created agencies within the context of executive reorganization, any bill creating a new executive agency with substantive powers (i.e., an agency other than a strictly advisory board or committee), or transferring any such agency from one department to another, or abolishing such an agency, MUST include an appropriate amendment to title 24, article 1.
>
> …
>
> In the case of a new agency, the text should refer to the type of transfer with the notation that the agency shall exercise its powers, etc., as if it were transferred by a type 1 or type 2 transfer, since a new agency is not actually being transferred.
>
> …
>
> As a matter of custom, similar language defining the type of transfer is included in the substantive law governing the agency created or transferred.[13]

Nothing in article 1 of title 24, C.R.S., nor in the interim committee report, explains that a subsequent *transfer* of an entity should be accomplished using the phrase "as if it were transferred." This language appears to be the result of the way *some, but not all,* bills were drafted after the 1968 reorganization.

In hindsight, the language "as if it were transferred by a **type 1** or **type 2** transfer" is an awkward and unclear phrase. This language essentially ties the creation of a new board's powers back to a reorganization that occurred in 1968—in essence, the translation is that "new board X exercises its powers as a **type 1** board as if it were being transferred by a **type 1** transfer back in 1968." This approach creates a fictional reality and is not the most clear and direct way to express what is actually intended.

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[13] *Legislative Drafting Manual*, Legislative Drafting Office, pp. 69-71 (1977).

2. **The transfer language used in the C.R.S. is overly complicated and difficult for the state agencies and the public to understand. The Statutory Revision Committee could introduce legislation to modernize and simplify the language while preserving the existing type of the agencies and their authority.**

### 2.1. Entities transferred "as if" transferred by a type 1 or type 2 transfer.

In the C.R.S., there are at least 298 references to **type 1**, **type 2**, or **type 3** transfers. What is astonishing is that there are at least 47 different ways the transfers are described, sometimes within the same subsection.

As demonstrated in **Addendum B**, there are multiple ways in which the transfer concept is currently expressed in the C.R.S., which adds to the confusion. Instead, the designation of the status of an agency's powers as either a **type 1** or **type 2** entity could be stated very simply in plain English without any reference to a transfer. For example:

> Agency X is a **type 1** [or **type 2**] entity as defined in section 24-1-105, and shall exercise its powers and perform its duties and functions under the department.

### 2.2. Transfers of powers, duties, and functions of an entity but not the entity itself.

There are many examples in the statutes of the transfer of an entity's powers, duties, and functions by a **type 1** or **type 2** transfer, while the entity itself is not transferred. This transference approach is another possible source of confusion, as the transfer type is a means of expressing an entity's relationship to the principal department in which it is located, but in these situations the entity itself is not transferred. This intent could be stated more simply, again without using transfer language. For example:

> The powers, duties, and functions of entity X include the powers, duties, and functions of entity Y. Entity X is a **type 1** [or **type 2**] entity as defined in section 24-1-105.

### 2.3. Entities that have actually been transferred from one department to another after the 1968 reorganization of state government.

The General Assembly does occasionally create an entity in one principal department and, subsequent to its creation, transfers the entity to another principal department. Rather than expressing these transfers as **type 1** or **type 2** transfers, the transfer of the entity and its powers, duties, and functions may be accomplished by simply stating that the entity "is transferred" as expressed in Senate Bill 68-001. The transferred entity may

then be designated as a **type 1** or **type 2** entity in the new principal department to which it is relocated. For example:

> Entity X is transferred from department A to department B. Entity X is a **type 1** [or **type 2**] entity as defined in section 24-1-105 and shall exercise its powers and perform its duties and functions under department B.

### 2.4. Type 3 transfers and the abolition of entities.

Finally, the language regarding **type 3** transfers may also be simplified and expressed in plain English. Currently, when the powers, duties, and functions of an entity are transferred from one principal department to another and the original entity is abolished, the transfer is expressed as a **type 3** transfer. This approach seems unnecessary since the transfer type generally indicates the relationship of an entity to the department in which it is created. However, with a **type 3** transfer, the entity is abolished, thereby eliminating the need to identify a relationship to the principal department. The relocation of an entity from one department to another and the abolition of the entity can also be expressed in the C.R.S. more simply. For example:

> The powers, duties, and functions of department A include the powers, duties, and functions of the former division of X, and the division of X is abolished.

Modernizing and simplifying these statements would result in statutes that are expressed in the present time and in the present tense while preserving the entity's status and authority as designated by type in the Administrative Organization Act. This approach would standardize and streamline the transfer language in the Administrative Organization Act and throughout the C.R.S.

## 3. While the status of an agency is expressed in article 1 of title 24, C.R.S., many times the type 1 or type 2 status of the agency is not also expressed in the organic statute.

The 1968 legislation that reorganized all state agencies did not include corresponding amendments in the "organic" statutes that actually created the particular departments, divisions, or boards.

This inconsistency resulted in an anomaly in which numerous boards' and agencies' statuses, with regard to their powers, duties, and functions, were only identified in article 1 of title 24, C.R.S., and not in their organic statutes, where a reader would typically look for this information.

Because the Administrative Organization Act requires an entity to exercise its powers consistent with the level of authority allocated to it by the General Assembly, it would be helpful to the departments and to the public to provide ready access to that information in the relevant, organic statute establishing the entity.

In addition, when comparing the Administrative Organization Act and the organic statutes, staff has identified several discrepancies in the names of entities and references to units of government that no longer exist. Legislation sponsored by the Committee could also correct these errors and discrepancies.

## Statutory Charge[14]

The issues and recommendations presented in this memorandum comport with the Statutory Revision Committee's charge because they would eliminate defects in the law, bring the law into harmony with modern conditions, and align and harmonize the status and authority assigned to particular units of state government in the Administrative Organization Act.

## Proposed Bill

The proposed Administrative Organization Act modernization bill, LLS # 21-0284, does the following:

1. Modernizes the Administrative Organization Act to define **type 1** and **type 2** *entities*, rather than **type 1** and **type 2** *transfers* to specify the relationship between an entity of state government and the principal department in which it is located.
2. Repeals all **type 1** and **type 2** transfer language and, instead, identifies each entity of state government as a **type 1** or **type 2** *entity* that exercises its powers and performs its duties and functions under the department in which the entity is located.

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[14] The Statutory Revision Committee is charged with "[making] an ongoing examination of the statutes of the state and current judicial decisions for the purpose of discovering defects and anachronisms in the law and recommending needed reforms" and recommending "legislation annually to effect such changes in the law as it deems necessary in order to modify or eliminate antiquated, redundant, or contradictory rules of law and to bring the law of this state into harmony with modern conditions." Section 2-3-902 (1), C.R.S. In addition, the SRC "shall propose legislation only to streamline, reduce, or repeal provisions of the Colorado Revised Statutes." Section 2-3-902 (3), C.R.S.

3. Repeals language that transfers powers, duties, and functions of an entity rather than the entity itself by a **type 1** or **type 2** transfer and, instead, identifies the specific powers, duties, and functions that are included in the powers, duties, and functions of the department that will have responsibility for them.
4. Repeals **type 3** transfer language that is used to transfer, then abolish, an entity and, instead, identifies that the powers, duties, and functions of the entity to be abolished are included in the powers, duties, and functions of the principal department that will assume them.
5. Amends the applicable organic statutes to specify and align the **type 1** or **type 2** status of the boards, commissions, divisions, and agencies with the designation of the **type 1** or **type 2** status assigned to that board, commission, division, or agency in the Administrative Organization Act, corrects errors in the names of entities, and repeals references to units of government that no longer exist.

# ADDENDUM A

## COLORADO REVISED STATUTES

**24-1-105. Types of transfers.** (1) Under this article, a **type 1** transfer means the transferring intact of an existing department, institution, or other agency, or part thereof, to a principal department established by this article. When any department, institution, or other agency, or part thereof, is transferred to a principal department under a **type 1** transfer, that department, institution, or other agency, or part thereof, shall be administered under the direction and supervision of that principal department, but it shall exercise its prescribed statutory powers, duties, and functions, including rule-making, regulation, licensing, and registration, the promulgation of rules, rates, regulations, and standards, and the rendering of findings, orders, and adjudications, independently of the head of the principal department. Under a **type 1** transfer, any powers, duties, and functions not specifically vested by statute in the agency being transferred, including, but not limited to, all budgeting, purchasing, planning, and related management functions of any transferred department, institution, or other agency, or part thereof, shall be performed under the direction and supervision of the head of the principal department.

(2) Under this article, a **type 2** transfer means the transferring of all or part of an existing department, institution, or other agency to a principal department established by this article. When all or part of any department, institution, or other agency is transferred to a principal department under a **type 2** transfer, its statutory authority, powers, duties, and functions, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds, including the functions of budgeting, purchasing, and planning, are transferred to the principal department.

(3) Under this article, a **type 3** transfer means the abolishing of an existing department, institution, or other agency and the transferring of all or part of its powers, duties, functions, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds to a principal department as specified under this article.

(4) When any department, institution, or other agency, or part thereof, is transferred by a **type 2** or **type 3** transfer to a principal department under the provisions of this article, its prescribed powers, duties, and functions, including rule-making, regulation, licensing, promulgation of rules, rates, regulations, and standards, and the rendering of findings, orders, and adjudications are transferred to the head of the principal department into which the department, institution, or other agency, or part thereof, has been transferred.

# ADDENDUM B

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|---|
| as if transferred thereto by a **type 2** transfer as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S. |
| as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S. |
| as if the same were transferred to the department by a **type 1** transfer, as such transfer is defined in section 24-1-105, C.R.S. |
| are transferred from (blank) to (blank) by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S. |
| are transferred, (effective date), by a **type 1** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S., to(blank) and allocated to (blank) |
| as if the powers, duties, and functions were transferred to the division by a **type 1** transfer, as defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S. |
| as if it were transferred to the department by a type 1 transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S. |
| as if they were transferred to the department by a **type 2** transfer |
| as if transferred to the division by a **type 1** transfer, as defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S. |
| as if transferred thereto by a **type 2** transfer, as defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S. |
| as if the same were transferred to the department by a **type 2** transfer as defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S. |
| as if the same were transferred to the department by a **type 2** transfer |
| as if the same were transferred by a **type 2** transfer |
| as if the same were transferred by a **type 1** transfer to the department |
| as if the same were transferred thereto by a **type 1** transfer |
| as if the same were transferred to said department by a **type 2** transfer |
| as if the same were transferred by a **type 1** transfer, as defined in section 24-1-105, to the department of transportation |
| as if the same were transferred to the department by a **type 1** transfer, as defined in section 24-1-105, C.R.S. |
| as if the same were transferred to such department by this article under a **type 2** transfer, unless otherwise specified by such law |

| |
|---|
| are hereby transferred by a **type 3** transfer to the department |
| There is hereby created by a **type 1** transfer in the department … |
| are transferred by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S., to the department |
| are transferred by a **type 2** transfer to the department of state, subject to |
| as if transferred to the department by a **type 1** transfer |
| as if the division were transferred by a **type 2** transfer to the department of education. |
| as if it were transferred by a **type 2** transfer to the department of public health and environment |
| as if transferred by a **type 2** transfer |
| as if transferred thereto by a **type 2** transfer |
| as if (the board) were transferred to the division by a type 1 transfer |
| are transferred as if by a type 1 transfer |
| as if the same were transferred to the department of natural resources and allocated to the division of reclamation, mining, and safety as a section thereof by a **type 2** transfer. |
| as if it were transferred to said department by a type 1 transfer |
| as if transferred by a type 2 transfer to the department |
| are transferred by a type 3 transfer, as defined in section 24-1-105 |
| as transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of this title |
| are hereby transferred by a type 2 transfer from the department to |
| to meet the requirements of the commission concerning any matters within the authority of an agency transferred by a **type 1** transfer, as defined in section 24-1-105, C.R.S., |
| as if transferred to the department by a **type 1** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S. |
| as if it were transferred to the department by a **type 1** transfer under the provisions of the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S. |
| as if it were transferred by a **type 2** transfer under the provisions of the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S. |
| as if the (board) were transferred by a **type 2** transfer, as a division thereof |
| as if transferred by a **type 2** transfer, as such transfer is defined by the "Administrative Organization Act of 1968", article 1 of this title, to the department |
| as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", being article 1 of this title |

| |
|---|
| as if it were transferred to the department by a **type 1** transfer as such transfer is defined in the "Administrative Organization Act of 1968", being article 1 of this title |
| as if it were transferred to the department by a type 1 transfer under the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S. |
| as if the agency or officer were transferred to the department by a **type 2** transfer, as defined in section 24-1-105, until the general assembly shall otherwise designate |
| There is hereby created within the department, as a type 2 entity, the … |

**Administrative Organization Act Modernization**
**(Proposed Draft LLS# 21-0284)**
**Chart of Sections Affecting each Principal Department**

To aid the reader, the bill is organized in the following order:

There are 3 sections in the Administrative Organization Act that apply to all principal departments:

Section 1 - Legislative declaration, §24-1-101
Section 2 - Types of entities defined, §24-1-105;
Section 3 - Repeal of transfer explanations, §24-1-129

Additional sections in the bill are grouped together for each principal department in the order in which the departments appear in the Administrative Organization Act, followed by the conforming amendments in organic sections for that principal department.

The chart below indicates the sections that affect each principal department in the order in which that department is addressed in the bill.

| **Principal Department** | **Administrative Organization Act: Bill Section and C.R.S. Section** | **Organic Statutes: Bill Sections and Page Numbers** |
|---|---|---|
| Department of State | Section 4;<br>§24-1-111 | Sections 4-5;<br>Pages 7-8 |
| Department of Treasury | Section 6;<br>§24-1-112 | Section 6;<br>Page 8 (no conforming amendments) |
| Department of Law | Section 7;<br>§24-1-113 | Sections 7-8;<br>Pages 8-9 |
| Department of Higher Education | Section 9;<br>§24-1-114 | Sections 9-16;<br>Pages 9-15<br><br>Also Section 145 on page 102 - §24-1-124 (3)(j) re: location of division of forestry and state forester (page 106) |

| **Principal Department** | **Administrative Organization Act: Bill Section and C.R.S. Section** | **Organic Statutes: Bill Sections and Page Numbers** |
|---|---|---|
| Department of Education | Section 17; §24-1-115 | Sections 17-30; Pages 15-25 |
| Department of Revenue | Section 31; §24-1-117 | Sections 31-37; Pages 25-30 |
| Department of Public Health and Environment | Section 38; §24-1-119 | Sections 38-52; Pages 30-40 |
| Department of Health Care Policy and Financing | Section 53; §24-1-119.5 | Sections 53-57; Pages 40-44 |
| Department of Human Services | Section 58; §24-1-120 | Sections 58-74; Pages 44-58 |
| Department of Labor and Employment | Section 75; §24-1-121 | Sections 75-89; Pages 58-69 |
| Department of Regulatory Agencies | Section 90; §24-1-122 | Sections 90-133; Pages 69-92 |
| Department of Agriculture | Section 134; §24-1-123 | Sections 134-144; Pages 92-102 |
| Department of Natural Resources | Section 145; §24-1-124 | Sections 145- 161; Pages 102-115 |
| Department of Local Affairs | Section 162; §24-1-125 | Sections 162-174; Pages 116-124<br><br>Also Section 58 on page 44 - §24-1-120 (5)(i) re: office of homeless youth (page 47) |
| Department of Military and Veterans Affairs | Section 175; §24-1-127 | Sections 175-181; Pages 124-129 |

| **Principal Department** | **Administrative Organization Act: Bill Section and C.R.S. Section** | **Organic Statutes: Bill Sections and Page Numbers** |
|---|---|---|
| Department of Personnel | Section 182; §24-1-128 | Sections 182-191; Pages 129-135 |
| Department of Corrections | Section 192; §24-1-128.5 | Sections 192-196; Pages135-140 |
| Department of Public Safety | Section 197; §24-1-128.6 | Sections 197-208; Pages 140-150<br><br>Also section 145 on page 102 - §24-1-124 (3)(j) re: location of division of forestry and state forester (page 106) |
| Department of Transportation | Section 209; §24-1-128.7 | Sections 209-217; Pages 151-158 |

S:\LLS\Staff\Nicole(NSH)\AOA chart of sections by department.wpd

First Regular Session
Seventy-third General Assembly
STATE OF COLORADO

DRAFT
4.8.21

**DRAFT**

LLS NO. 21-0284.01 Nicole Myers x4326 **COMMITTEE BILL**

**Statutory Revision Committee**

**BILL TOPIC:** "Modernize Terms For Exec Branch Admin Organization"

## A BILL FOR AN ACT

101 **CONCERNING THE MODERNIZATION OF THE TERMINOLOGY USED IN**
102 **THE COLORADO REVISED STATUTES RELATING TO THE**
103 **ORGANIZATION OF COLORADO STATE GOVERNMENTAL**
104 **AGENCIES WITHOUT ALTERING THE STATUS OF THE POWERS**
105 **ASSIGNED TO THOSE AGENCIES PURSUANT TO THE**
106 **"ADMINISTRATIVE ORGANIZATION ACT OF 1968".**

### 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/.)*

**Statutory Revision Committee.** Under current law, the

"Administrative Organization Act of 1968" (AOA) sets forth the organizational structure of the principal departments of the executive branch of Colorado state government based on a series of transfers and allocations of authority, powers, duties, and functions to units of government, referred to as "entities", that occurred in 1968, and as amended since that time as entities were created, transferred, or abolished. The AOA defines 3 types of transfers that determine the relationship between an entity and the principal department in the executive branch. The designation of an entity as a **type 1** or **type 2** entity, and the transfer of the entity's powers, duties, and functions to another entity by a **type 1** or **type 2** transfer, affects the authority of the entity and defines the relationship between the entity and the principal department to which the entity is assigned. Historically, a **type 3** transfer involved the transfer of all functions of an entity to another entity and the abolition of the original entity from which the functions had been transferred.

The bill modernizes and simplifies the terminology used in creating and transferring entities among principal departments under the AOA and throughout the Colorado Revised Statutes while preserving the status and the powers assigned in current law to entities in the AOA.

The bill defines "**type 1** entity" and "**type 2** entity" and states that when a new entity is created as a **type 1** entity or a **type 2** entity and allocated to a principal department under the AOA, or when an existing entity is transferred from one principal department to another, the entity has all of the powers, duties, and functions of a **type 1** or **type 2** entity, as applicable. The bill eliminates language regarding **type 1** and **type 2** transfers and specifies that when an existing entity is transferred from one principal department to another, the transferred entity shall exercise its powers and perform its duties and functions in the principal department to which it was transferred as a **type 1** or **type 2** entity, as specified in law.

The bill amends organic statutes for the principal departments to specify the **type 1** or **type 2** status of the entities within those principal departments where the **type 1** or **type 2** status is not stated. The bill also amends the AOA to specify the **type 1** or **type 2** status of the entities where the **type 1** or **type 2** status is found in the organic statute but is missing in the AOA.

Currently, when an entity is abolished by a **type 3** transfer, the original entity and its powers, duties, and functions are transferred to another principal department and the original entity is abolished. The bill eliminates references to **type 3** transfers and specifies that the powers, duties, and functions of the abolished entity are included in powers, duties, and functions of the entity to which it was transferred.

The bill also corrects errors in the names of entities to make the references consistent throughout the statutes.

To aid the reader, the bill is organized to group all the amendments to each principal department, including conforming amendments, together.

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

**SECTION 1.** In Colorado Revised Statutes, **amend** 24-1-101 as follows:

**24-1-101. Legislative declaration.** (1) The general assembly declares that this ~~article~~ ARTICLE 1 is necessary to create a structure of state government ~~which will be~~ THAT IS responsive to the needs of the people of this state and sufficiently flexible to meet changing conditions; to strengthen the powers of the governor and provide a reasonable span of administrative and budgetary controls within an orderly organizational structure of state government; to strengthen the role of the general assembly in state government; to encourage greater participation of the public in state government; to effect the grouping of state agencies into a limited number of principal departments primarily according to function; and to eliminate overlapping and duplication of effort. ~~It is the intent of the general assembly to provide for an orderly transfer of powers, duties, and functions of the various state agencies to such principal departments with a minimum of disruption of governmental services and functions and with a minimum of expense.~~ To the ends stated in this section, this ~~article~~ ARTICLE 1 shall be liberally construed.

(2) SINCE THE GENERAL ASSEMBLY ENACTED THE "ADMINISTRATIVE ORGANIZATION ACT OF 1968", WHICH LAID OUT THE STRUCTURE OF THE PRINCIPAL DEPARTMENTS, ASSIGNED AND TRANSFERRED EVERY ENTITY INTO A PRINCIPAL DEPARTMENT, AND SPECIFIED WHETHER THE ENTITY WAS TRANSFERRED BY A **TYPE 1** OR **TYPE**

1 **2** TRANSFER OR ABOLISHED BY A **TYPE 3** TRANSFER, THE GENERAL
2 ASSEMBLY HAS DETERMINED THAT:
3 (a) THE TRANSFER LANGUAGE USED IN THIS ARTICLE 1 IS OVERLY
4 COMPLICATED, AND THE CONCEPT THAT A NEW ENTITY OBTAINS OR
5 RETAINS ITS POWERS "AS IF IT WERE TRANSFERRED", BASED ON A
6 REORGANIZATION THAT OCCURRED IN 1968, IS AN AWKWARD WAY OF
7 EXPRESSING THE ENTITY'S STATUS;
8 (b) WHILE THE STATUS OF AN ENTITY IS EXPRESSED IN THIS
9 ARTICLE 1, THE **TYPE 1** OR **TYPE 2** STATUS OF THE ENTITY OFTEN IS NOT
10 SPECIFIED IN THE ORGANIC STATUTE THAT GOVERNS THE ENTITY, WHICH
11 IS WHERE A READER WOULD TYPICALLY LOOK FOR THIS INFORMATION;
12 (c) WHILE THERE WERE MANY REFERENCES TO **TYPE 3** TRANSFERS
13 BY WHICH ENTITIES WERE HISTORICALLY ABOLISHED, IN 2021 THE
14 TERMINOLOGY USED IN THE STATUTES WAS MODERNIZED TO SIMPLY
15 IDENTIFY THE NEW ENTITY RESPONSIBLE FOR THE POWERS, DUTIES, AND
16 FUNCTIONS OF THE ABOLISHED ENTITY WITHOUT THE USE OF THE ARCHAIC
17 **TYPE 3** TRANSFER LANGUAGE; AND
18 (d) THE COLORADO REVISED STATUTES WOULD BE IMPROVED BY
19 MODERNIZING THE MEANS BY WHICH AN ENTITY'S STATUS IS DESIGNATED
20 AND THE WAY IN WHICH AN ENTITY'S POWERS, DUTIES, AND FUNCTIONS
21 ARE EXPRESSED IN THE "ADMINISTRATIVE ORGANIZATION ACT OF 1968"
22 AND IN THE ORGANIC STATUTE WHERE THE ENTITY IS CREATED.
23 **SECTION 2.** In Colorado Revised Statutes, **repeal and reenact,**
24 **with amendments,** 24-1-105 as follows:
25 **24-1-105. Types of entities defined - creation of new entities -**
26 **transfers of existing entities.** (1) THE FOLLOWING DEFINITIONS APPLY TO
27 EVERY STATUTE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

1 (a) "ENTITY" MEANS A PRINCIPAL DEPARTMENT OF THE STATE OR
2 ANY DIVISION, INSTITUTION, OR PART OF A PRINCIPAL DEPARTMENT, OR
3 ANY AGENCY, BOARD, COMMISSION, OR UNIT OF STATE GOVERNMENT THAT
4 IS CREATED IN OR ASSIGNED TO A PRINCIPAL DEPARTMENT OF THE STATE.
5 "ENTITY" INCLUDES AN INDIVIDUAL CARRYING OUT POWERS OR
6 EXERCISING DUTIES OR FUNCTIONS.
7 (b) "**TYPE 1** ENTITY" MEANS AN ENTITY THAT IS ADMINISTERED
8 UNDER THE DIRECTION AND SUPERVISION OF A PRINCIPAL DEPARTMENT
9 ESTABLISHED IN THIS ARTICLE 1, BUT EXERCISES ITS PRESCRIBED
10 STATUTORY POWERS AND PERFORMS ITS PRESCRIBED DUTIES AND
11 FUNCTIONS, INCLUDING RULE-MAKING, REGULATION, LICENSING, AND
12 REGISTRATION; THE PROMULGATION OF RULES, RATES, REGULATIONS, AND
13 STANDARDS; AND THE RENDERING OF FINDINGS, ORDERS, AND
14 ADJUDICATIONS, INDEPENDENTLY OF THE HEAD OF THE PRINCIPAL
15 DEPARTMENT. UNDER A **TYPE 1** ENTITY, ANY POWERS, DUTIES, AND
16 FUNCTIONS NOT SPECIFICALLY VESTED BY STATUTE IN THE ENTITY,
17 INCLUDING, BUT NOT LIMITED TO, ALL BUDGETING, PURCHASING,
18 PLANNING, AND RELATED MANAGEMENT FUNCTIONS OF THE ENTITY, ARE
19 PERFORMED UNDER THE DIRECTION AND SUPERVISION OF THE HEAD OF THE
20 PRINCIPAL DEPARTMENT.
21 (c) "**TYPE 2** ENTITY" MEANS AN ENTITY WHOSE STATUTORY
22 AUTHORITY, POWERS, DUTIES, AND FUNCTIONS, INCLUDING THE FUNCTIONS
23 OF BUDGETING, PURCHASING, AND PLANNING, ARE UNDER THE DIRECTION
24 AND SUPERVISION OF THE HEAD OF THE PRINCIPAL DEPARTMENT.
25 (2) WHEN A NEW ENTITY IS CREATED, THE ENTITY SHALL EXERCISE
26 ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS IN THE PRINCIPAL
27 DEPARTMENT IN WHICH IT WAS CREATED AS A **TYPE 1** OR **TYPE 2** ENTITY,

AS SPECIFIED IN LAW. WHEN AN EXISTING ENTITY IS TRANSFERRED FROM ONE PRINCIPAL DEPARTMENT TO ANOTHER PRINCIPAL DEPARTMENT, THE ENTITY SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS IN THE PRINCIPAL DEPARTMENT TO WHICH IT WAS TRANSFERRED AS A **TYPE 1** OR **TYPE 2** ENTITY, AS SPECIFIED IN LAW. WHEN AN EXISTING ENTITY IS ABOLISHED, ALL OR PART OF THE POWERS, DUTIES, AND FUNCTIONS OF THE ABOLISHED ENTITY AS WELL AS ITS RECORDS, PERSONNEL, PROPERTY, AND UNEXPENDED BALANCES OF APPROPRIATIONS, ALLOCATIONS, OR OTHER MONEY, MAY BE TRANSFERRED TO ANOTHER ENTITY AS SPECIFIED IN LAW.

**SECTION 3.** In Colorado Revised Statutes, **repeal** 24-1-129 as follows:

**24-1-129. Effect of transfer of powers, duties, and functions.** ~~Any principal department to which powers, duties, and functions of any existing department, institution, or other agency are transferred or any division, section, or unit of any principal department to which such powers, duties, and functions are allocated shall be the successor in every way with respect to such powers, duties, and functions of the department, institution, or other agency in which such powers, duties, and functions were vested prior to July 1, 1968, except as otherwise provided by this article. Every act performed in the exercise of such powers, duties, and functions by or under the authority of the principal department or any division, section, or unit thereof to which such powers, duties, and functions are transferred or allocated by this article shall be deemed to have the same force and effect as if performed by the department, institution, or other agency in which such functions were vested prior to July 1, 1968. When any such department, institution, or other agency is~~

~~referred to or designated by any law, contract, or other document, such reference or designation shall be deemed to apply to the principal department or the division, section, or unit thereof in which the powers, duties, and functions of such department, institution, or other agency so referred to or designated are vested by the provisions of this article.~~

<{***Department of State***}>

**SECTION 4.** In Colorado Revised Statutes, 24-1-111, **amend** (2) and (3) as follows:

**24-1-111. Department of state - creation.** (2) The department of state and the office of secretary of state, created by article IV of the state constitution, ~~and the powers, duties, and functions vested by law in said department and said office are transferred by a **type 2** transfer to the department of state,~~ ARE **TYPE 2** ENTITIES AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS AS VESTED BY LAW IN SAID DEPARTMENT AND OFFICE, subject to the state constitution.

(3) The department of state includes the electronic recording technology board established in section 24-21-402 (1). ~~and its powers, duties, and functions, as if the board were transferred by a **type 1** transfer, as such transfer is defined in section 24-1-105~~ THE ELECTRONIC RECORDING TECHNOLOGY BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS AS SPECIFIED BY LAW UNDER THE DEPARTMENT OF STATE.

**SECTION 5.** In Colorado Revised Statutes, 24-21-402, **amend** (1)(a) introductory portion as follows:

**24-21-402. Electronic recording technology board - creation**

**- enterprise status.** (1) (a) The electronic recording technology board is created in the department of state. THE BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. The board consists of the secretary of state, or his or her designee, and eight other members appointed as follows:

<{***Treasury***}>

**SECTION 6.** In Colorado Revised Statutes, 24-1-112, **amend** (2) as follows:

**24-1-112. Department of the treasury - creation.** (2) (a) ~~The powers, duties, and functions of the department of the treasury, created by article 36 of this title, and the powers, duties, and functions vested by law or the state constitution in the office of state treasurer are transferred by a **type 2** transfer to the department of the treasury, subject to the state constitution.~~ THE DEPARTMENT OF THE TREASURY, CREATED BY ARTICLE 36 OF THIS TITLE 24, IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS AS SPECIFIED BY LAW AND SUBJECT TO THE STATE CONSTITUTION.

(b) THE OFFICE OF THE STATE TREASURER IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS AS VESTED BY LAW OR THE STATE CONSTITUTION IN THE OFFICE, SUBJECT TO THE STATE CONSTITUTION.

<{***Department of Law***}>

**SECTION 7.** In Colorado Revised Statutes, 24-1-113, **amend** (2) as follows:

**24-1-113. Department of law - creation.** (2) Except as otherwise provided in this ~~article~~ ARTICLE 1 or by law: ~~the powers, duties, and functions of the department of law, created by article 31 of this title, and~~

~~all other powers, duties, and functions vested by law or the state constitution in the office of attorney general are transferred by a **type 2** transfer to the department of law, subject to the state constitution.~~

(a) THE DEPARTMENT OF LAW, CREATED BY ARTICLE 31 OF THIS TITLE 24, IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS AS SPECIFIED BY LAW AND SUBJECT TO THE STATE CONSTITUTION.

(b) THE OFFICE OF THE ATTORNEY GENERAL IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS AS VESTED IN THE OFFICE BY LAW OR THE STATE CONSTITUTION.

**SECTION 8.** In Colorado Revised Statutes, 24-31-302, **amend** (2) as follows:

**24-31-302. Creation of board.** (2) The P.O.S.T. board IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions under the department of law. ~~as if transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of this title.~~

<{***Higher Education***}>

**SECTION 9.** In Colorado Revised Statutes, 24-1-114, **amend** (2), (3) introductory portion, (3)(b), (3)(c), (3)(d), and (6) as follows:

**24-1-114. Department of higher education - creation.** (2) The Colorado commission on higher education and the office of executive director ~~thereof~~ OF THE COMMISSION, created by article 1 of title 23, ~~C.R.S., and their powers, duties, and functions are transferred by a **type 1** transfer to the department of higher education~~ ARE **TYPE 1** ENTITIES, AS

DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF HIGHER EDUCATION.

(3) The department of higher education ~~shall include~~ INCLUDES the following divisions:

(b) THE state historical society, created by part 2 of article 80 of this ~~title. Its powers, duties, and functions, are transferred by a **type 1** transfer to the department of higher education as a division thereof~~ TITLE 24. THE STATE HISTORICAL SOCIETY IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS AS A DIVISION OF THE DEPARTMENT OF HIGHER EDUCATION.

(c) The student loan division, created by article 3.1 of title 23. ~~C.R.S.~~ The division and the ~~director thereof shall exercise their powers and perform their duties and functions as if transferred to the department by a **type 2** transfer~~ OFFICE OF THE DIRECTOR OF THE DIVISION ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF HIGHER EDUCATION.

(d) The private occupational school division, created by article 64 of title 23. The private occupational school board, created by section 23-64-107, IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions ~~as if transferred to the department by a **type 1** transfer~~ UNDER THE DEPARTMENT OF HIGHER EDUCATION. The division, except for the private occupational school board, and the OFFICE OF THE director ~~thereof~~ OF THE DIVISION ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND

shall exercise their powers and perform their duties and functions ~~as if transferred to the department by a **type 2** transfer~~ UNDER THE DEPARTMENT OF HIGHER EDUCATION AND THE EXECUTIVE DIRECTOR OF THE DEPARTMENT.

(6) The office of state archaeologist, created by part 4 of article 80 of this ~~title, and its powers, duties, and functions are transferred by a **type 2** transfer to the state historical society, as a section thereof.~~ TITLE 24, IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS AS A SECTION WITHIN THE STATE HISTORICAL SOCIETY.

**SECTION 10.** In Colorado Revised Statutes, 23-1-102, **amend** (2) as follows:

**23-1-102. Commission established - terms of office.** (2) There is ~~hereby~~ established a central policy and coordinating board for higher education in the state of Colorado, to be known as the Colorado commission on higher education, referred to in this ~~article~~ ARTICLE 1 as the "commission". The duties and powers delegated to the commission by this ~~article~~ ARTICLE 1 apply to all state-supported institutions of higher education, including, but not limited to, all postsecondary institutions in the state supported in whole or part by state funds, and including community colleges, extension programs of the state-supported universities and colleges, local district colleges, area technical colleges, the Auraria higher education center established in article 70 of this ~~title~~ TITLE 23, and specifically the regents of the university of Colorado and the institutions it governs. The governing boards and institutions of the public system of higher education in Colorado, including the university of Colorado, are obligated to conform to the policies set by the

commission within the authorities delegated to it in this ~~article~~ ARTICLE 1. THE COMMISSION IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 11.** In Colorado Revised Statutes, 23-3.1-103, **amend** (1) as follows:

**23-3.1-103. Division created - director - staff.** (1) ~~There is hereby created~~ The student loan division AND THE OFFICE OF THE DIRECTOR OF THE DIVISION ARE CREATED in the department of higher education. ~~and the office of director of the division.~~ The division and the OFFICE OF THE director OF THE DIVISION ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their DUTIES AND functions ~~under this article as if the same were transferred to the department by a **type 2** transfer~~ UNDER THE DEPARTMENT. The director of collegeinvest ~~shall be~~ IS the director of the division. The director, with the approval of the executive director of the commission, shall employ such professional and clerical personnel as deemed necessary to carry out the duties and functions of the division. The director and professional personnel ~~are declared to~~ hold educational offices and ~~to be~~ ARE exempt from the state personnel system.

**SECTION 12.** In Colorado Revised Statutes, 23-41-201, **amend** (1) as follows:

**23-41-201. Transfer of geological survey - memorandum of understanding - report.** (1) With the exception of the Colorado avalanche information center created pursuant to section 24-33-116, ~~C.R.S.,~~ on January 31, 2013, the Colorado geological survey and the office of the state geologist and their powers, duties, and functions are transferred from the department of natural resources to the Colorado school of mines. ~~The Colorado school of mines shall exercise its powers~~

~~and perform its functions and duties as if the geological survey and the office of the state geologist were transferred to the Colorado school of mines by a **type 2** transfer.~~ THE COLORADO GEOLOGICAL SURVEY AND THE OFFICE OF THE STATE GEOLOGIST ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE COLORADO SCHOOL OF MINES.

**SECTION 13.** In Colorado Revised Statutes, **amend** 23-64-105 as follows:

**23-64-105. Private occupational school division - creation.** ~~There is hereby created~~ The private occupational school division AND THE OFFICE OF THE DIRECTOR OF THE DIVISION ARE CREATED in the department of higher education. ~~and the office of director of the division.~~ The division and the OFFICE OF THE director OF THE DIVISION ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions specified in this article 64 under the department of higher education and the executive director ~~thereof as if the same were transferred to the department by a **type 2** transfer as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24~~ OF THE DEPARTMENT. The director ~~shall be~~ IS appointed by the executive director. The director, with the approval of the executive director, shall employ such professional and clerical personnel as deemed necessary to carry out the duties and functions of the division. The director and professional personnel ~~are declared to~~ hold educational offices and ~~to be~~ ARE exempt from the state personnel system.

**SECTION 14.** In Colorado Revised Statutes, 23-64-107, **amend** (2) as follows:

**23-64-107. Private occupational school board - established -**

**membership.** (2) Effective July 1, 1998, there is established, in the private occupational school division, the private occupational school board that shall advise the director on the administration of this article 64 and ~~shall have~~ HAS the powers and duties specified in section 23-64-108. The board IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions AS specified in this article 64. ~~as if the same were transferred to the department of higher education by a **type 1** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24.~~

**SECTION 15.** In Colorado Revised Statutes, **amend** 24-80-201 as follows:

**24-80-201. Society an educational institution.** The state historical society, an incorporated organization, is ~~hereby declared to be~~ one of the educational institutions of the state of Colorado. The state historical society ~~exercises~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE its powers AND PERFORM ITS duties and functions under the department of higher education. ~~as if it were transferred to the department by a **type 1** transfer under the provisions of the "Administrative Organization Act of 1968", article 1 of this title.~~

**SECTION 16.** In Colorado Revised Statutes, **amend** 24-80-403 as follows:

**24-80-403. Office of state archaeologist - purpose.** ~~There is hereby established~~ The office of state archaeologist ~~which shall be~~ IS ESTABLISHED AS a section within the society in the department of higher education. THE OFFICE OF STATE ARCHAEOLOGIST IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. The purpose of the office of state archaeologist ~~shall be~~ IS to coordinate, encourage, and preserve by the use

of appropriate means the full understanding of this state's archaeological resources as the same pertain to ~~man's~~ HUMANKIND'S cultural heritage, the study and understanding of which within the state of Colorado will result in an ultimate benefit to the citizens of this state.

<{***Department of education***}>

**SECTION 17.** In Colorado Revised Statutes, 24-1-115, **amend** (2), (3), (4), (5), (8), (9), (10), (11), (12), (13), (14), (15), and (16) as follows:

**24-1-115. Department of education - creation.** (2) The state board of education, created by part 1 of article 2 of title 22, ~~C.R.S., and its powers, duties, and functions are transferred by a **type 1** transfer to the department of education~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS SUBJECT TO THE STATE CONSTITUTION.

<{***CDE: The state constitution governs many aspects and units of the department of education. Anything that is a type 1 entity must also comply with the state constitution, so that is why the language says "subject to the state constitution". Anything that is a type 2 entity can be said to act "under the department", but type 1 entities probably should not. Please check these to make sure they are correct.***}>

(3) The state department of education and the office of the commissioner of education, created by part 1 of article 2 of title 22, ~~C.R.S., and their powers, duties, and functions are transferred by a **type 2** transfer to the department of education, subject to the state constitution,~~ ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF EDUCATION, SUBJECT TO THE STATE

CONSTITUTION.

(4) The department of education ~~shall include~~ INCLUDES the state library, the ex officio head of which ~~shall be~~ IS the commissioner of education. The state library, created by article 90 of this ~~title and its powers, duties, and functions are transferred by a **type 2** transfer to the department of education as a division thereof~~ TITLE 24, IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF EDUCATION AS A DIVISION THEREOF, AND THE COMMISSIONER OF EDUCATION, AND THE STATE BOARD OF EDUCATION.

(5) The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF EDUCATION AND THE STATE BOARD OF EDUCATION INCLUDE THE POWERS, DUTIES, AND FUNCTIONS OF THE state board of teacher certification, created by article 1 of chapter 123, C.R.S. 1963, ~~and its powers, duties, and functions are transferred by a **type 3** transfer to the department of education as additional powers, duties, and functions of the state board of education,~~ and the state board of teacher certification is abolished.

(8) The DEPARTMENT OF EDUCATION INCLUDES THE Colorado school for the deaf and the blind, as provided for in article 80 of title 22, ~~C.R.S., and its powers, duties, and functions are transferred by a **type 1** transfer to the department of education~~ AND THE BOARD OF TRUSTEES OF THE COLORADO SCHOOL FOR THE DEAF AND THE BLIND, CREATED IN SECTION 22-80-103. THE COLORADO SCHOOL FOR THE DEAF AND THE BLIND AND THE BOARD OF TRUSTEES OF THE COLORADO SCHOOL FOR THE DEAF AND THE BLIND ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS SUBJECT TO THE STATE CONSTITUTION.

(9) The department of education ~~shall include~~ INCLUDES the state charter school institute established in section 22-30.5-503. ~~C.R.S., and its powers, duties, and functions, as if the institute were transferred by a **type 1** transfer to the department of education~~ THE STATE CHARTER SCHOOL INSTITUTE IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS SUBJECT TO THE STATE CONSTITUTION.

(10) The department of education ~~shall include~~ INCLUDES the division of online learning AND THE OFFICE OF THE DIRECTOR OF THE DIVISION established in section 22-30.7-103. ~~C.R.S., and its powers, duties, and functions, as if the division were transferred by~~ IS ~~a **type 2** transfer to the department of education~~ THE DIVISION OF ONLINE LEARNING AND THE OFFICE OF THE DIRECTOR OF THE DIVISION ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT, THE COMMISSIONER OF EDUCATION, AND THE STATE BOARD OF EDUCATION.

(11) (a) The department of education ~~shall include~~ INCLUDES the division of public school capital construction assistance AND THE DIRECTOR OF THE DIVISION established in section 22-43.7-105. ~~C.R.S., and its powers, duties, and functions, as if the division were transferred by~~ IS ~~a **type 2** transfer to the department of education~~ THE DIVISION OF PUBLIC SCHOOL CAPITAL CONSTRUCTION AND THE DIRECTOR OF THE DIVISION ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF EDUCATION.

(b) The department of education ~~shall include~~ INCLUDES the public

school capital construction assistance board established in section 22-43.7-106. ~~C.R.S., and its powers, duties, and functions, as if the board were transferred by a **type 1** transfer to the department of education~~ THE PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT AND SUBJECT TO THE STATE CONSTITUTION.

(12) The department of education ~~shall include~~ INCLUDES the facility schools unit AND THE OFFICE OF THE DIRECTOR OF THE FACILITY SCHOOLS UNIT established in section 22-2-403. ~~C.R.S., and its powers, duties, and functions, as if the unit were transferred by a **type 2** transfer to the department of education~~ THE FACILITY SCHOOLS UNIT AND THE OFFICE OF THE DIRECTOR OF THE FACILITY SCHOOLS UNIT ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT, THE COMMISSIONER OF EDUCATION, AND THE STATE BOARD OF EDUCATION.

(13) The department of education ~~shall include~~ INCLUDES the facility schools board established in section 22-2-404. ~~C.R.S., and its powers, duties, and functions, as if the board were transferred by a **type 1** transfer to entity the department of education~~ THE FACILITY SCHOOLS BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS SUBJECT TO THE STATE CONSTITUTION.

(14) The department of education ~~shall include~~ INCLUDES the Colorado state advisory council for parent involvement in education created in section 22-7-303. ~~C.R.S., and its powers, duties, and functions,~~

~~as if the council were transferred by a **type 2** transfer to the department of education~~ THE COLORADO STATE ADVISORY COUNCIL FOR PARENT INVOLVEMENT IN EDUCATION IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF EDUCATION, THE COMMISSIONER OF EDUCATION, AND THE STATE BOARD OF EDUCATION.

(15) The department of education ~~shall include~~ INCLUDES the office of dropout prevention and student re-engagement AND THE DIRECTOR OF THE OFFICE, established in section 22-14-103. ~~C.R.S., and its powers, duties, and functions, as if the office were transferred by a **type 2** transfer to the department of education~~ THE OFFICE OF DROPOUT PREVENTION AND STUDENT RE-ENGAGEMENT AND THE DIRECTOR OF THE OFFICE ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF EDUCATION, THE COMMISSIONER OF EDUCATION, AND THE STATE BOARD OF EDUCATION.

(16) The department of education ~~shall include~~ INCLUDES the concurrent enrollment advisory board created in section 22-35-107. ~~C.R.S., and its powers, duties, and functions, as if the board were transferred by a **type 2** transfer to the department of education~~ THE CONCURRENT ENROLLMENT ADVISORY BOARD IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF EDUCATION, THE COMMISSIONER OF EDUCATION, AND THE STATE BOARD.

**SECTION 18.** In Colorado Revised Statutes, 22-2-106, **amend** (1) introductory portion as follows:

**22-2-106. State board - duties - rules.** (1) THE STATE BOARD IS

A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. It is the duty of the state board:

**SECTION 19.** In Colorado Revised Statutes, 22-2-110, **amend** (2) as follows:

**22-2-110. Commissioner of education - oath - qualifications - tenure.** (2) The STATE BOARD SHALL APPOINT THE commissioner ~~shall be appointed by the state board, serve~~ WHO SHALL SERVE at the pleasure of the board, and receive such compensation as may be determined by the board. THE COMMISSIONER IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 20.** In Colorado Revised Statutes, 22-2-403, **amend** (2) as follows:

**22-2-403. Facility schools unit - created.** (2) The facility schools unit and the office of the director of facility schools shall exercise their powers and perform their duties and functions under the department, the commissioner of education, and the state board of education. ~~as if the same were transferred to the department by a **type 2** transfer as defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~ THE FACILITY SCHOOLS UNIT AND THE OFFICE OF THE DIRECTOR OF FACILITY SCHOOLS ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105.

**SECTION 21.** In Colorado Revised Statutes, 22-2-404, **amend** (1) as follows:

**22-2-404. Facility schools board - created - membership.** (1) There is ~~hereby~~ created the facility schools board to adopt curriculum standards and set graduation requirements for facility schools and to collaborate with and advise the unit. The facility schools board ~~shall~~

1 ~~consist~~ CONSISTS of seven members appointed by the state board as
2 provided in this section. The state board shall appoint the initial members
3 of the facility schools board on or before November 1, 2008. The facility
4 schools board IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND
5 shall exercise its powers and perform its duties and functions ~~as if the~~
6 ~~same were transferred to the department by a **type 1** transfer as defined~~
7 ~~in the "Administrative Organization Act of 1968", article 1 of title 24,~~
8 ~~C.R.S.~~ SUBJECT TO THE STATE CONSTITUTION.

9 **SECTION 22.** In Colorado Revised Statutes, 22-7-303, **amend**
10 (1) as follows:

11 **22-7-303. Colorado state advisory council for parent**
12 **involvement in education - created - membership.** (1) There is ~~hereby~~
13 created ~~within~~ IN the department of education the Colorado state advisory
14 council for parent involvement in education. The council ~~shall consist~~
15 CONSISTS of members appointed as provided in this section and ~~shall have~~
16 HAS the powers and duties specified in this part 3. The council IS A **TYPE**
17 **2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers
18 and perform its duties and functions under the department, the
19 commissioner of education, and the state board of education. ~~as if the~~
20 ~~same were transferred to the department by a **type 2** transfer as defined~~
21 ~~in the "Administrative Organization Act of 1968", article 1 of title 24,~~
22 ~~C.R.S.~~

23 **SECTION 23.** In Colorado Revised Statutes, 22-14-103, **amend**
24 (1)(b) as follows:

25 **22-14-103. Office of dropout prevention and student**
26 **re-engagement - created - purpose - duties.** (1) (b) The office of
27 dropout prevention and student re-engagement and the director of the

office ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions under the department of education, the commissioner of education, and the state board of education. ~~as if the same were transferred to the department of education by a **type 2** transfer as defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 24.** In Colorado Revised Statutes, 22-30.5-503, **amend** (1)(a) as follows:

**22-30.5-503. State charter school institute - establishment - rules.** (1) (a) There is established, as an independent agency in the department of education, the state charter school institute. The institute IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions ~~as if it were transferred to the department by a **type 1** transfer under the provisions of the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~ SUBJECT TO THE STATE CONSTITUTION.

**SECTION 25.** In Colorado Revised Statutes, 22-30.7-103, **amend** (1)(b) as follows:

**22-30.7-103. Division of online learning - created - duties - report.** (1) **Creation.** (b) The division of online learning and the office of the director ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions under the department, the commissioner of education, and the state board of education. ~~as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 26.** In Colorado Revised Statutes, 22-35-107, **amend**

(1) as follows:

**22-35-107. Concurrent enrollment advisory board - created - membership - duties - reports - repeal.** (1) There is ~~hereby~~ created ~~within~~ IN the department the concurrent enrollment advisory board. The board ~~shall consist~~ CONSISTS of members appointed as provided in this section and ~~shall have~~ HAS the powers and duties specified in this section. The board IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions under the department, the commissioner of education, and the state board. ~~as if the same were transferred to the department by a **type 2** transfer as defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 27.** In Colorado Revised Statutes, 22-43.7-105, **amend** (1)(b) as follows:

**22-43.7-105. Division of public school capital construction assistance - creation - director - function - powers and duties.** (1) (b) The division and the director of the division ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions under the department. ~~as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 28.** In Colorado Revised Statutes, 22-43.7-106, **amend** (1)(a) introductory portion as follows:

**22-43.7-106. Public school capital construction assistance board - creation - general powers and duties - rules.** (1) (a) There is ~~hereby~~ created ~~within~~ IN the department the public school capital

construction assistance board. ~~which~~ THE BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions under the department, ~~as if the same were transferred to the department by a **type 1** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~ SUBJECT TO THE STATE CONSTITUTION. The board ~~shall consist~~ CONSISTS of nine appointed members, none of whom shall hold any state elective office. Five voting members of the board ~~shall~~ constitute a quorum. Board members ~~shall be~~ ARE appointed as follows:

**SECTION 29.** In Colorado Revised Statutes, 22-80-103, **amend** (1)(a) as follows:

**22-80-103. Board of trustees - appointments - powers - duties - fund created.** (1) (a) There is ~~hereby~~ created ~~by a **type 1** transfer~~ in the department of education a board of trustees for the Colorado school for the deaf and the blind. THE BOARD OF TRUSTEES IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS SUBJECT TO THE STATE CONSTITUTION. The board of trustees ~~shall consist~~ CONSISTS of seven members who are residents of Colorado, appointed by the governor with the consent of the senate. Of these seven members, at least one appointee ~~shall~~ MUST be a blind person and at least one appointee ~~shall~~ MUST be a deaf person. Beginning with the first appointment made on or after August 5, 2009, the governor shall ensure that, of the seven members of the board of trustees, at least one appointee is the parent of a child who is deaf or blind or both.

**SECTION 30.** In Colorado Revised Statutes, 24-90-104, **amend** (1) as follows:

**24-90-104. State library created - administration.** (1) The state library is ~~hereby~~ created as a division of the department of education, and its operation is declared to be an essential administrative function of the state government. THE STATE LIBRARY IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF EDUCATION, THE COMMISSIONER OF EDUCATION, AND THE STATE BOARD OF EDUCATION.

<{***Department of Revenue***}>

**SECTION 31.** In Colorado Revised Statutes, 24-1-117, **amend** (2), (3), (4)(a) introductory portion, (4)(a)(IV), (4)(a)(V), (4)(a)(VI), (4)(a)(VII), (4)(a)(X), and (4)(a)(XI) as follows:

**24-1-117. Department of revenue - creation.** (2) The department of revenue and the office of THE EXECUTIVE director of THE DEPARTMENT OF revenue ARE created by article 35 of this ~~title, and their powers, duties, and functions are transferred by a **type 2** transfer to the department of revenue~~ TITLE 24. THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THE DIRECTOR'S POWERS AND PERFORM THE DIRECTOR'S DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF REVENUE.

(3) The powers, duties, and functions of the ~~secretary of state~~ DEPARTMENT OF REVENUE AND THE LIQUOR ENFORCEMENT DIVISION, WHICH IS CREATED IN SUBSECTION (4)(a) OF THIS SECTION, INCLUDE THE POWERS, DUTIES, AND FUNCTIONS with respect to fermented malt beverages and malt, vinous, and spirituous liquors ~~under~~ PURSUANT TO the provisions of articles 3, 4, and 5 of title 44 ~~are transferred by a **type 2** transfer to the department of revenue~~ THAT WERE FORMERLY VESTED IN

1 THE SECRETARY OF STATE.

2 (4) (a) The department of revenue ~~shall consist~~ CONSISTS of the
3 following divisions:

4 (IV) THE liquor enforcement division, WHICH IS A **TYPE 2** ENTITY,
5 AS DEFINED IN SECTION 24-1-105;

6 (V) THE state lottery division, INCLUDING THE COLORADO
7 LOTTERY COMMISSION CREATED IN SECTION 44-40-108, AND THE
8 DIRECTOR OF THE STATE LOTTERY DIVISION, CREATED IN SECTION
9 44-40-102, WHICH ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105;

10 (VI) THE division of racing events ~~including~~ CREATED IN SECTION
11 44-32-201 (1), THE DIRECTOR OF THE DIVISION OF RACING EVENTS, AND
12 the Colorado racing commission, CREATED IN SECTION 44-32-301 (1),
13 WHICH ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105;

14 (VII) THE division of gaming ~~including~~ CREATED IN SECTION
15 44-30-201, THE DIRECTOR OF THE DIVISION OF GAMING, AND the Colorado
16 limited gaming control commission, CREATED IN SECTION 44-30-301,
17 WHICH ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105.

18 (X) The auto industry division, created in ~~section 12-6-105~~
19 SECTION 44-20-105. The division IS A **TYPE 2** ENTITY, AS DEFINED IN
20 SECTION 24-1-105, AND shall exercise its powers and perform its duties
21 and functions under the department of revenue; ~~as if the division were~~
22 ~~transferred to the department by a **type 2** transfer as described in section~~
23 ~~24-1-105;~~ AND

24 (XI) THE STATE LICENSING AUTHORITY CREATED IN SECTION
25 44-10-201, WHICH IS A TYPE ____ ENTITY AS DEFINED IN SECTION 24-1-105.
26 <{***DOR, does the state licensing authority currently operate as a type 1***
27 ***or type 2 entity? Section 44-10-201 does not specify. Do you want to***

***specify the type in section 44-10-201?***}>

**SECTION 32.** In Colorado Revised Statutes, 24-35-102, **amend** (1) as follows:

**24-35-102. Executive director - annual report.** (1) There is ~~hereby~~ created the office of the executive director of the department of revenue, who ~~shall be~~ IS the head of the department. The executive director shall be appointed by the governor, with the consent of the senate, and shall serve at the pleasure of the governor. The reappointment of an executive director after initial election of a governor shall be subject to ~~the provisions of~~ section 24-20-109. Whenever any law of this state refers to the director of revenue, such law shall be deemed to refer to the executive director of the department of revenue. THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 33.** In Colorado Revised Statutes, 44-20-105, **amend** (1) as follows:

**44-20-105. Auto industry division - creation - powers and duties of executive director and director.** (1) There is ~~hereby~~ created in the department the auto industry division, the head of which is the director of the division. The director is appointed by the executive director and serves at the pleasure of the executive director. The division IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions under the department. ~~as if the division were transferred to the department by a **type 2** transfer entity, as described in section 24-1-105.~~

**SECTION 34.** In Colorado Revised Statutes, 44-30-201, **amend** (1) as follows:

**44-30-201. Division of gaming - creation.** (1) There is ~~hereby~~ created ~~within~~ IN the department the division of gaming, the head of which is the director of the division of gaming. The director is appointed by, and ~~is subject to removal~~ MAY BE REMOVED by, the executive director. The division of gaming, the Colorado limited gaming control commission created in section 44-30-301, and the director of the division of gaming ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their respective powers and perform their respective duties and functions as specified in this article 30 under the department; ~~as if they were transferred to the department by a **type 2** transfer, as the transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24;~~ except that the commission has full and exclusive authority to promulgate rules related to limited gaming and sports betting without any approval by, or delegation of authority from, the department. Notwithstanding any provision of this subsection (1) to the contrary, sports betting is not authorized unless the voters at the November 2019 statewide election approve the ballot question submitted pursuant to section 44-30-1514, enacted in 2019 in House Bill 19-1327. <{***DOR: This is an exception to the normal type 2 powers - should it be mentioned in 24-1-117?***}>

**SECTION 35.** In Colorado Revised Statutes, 44-32-201, **amend** (1) as follows:

**44-32-201. Division of racing events - creation - representation - rules.** (1) ~~There~~ THE DIVISION OF RACING EVENTS is ~~hereby~~ created ~~within~~ IN the department, ~~the division of racing events,~~ the head of which ~~shall be~~ IS the director of the division of racing events. The director ~~shall be~~ IS appointed by, and ~~shall be subject to removal~~ MAY BE REMOVED by,

the executive director. The division of racing events, the Colorado racing commission created in section 44-32-301, and the director of the division of racing events ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their respective powers and perform their respective duties and functions as specified in this article 32 under the department; ~~as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24;~~ except that the commission ~~shall have~~ HAS full and exclusive authority to promulgate rules related to racing without any approval by, or delegation of authority from, the department. <{***DOR: This is an exception to the normal type 2 powers - should it be mentioned in 24-1-117?***}>

**SECTION 36.** In Colorado Revised Statutes, 44-40-102, **amend** (2) as follows:

**44-40-102. State lottery division - creation - location - enterprise status.** (2) The state lottery division, including the Colorado lottery commission created in section 44-40-108, and the director of the state lottery division ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions specified in this article 40 under the department; ~~as if the same were transferred to the department by a **type 2** transfer, as that transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24;~~ except that the commission ~~shall have~~ HAS full and exclusive authority to promulgate rules related to the lottery without any approval by, or delegation of authority from, the department. <{***DOR: This is an exception to the normal type 2 powers - should it be mentioned in 24-1-117?***}>

1 **SECTION 37.** In Colorado Revised Statutes, 44-40-109, **amend**
2 (1) introductory portion and (1)(a) as follows:
3 **44-40-109. Commission - powers and duties - rules.** (1) In
4 addition to any other powers and duties set forth in this article 40, the
5 commission ~~shall have~~ HAS the following powers and duties:
6 (a) To promulgate rules governing the establishment and
7 operation of the lottery as it deems necessary to carry out the purposes of
8 this article 40. The director shall prepare and submit to the commission
9 written recommendations concerning proposed rules for this purpose.
10 ALTHOUGH THE COMMISSION IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION
11 24-1-105, THE COMMISSION HAS FULL AND EXCLUSIVE AUTHORITY TO
12 PROMULGATE RULES RELATED TO THE LOTTERY WITHOUT ANY APPROVAL
13 BY, OR DELEGATION OF AUTHORITY FROM, THE DEPARTMENT. <{***DOR:***
14 ***Should this language be added? If so, this is an exception to the normal***
15 ***type 2 powers. Should it be mentioned in 24-1-117?***}>
16 <{***Colorado department of public health and environment***}>
17 **SECTION 38.** In Colorado Revised Statutes, 24-1-119, **amend**
18 (2), (3), (5) introductory portion, (5)(a), (5)(c), (6) introductory portion,
19 (6)(a), (6)(b), (6)(d), (7)(a), (7)(c), (8), (11), and (12); and **add** (13) and
20 (14) as follows:
21 **24-1-119. Department of public health and environment -**
22 **creation.** (2) The state board of health, created ~~by~~ IN part 1 of article 1
23 of title 25, ~~C.R.S., and its powers duties and functions are transferred by~~
24 ~~a **type 1** transfer to in the department of public health and environment~~
25 ~~as the state board of health.~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION
26 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND
27 FUNCTIONS UNDER THE DEPARTMENT OF PUBLIC HEALTH AND

ENVIRONMENT.

(3) The ~~state~~ water quality control commission, created ~~by~~ IN part 2 of article 8 of title 25, ~~C.R.S., and **type 1** entity, as defined in section 24-1-105, and shall exercise its powers duties and functions are transferred by~~ IS a ~~**type 1** transfer to the department of public health and environment as the state water quality control commission~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT. Anything in this ~~article~~ ARTICLE 1 to the contrary notwithstanding, the state board of health ~~shall have~~ HAS no powers, duties, or functions with respect to water pollution control. <{***CDPHE: The name in section 25-8-201 (1)(a) does not include "state."***}>

(5) The department of public health and environment ~~shall consist~~ CONSISTS of the following divisions:

(a) THE division of administration. The division of administration, created ~~by~~ IN part 1 of article 1 of title 25, ~~C.R.S.,~~ except for the office of the executive director of the state department of public health, ~~and its powers, duties, and functions are transferred by a **type 2** transfer to the department of public health and environment as the division of administration~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT.

(c) The prevention services division, created in article 20.5 of title 25, ~~C.R.S.~~ WHICH IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

(6) The division of administration ~~shall include~~ INCLUDES the following:

(a) The office of state chemist, created ~~by~~ IN part 4 of article 1 of title 25. ~~C.R.S. Said office and its powers, duties, and functions are transferred by a **type 2** transfer to the department of public health and environment and allocated to the division of administration as a section thereof~~ THE OFFICE OF THE STATE CHEMIST IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT AS A SECTION OF THE DIVISION OF ADMINISTRATION.

(b) The office of state registrar of vital statistics, created ~~by~~ IN article 2 of title 25. ~~C.R.S. Said office and its powers, duties, and functions are transferred by a **type 2** transfer to the department of public health and environment and allocated to the division of administration as a section thereof~~ THE OFFICE OF STATE REGISTRAR OF VITAL STATISTICS IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT AS A SECTION OF THE DIVISION OF ADMINISTRATION.

(d) The ~~plant~~ WATER AND WASTEWATER FACILITY operators certification board, created ~~by article 9 of title 25, C.R.S.~~ IN SECTION 25-9-103. THE WATER AND WASTEWATER FACILITY OPERATORS CERTIFICATION BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. <{***HB 00-1431 changed the name of the board to water and wastewater facility operators certification board - this aligns the name.***}>

(7) (a) The air quality control commission, created ~~by~~ IN part 1 of article 7 of title 25, ~~C.R.S., shall exercise its powers and perform its~~

1 ~~duties and functions as if the same were transferred by a **type 1** transfer~~
2 ~~to the department of public health and environment~~ IS A **TYPE 1** ENTITY,
3 AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND
4 PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PUBLIC
5 HEALTH AND ENVIRONMENT. Anything in this ~~article~~ ARTICLE 1 to the
6 contrary notwithstanding, the state board of health ~~shall have~~ HAS no
7 powers, duties, or functions with respect to air pollution other than as
8 provided in section 25-7-111 (1). ~~C.R.S.~~
9 (c) The ~~office of~~ technical secretary OF THE AIR QUALITY CONTROL
10 COMMISSION, created ~~by~~ IN part 1 of article 7 of title 25, ~~C.R.S., shall~~
11 ~~exercise its powers and perform its duties and functions as if the same~~
12 ~~were transferred by a **type 1** transfer to the department of public health~~
13 ~~and environment and allocated to the air quality control commission~~ IS A
14 **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. THE TECHNICAL
15 SECRETARY OF THE AIR QUALITY CONTROL COMMISSION SHALL EXERCISE
16 ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE
17 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT AND IS ALLOCATED
18 TO THE AIR QUALITY CONTROL COMMISSION. <{***CDPHE: In the organic***
19 ***statute, this position is referred to as the "technical secretary". Please***
20 ***make sure these changes are OK.***}>
21 (8) The solid and hazardous waste commission, created in part 3
22 of article 15 of title 25, ~~C.R.S., shall exercise its powers and perform its~~
23 ~~duties and functions as if the same were transferred by a **type 1** transfer~~
24 ~~to the department of public health and environment~~ IS A **TYPE 1** ENTITY,
25 AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND
26 PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PUBLIC
27 HEALTH AND ENVIRONMENT.

(11) The office of health equity AND THE DIRECTOR OF THE OFFICE, created by section 25-4-2204, ~~C.R.S., shall exercise its powers and perform its duties and functions as if the same were transferred by a **type 2** transfer to the department of public health and environment~~ ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT.

(12) The primary care office AND THE DIRECTOR OF THE OFFICE, created by part 4 of article 1.5 of title 25, ~~C.R.S., shall exercise its powers and perform its duties and functions as if it were transferred by a **type 2** transfer to the department of public health and environment~~ ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT.

(13) THE COLORADO CORONERS STANDARDS AND TRAINING BOARD, CREATED BY SECTION 30-10-601.6, IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

(14) THE EMERGENCY MEDICAL PRACTICE ADVISORY COUNCIL, CREATED BY SECTION 25-3.5-206, IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 39.** In Colorado Revised Statutes, 25-1-102, **amend** (2) introductory portion and (2)(a) as follows:

**25-1-102. Department created - executive director - divisions.** (2) The department ~~shall consist~~ CONSISTS of the following divisions:

(a) The division of administration, and such sections and units established as provided by law. THE DIVISION IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

1 **SECTION 40.** In Colorado Revised Statutes, 25-1-103, **amend**
2 (1) as follows:
3 **25-1-103. State board of health created.** (1) There is created a
4 state board of health, referred to in this part 1 as the "board". THE BOARD
5 IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. The board consists
6 of nine members, of which one member must be appointed by the
7 governor, with the consent of the senate, from each congressional district
8 and the remainder from the state at large. A vacancy on the board occurs
9 whenever any member moves out of the congressional district from which
10 he or she was appointed. A member who moves out of such congressional
11 district shall promptly notify the governor of the date of his or her move,
12 but the notice is not a condition precedent to the occurrence of the
13 vacancy. The governor shall fill the vacancy by appointment for the
14 unexpired term. No more than five members of the board shall be
15 members of the same major political party. Appointments made to take
16 effect on January 1, 1983, shall be made in accordance with section
17 24-1-135. Appointments thereafter are made, with the consent of the
18 senate, for terms of four years each and made so that no business or
19 professional group constitutes a majority of the board. In making
20 appointments to the board, the governor is encouraged to include
21 representation by at least one member who is a person with a disability,
22 as defined in section 24-34-301 (2.5), a family member of a person with
23 a disability, or a member of an advocacy group for persons with
24 disabilities if the other requirements of this subsection (1) are met.
25 **SECTION 41.** In Colorado Revised Statutes, **amend** 25-1-401 as
26 follows:
27 **25-1-401. Office of state chemist created.** The professor of food

and drug chemistry in the department of chemistry at the university of Colorado ~~shall be~~ IS the state chemist of Colorado. The office and laboratory of the state chemist ~~shall be~~ IS in the department of chemistry at the university of Colorado. The office of state chemist ~~shall be~~ IS a section of the division of administration of the department of public health and environment. THE OFFICE OF STATE CHEMIST IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 42.** In Colorado Revised Statutes, 25-1.5-403, **amend** (2) as follows:

**25-1.5-403. Primary care office - creation.** (2) The primary care office and the director of the office ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions specified in this part 4 under the department. ~~as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 43.** In Colorado Revised Statutes, 25-2-103, **amend** (1) as follows:

**25-2-103. Centralized registration system for all vital statistics - appointment of registrar - rules.** (1) In order to provide for the maintenance of a centralized registry of the vital statistics of this state, the office of state registrar of vital statistics, referred to in this ~~article~~ ARTICLE 2 as the "state registrar", is ~~hereby~~ created in THE DIVISION OF ADMINISTRATION IN the department of public health and environment. The state registrar ~~shall be~~ IS appointed by the state board of health and ~~shall have~~ HAS such staff and clerical help as IS reasonably ~~may be~~ required in the performance of the state registrar's duties. The state registrar and the

staff and clerical help of the state registrar ~~shall be~~ ARE subject to the state constitution and state personnel system laws. THE OFFICE OF THE STATE REGISTRAR IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 44.** In Colorado Revised Statutes, 25-3.5-206, **amend** (1) as follows:

**25-3.5-206. Emergency medical practice advisory council - creation - powers and duties - emergency medical service provider scope of practice - definitions - rules.** (1) There is ~~hereby~~ created ~~within~~ IN the department, ~~as a **type 2** entity~~ under the direction of the EXECUTIVE director OF THE DEPARTMENT, the emergency medical practice advisory council, referred to in this part 2 as the "advisory council". The advisory council is responsible for advising the department regarding the appropriate scope of practice for emergency medical service providers certified or licensed under section 25-3.5-203. THE ADVISORY COUNCIL IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 45.** In Colorado Revised Statutes, 25-4-2204, **amend** (2) as follows:

**25-4-2204. Office of health equity - creation.** (2) The office and the director of the office ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions specified in this part 22 under the department. ~~as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 46.** In Colorado Revised Statutes, 25-7-104, **amend** (1) as follows:

**25-7-104. Air quality control commission created.** (1) There is

~~hereby~~ created in the department of public health and environment the air quality control commission, which ~~shall consist~~ CONSISTS of nine citizens of this state ~~who shall be~~ appointed by the governor with the consent of the senate. THE AIR QUALITY CONTROL COMMISSION IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 47.** In Colorado Revised Statutes, 25-7-105, **amend** (3) as follows:

**25-7-105. Duties of commission - rules - legislative declaration - definitions.** (3) The commission shall employ a technical secretary and shall delegate to ~~such~~ THE secretary ~~such~~ THE duties and responsibilities as it may deem necessary; except that, NOTWITHSTANDING SECTION 24-1-105, no authority shall be delegated to ~~such~~ THE secretary to adopt, promulgate, amend, or repeal standards or ~~regulations~~ RULES, or to make determinations, or to issue or countermand orders of the commission. ~~Such~~ THE secretary ~~shall~~ MUST have appropriate practical, educational, and administrative experience related to air pollution control and ~~shall~~ MUST be employed pursuant to the state personnel system laws. THE TECHNICAL SECRETARY IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 48.** In Colorado Revised Statutes, 25-8-201, **amend** (1)(a) as follows:

**25-8-201. Water quality control commission created.** (1) (a) There is ~~hereby~~ created in the department of public health and environment a water quality control commission, which IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions ~~as if it were transferred to said department by a **type 1** transfer~~ UNDER THE DEPARTMENT OF PUBLIC

HEALTH AND ENVIRONMENT. The commission ~~shall consist~~ CONSISTS of nine citizens of the state ~~who shall be~~ appointed by the governor, with the consent of the senate, for terms of three years each; except that, of the members appointed to take office in 1984, one ~~shall be~~ IS appointed for a one-year term, one ~~shall be~~ IS appointed for a two-year term, and three ~~shall be~~ ARE appointed for three-year terms. Members of the commission ~~shall~~ MUST be appointed so as to achieve geographical representation and to reflect the various interests in water in the state. At least two members ~~shall~~ MUST reside in that portion of the state ~~which~~ THAT is west of the continental divide.

**SECTION 49.** In Colorado Revised Statutes, 25-9-104, **amend** (8) as follows:

**25-9-104. Duties of board - rules.** (8) The board ~~may~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL exercise its powers and perform its duties and functions ~~as if it were transferred to~~ UNDER the department. ~~by a **type 1** transfer under the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 50.** In Colorado Revised Statutes, 25-15-302, **amend** (1)(a) as follows:

**25-15-302. Solid and hazardous waste commission - creation - membership - rules - fees - administration - definition.** (1) (a) There is ~~hereby~~ created in the department of public health and environment a solid and hazardous waste commission, referred to in this part 3 as the "commission", which IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions ~~as if it were transferred to said department by a **type 1** transfer~~ UNDER THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT. The

commission ~~shall consist~~ CONSISTS of nine citizens of the state ~~who shall be~~ appointed by the governor, with the consent of the senate, for terms of three years each; except that, of the members appointed to take office initially, three ~~shall be~~ ARE appointed for one-year terms, three ~~shall be~~ ARE appointed for two-year terms, and three ~~shall be~~ ARE appointed for three-year terms. Members of the commission ~~shall~~ MUST be appointed so as to achieve geographical representation and to reflect the various interests in waste management in the state.

**SECTION 51.** In Colorado Revised Statutes, 25-20.5-103, **amend** (2) as follows:

**25-20.5-103. Prevention services division - creation.** (2) The division IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions specified in this ~~article~~ ARTICLE 20.5 under the department of public health and environment. ~~as if it were transferred to the department by a **type 2** transfer as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 52.** In Colorado Revised Statutes, 30-10-601.6, **amend** (2) as follows:

**30-10-601.6. Coroners standards and training board.** (2) The C.C.S.T. board IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions under the department of public health and environment. ~~as if transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

<{***Department of health care policy and financing***}>

**SECTION 53.** In Colorado Revised Statutes, 24-1-119.5, **amend**

1 (2), (4), (4.5), (5), (8), and (9) as follows:

2 **24-1-119.5. Department of health care policy and financing -**
3 **creation.** (2) The powers, duties, and functions OF THE DEPARTMENT OF
4 HEALTH CARE POLICY AND FINANCING INCLUDE THE POWERS, DUTIES, AND
5 FUNCTIONS relating to the "Colorado Medical Assistance Act", as
6 specified in articles 4, 5, and 6 of title 25.5. ~~C.R.S., are transferred by a~~
7 ~~**type 2** transfer to the department of health care policy and financing.~~

8 (4) The powers, duties, and functions OF THE DEPARTMENT OF
9 HEALTH CARE POLICY AND FINANCING INCLUDE THE POWERS, DUTIES, AND
10 FUNCTIONS relating to the "Colorado Indigent Care Program", as specified
11 in part 1 of article 3 of title 25.5. ~~C.R.S., are transferred by a **type 2**~~
12 ~~transfer to the department of health care policy and financing.~~

13 (4.5) The powers, duties, and functions OF THE DEPARTMENT OF
14 HEALTH CARE POLICY AND FINANCING INCLUDE THE POWERS, DUTIES, AND
15 FUNCTIONS relating to the old age pension health and medical care
16 program, as specified in section 25.5-2-101. ~~C.R.S., are transferred by a~~
17 ~~**type 2** transfer to the department of health care policy and financing.~~

18 (5) The medical services board, created in part 3 of article 1 of
19 title 25.5, ~~C.R.S., and its powers, duties, and functions are transferred by~~
20 ~~a **type 1** transfer to in the department of health care policy and financing~~
21 IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL
22 EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER
23 THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING.

24 (8) The powers, duties, and functions OF THE DEPARTMENT OF
25 HEALTH CARE POLICY AND FINANCING INCLUDE THE POWERS, DUTIES, AND
26 FUNCTIONS relating to programs, services, and supports for persons with
27 intellectual and developmental disabilities, as specified in article 10 of

1 title 25.5. ~~C.R.S., are transferred by a **type 2** transfer to the department of~~
2 ~~health care policy and financing~~ SUCH POWERS, DUTIES, AND FUNCTIONS
3 ARE ALLOCATED TO THE DIVISION OF INTELLECTUAL AND DEVELOPMENTAL
4 DISABILITIES, CREATED IN SECTION 25.5-10-203 (2), WHICH DIVISION IS
5 PART OF THE OFFICE OF COMMUNITY LIVING, CREATED IN SECTION
6 25.5-10-101. THE OFFICE OF COMMUNITY LIVING AND THE DIVISION OF
7 INTELLECTUAL AND DEVELOPMENTAL DISABILITIES ARE **TYPE 2** ENTITIES,
8 AS DEFINED IN SECTION 24-1-105.
9 (9) The Colorado healthcare affordability and sustainability
10 enterprise created in section 25.5-4-402.4 (3) ~~shall exercise its powers and~~
11 ~~perform its duties and functions as if the same were transferred by a **type**~~
12 ~~**2** transfer as defined in section 24-1-105, to the department of health care~~
13 ~~policy and financing~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION
14 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND
15 FUNCTIONS UNDER THE DEPARTMENT OF HEALTH CARE POLICY AND
16 FINANCING.
17 **SECTION 54.** In Colorado Revised Statutes, 25.5-1-301, **add** (5)
18 as follows:
19 **25.5-1-301. Medical services board - creation.** (5) THE BOARD
20 IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.
21 **SECTION 55.** In Colorado Revised Statutes, 25.5-4-402.4,
22 **amend** (3)(e) and (7)(a)(II) as follows:
23 **25.5-4-402.4. Hospitals - healthcare affordability and**
24 **sustainability fee - legislative declaration - Colorado healthcare**
25 **affordability and sustainability enterprise - federal waiver - fund**
26 **created - rules - reports - repeal.** (3) **Colorado healthcare**
27 **affordability and sustainability enterprise.** (e) The enterprise ~~shall~~

~~exercise its powers and perform its duties as if the same were transferred to the state department by a **type 2** transfer, as defined in section 24-1-105.~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT.

(7) **Colorado healthcare affordability and sustainability enterprise board.** (a) (II) The initial members of the enterprise board are the members of the hospital provider fee oversight and advisory board that was created and existed pursuant to section 25.5-4-402.3 (6), prior to July 1, 2017, and such members shall serve on and after July 1, 2017, for the remainder of the terms for which they were appointed as members of the advisory board. The powers, duties, and functions of the ENTERPRISE BOARD INCLUDE THE POWERS, DUTIES, AND FUNCTIONS OF THE hospital provider fee oversight and advisory board, ~~are transferred by a **type 3** transfer, as defined in ssection 24-1-105, to the enterprise,~~ and the hospital provider fee oversight and advisory board is abolished.

**SECTION 56.** In Colorado Revised Statutes, 25.5-10-101, **amend** (1) and (2)(a) as follows:

**25.5-10-101. Office of community living - creation - transfer of duties and functions - rules - legislative declaration.** (1) There is ~~hereby~~ created in the state department the office of community living, referred to in this ~~article~~ ARTICLE 10 as the "office". THE OFFICE IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. The head of the office is the director of community living appointed by the executive director in accordance with section 13 of article XII of the state constitution. The director of community living reports directly to the executive director.

(2) (a) On and after March 1, 2014, the powers, duties, and

functions OF THE DEPARTMENT OF HEALTHCARE POLICY AND FINANCING INCLUDE THE POWERS, DUTIES, AND FUNCTIONS relating to the programs, services, and supports contained in this ~~article are transferred from~~ ARTICLE 10 THAT WERE FORMERLY VESTED IN the department of human services. ~~to the department of health care policy and financing by a type 2 transfer as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S. and~~ SUCH POWERS, DUTIES, AND FUNCTIONS ARE allocated to the division of intellectual and developmental disabilities of the office, which division is created in part 2 of this ~~article~~ ARTICLE 10.

**SECTION 57.** In Colorado Revised Statutes, 25.5-10-203, **amend** (2) as follows:

**25.5-10-203. Division of intellectual and developmental disabilities - creation - functions - reporting - legislative declaration.** (2) There is ~~hereby~~ created ~~within~~ IN the office the division of intellectual and developmental disabilities. THE DIVISION IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

<{***Department of human services***}>

**SECTION 58.** In Colorado Revised Statutes, 24-1-120, **amend** (2), (3), (4) introductory portion, (4)(a), (5) introductory portion, (5)(a), (5)(b), (5)(c), (5)(e), (5)(f), (5)(g), (5)(h), (5)(k), (6) introductory portion, (6)(c), (6)(d), (6)(e), (7) introductory portion, (8), (9), (10), (11), and (12); and **repeal** (5)(d) and (5)(i) as follows:

**24-1-120. Department of human services - creation.** (2) Except as otherwise provided in title 26, ~~C.R.S.,~~ THE POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF HUMAN SERVICES INCLUDE the powers, duties, and functions of the FORMER department of social services

1 and the FORMER department of institutions, ~~are transferred by a **type 3**~~
2 ~~transfer to the department of human services,~~ and the department of social
3 services and the department of institutions are abolished.
4 (3) The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF
5 HUMAN SERVICES INCLUDE THE POWERS, DUTIES, AND FUNCTIONS OF THE
6 FORMER state board of social services, created by article 1 of title 26,
7 ~~C.R.S., and its powers, duties, and functions are transferred by a **type 1**~~
8 ~~transfer to the department of human services~~ WHICH IS RENAMED as the
9 state board of human services. THE STATE BOARD OF HUMAN SERVICES IS
10 A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.
11 (4) Unless otherwise transferred to the department of health care
12 policy and financing or the department of public health and environment,
13 the department of human services shall exercise the following powers and
14 perform the following duties AND FUNCTIONS:
15 (a) THE powers, duties, and functions relating to public assistance
16 and welfare; ~~which are transferred by a **type 2** transfer to the department~~
17 ~~of human services;~~
18 (5) The department of human services ~~shall include~~ INCLUDES the
19 following:
20 (a) The Colorado commission on the aging, CREATED PURSUANT
21 TO SECTION 26-11-101, and the office of the director ~~thereof. Said office~~
22 ~~and director and their powers, duties, and functions are transferred by a~~
23 ~~**type 2** transfer to the department of human services~~ OF THE COMMISSION,
24 CREATED PURSUANT TO SECTION 26-11-104, WHICH ARE **TYPE 2** ENTITIES,
25 AS DEFINED IN SECTION 24-1-105, AND WHICH SHALL EXERCISE THEIR
26 POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE
27 DEPARTMENT OF HUMAN SERVICES. <{***DHS: Is this correct? 26-11-104***

***does not specify that the director is type 2. Should it?***}>

(b) The Colorado veterans community living center at Homelake, CREATED PURSUANT TO SECTION 26-12-203, which is ~~transferred by a **type 2** transfer to the department of human services~~ A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

(c) The Colorado veterans community living centers, created by part 2 of article 12 of title 26, ~~C.R.S., which are transferred by a **type 2** transfer to the department of human services~~ WHICH ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105.

(d) ~~The merit system council, created by article 1 of title 26, C.R.S. Said council and its powers, duties, and functions are transferred by a **type 2** transfer to the department of human services.~~ <{***DHS: The merit system council no longer exists; the merit system selection of county employees was phased out in 2001 and under section 26-1-120, each county runs its own merit system council.***}>

(e) The powers, duties, and functions regarding the state information agency ~~under~~ PURSUANT TO the "Uniform Interstate Family Support Act", created ~~by~~ IN article 5 of title 14. ~~C.R.S. Said powers, duties, and functions are transferred by a **type 2** transfer to the department of human services;~~ <{***DHS, was this allocated to the child support enforcement division?***}>

(f) The state office on aging, created ~~by~~ IN part 2 of article 11 of title 26. ~~C.R.S. Said state office and its powers, duties, and functions are transferred by a **type 2** transfer to the department of human services~~ THE STATE OFFICE ON AGING IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF HUMAN SERVICES.

(g) The adoption intermediary commission, created ~~by~~ IN part 3 of article 5 of title 19. ~~C.R.S. Said commission and its powers, duties, and functions are transferred by a **type 1** transfer to the department of human services~~ THE ADOPTION INTERMEDIARY COMMISSION IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF HUMAN SERVICES.

(h) The Colorado commission for the deaf, hard of hearing, and deafblind created ~~by~~ IN article 21 of title 26. ~~C.R.S. Said commission shall exercise its powers, duties, and functions under the department as if transferred by a **type 2** transfer~~ THE COLORADO COMMISSION FOR THE DEAF, HARD OF HEARING, AND DEAFBLIND IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT.

(i) ~~The office of homeless youth services, created by article 5.9 of title 26, C.R.S. Said office and its powers, duties, and functions are transferred by a **type 2** transfer to the department of human services.~~ <{***DHS: Article 5.9 of title 26 was repealed in 2011 in HB 11-1230. The office of homeless youth services was repealed and relocated to section 24-32-723 and moved to the department of local affairs. However, the type 2 status of the office of homeless youth services was not stated in the organic statutes for DHS in article 5.9, so the type 2 designation of this office does not appear in section 24-32-723 (3), nor does it appear in section 24-1-125 as being part of DOLA. Should a type 2 designation for the office of homeless youth services be added to the AOA in section 24-1-125?***}>

(k) The board of commissioners of veterans community living

1 centers, created in section 26-12-402. ~~C.R.S. Said board and its powers,~~
2 ~~duties, and functions are transferred by a **type 2** transfer to the department~~
3 ~~of human services~~ THE BOARD OF COMMISSIONERS OF VETERANS
4 COMMUNITY LIVING CENTERS IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION
5 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND
6 FUNCTIONS UNDER THE DEPARTMENT.
7 (6) The department consists of the following divisions, units, ~~and~~
8 offices, AND BOARDS:
9 (c) The juvenile parole board, created pursuant to section
10 19-2-206. ~~The juvenile parole board and its powers, duties, and functions~~
11 ~~are transferred by a **type 1** transfer to the department of human services~~
12 ~~as a division thereof~~ THE JUVENILE PAROLE BOARD IS A **TYPE 1** ENTITY, AS
13 DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND
14 PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF HUMAN
15 SERVICES AS A DIVISION THEREOF.
16 (d) The office of behavioral health in the department of human
17 services, created pursuant to article 80 of title 27. THE OFFICE OF
18 BEHAVIORAL HEALTH IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION
19 24-1-105. The POWERS, DUTIES, AND FUNCTIONS OF THE office of
20 behavioral health ~~and its powers, duties, and functions, including~~
21 INCLUDE the powers, duties, and functions relating to the alcohol and drug
22 driving safety program specified in section 42-4-1301.3. ~~are transferred~~
23 ~~by a **type 2** transfer to the department of human services.~~
24 (e) The division of youth services, created pursuant to section
25 19-2-203, ~~The division of youth services~~ and the office of the director of
26 the division of youth services, ~~and their powers, duties, and functions are~~
27 ~~transferred by a **type 2** transfer to the department of human services as a~~

~~division thereof~~ ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF HUMAN SERVICES.

(7) The department of human services shall supervise and control the following institutions, ~~which are transferred by a **type 2** transfer to the department of human services~~ ALL OF WHICH ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105:

(8) The ~~state council on~~ COLORADO developmental disabilities COUNCIL, created ~~by~~ IN part 2 of article 10.5 of title 27, ~~C.R.S., and its powers, duties, and functions are transferred by a **type 1** transfer to the department of human services~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF HUMAN SERVICES.

(9) ~~The powers, duties, and functions of~~ The Colorado traumatic brain injury trust fund board, created in section 26-1-302, ~~C.R.S., are transferred by a **type 2** transfer to the department of human services~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF HUMAN SERVICES. <{***DHS: the term "traumatic" is not included in the organic statute. Which way should it be?***}>

(10) ~~The powers, duties, and functions of~~ The Colorado children's trust fund board, created in section 19-3.5-104, ~~C.R.S., are transferred by a **type 2** transfer to the department of human services~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF HUMAN SERVICES.

(11) ~~The powers, duties, and functions of~~ The Tony Grampsas

youth services board, created in section 26-6.8-103, ~~C.R.S., are transferred by a **type 2** transfer to the department of human services~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF HUMAN SERVICES.

(12) The office of the ombudsman for behavioral health access to care, created in section 27-80-303, ~~shall exercise its powers and perform its duties and functions as if the office were transferred by a **type 1** transfer, as defined in section 24-1-105, to the department of human services~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF HUMAN SERVICES.

**SECTION 59.** In Colorado Revised Statutes, 19-2-203, **amend** (1)(a) as follows:

**19-2-203. Division of youth services - created - interagency agreements - duties of administrators of facilities in connection with voter registration and casting of ballots - reports.** (1) (a) There is ~~hereby~~ created ~~within~~ IN the department of human services the division of youth services, referred to ~~within~~ IN this section as the "division", the head of which is the director of the division. The executive director of the department of human services shall appoint the director of the division pursuant to section 13 of article XII of the state constitution and the laws and rules governing the state personnel system. The director IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, WHO shall exercise THE DIRECTOR'S powers and perform THE DIRECTOR'S duties and functions within the office of the executive director of the department of human services in accordance with ~~the provisions of~~ this article 2. ~~and as if~~

1 ~~transferred thereto by a **type 2** transfer as such transfer is defined in the~~
2 ~~"Administrative Organization Act of 1968", article 1 of title 24.~~
3 **SECTION 60.** In Colorado Revised Statutes, 19-2-206, **amend**
4 (1) as follows:
5 **19-2-206. Juvenile parole board - creation - membership.**
6 (1) There is ~~hereby~~ created a juvenile parole board, referred to in this
7 section and section 19-2-207 as the "board", to consist of nine members
8 appointed by the governor and confirmed by the senate. Any vacancy that
9 occurs when the general assembly is not in session may be filled by the
10 governor, and ~~such~~ THE member shall serve temporarily until confirmed
11 at the next regular session of the general assembly. THE BOARD IS A **TYPE**
12 **1** ENTITY, AS DEFINED IN SECTION 24-1-105.
13 **SECTION 61.** In Colorado Revised Statutes, 19-3.5-104, **amend**
14 (1) as follows:
15 **19-3.5-104. Colorado children's trust fund board - creation -**
16 **members.** (1) (a) ~~There is hereby created, in the department of public~~
17 ~~health and environment, the Colorado children's trust fund board. The~~
18 ~~board shall exercise its powers and duties as if transferred by a **type 2**~~
19 ~~transfer.~~ <{***DHS: In 2013, this board was transferred from DPHE to***
20 ***DHS in (1)(b), but (1)(a) was not correctly amended or repealed.***}>
21 (b) The Colorado children's trust fund board is transferred FROM
22 THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT to the
23 department of human services. The board ~~shall exercise its powers and~~
24 ~~duties as if transferred by a **type 2** transfer~~ IS A **TYPE 2** ENTITY, AS
25 DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND
26 PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF HUMAN
27 SERVICES. Persons appointed to the Colorado children's trust fund board

shall continue serving until completion of their terms and may be reappointed as provided in this section.

**SECTION 62.** In Colorado Revised Statutes, 19-5-303, **amend** (1) introductory portion as follows:

**19-5-303. Commission created - duties.** (1) There is ~~hereby~~ created in the department the adoption intermediary commission, referred to in this section as the "commission", ~~that shall consist~~ WHICH CONSISTS of thirteen members. The commission IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform the duties and functions specified by this part 3 ~~as if the same were transferred to~~ UNDER the department. ~~by a **type 1** transfer, as such transfer is defined in article 1 of title 24, C.R.S. Representation and appointment of such members shall be as follows:~~

**SECTION 63.** In Colorado Revised Statutes, 26-1-107, **amend** (1)(a) as follows:

**26-1-107. State board of human services - rules.** (1) (a) There is created IN THE DEPARTMENT OF HUMAN SERVICES the state board of human services, referred to in this section as the "state board". THE STATE BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. The state board consists of nine members appointed by the governor, with the consent of the senate, for terms of four years. ~~each.~~ In making appointments to the board, the governor shall include representation by at least one member who is a person with a disability, as defined in section 24-34-301 (2.5), a family member of a person with a disability, or a member of an advocacy group for persons with disabilities.

**SECTION 64.** In Colorado Revised Statutes, 26-1-302, **amend** (1) as follows:

**26-1-302. Colorado brain injury trust fund board - creation - powers and duties.** (1) There is ~~hereby~~ created the Colorado brain injury trust fund board ~~within~~ IN the state department of human services. ~~The board shall exercise its powers and duties as if transferred by a **type 2 transfer**~~ THE BRAIN INJURY TRUST FUND BOARD IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT.

**SECTION 65.** In Colorado Revised Statutes, 26-6.8-103, **amend** (1)(a) as follows:

**26-6.8-103. Tony Grampsas youth services board - members - duties.** (1) (a) There is ~~hereby~~ created the Tony Grampsas youth services board, ~~consisting~~ WHICH IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. THE BOARD CONSISTS of four adult members appointed by the governor, two youth members appointed by the governor, three adult members appointed by the speaker of the house of representatives, two adult members appointed by the president of the senate, and one adult member appointed by the minority leader of the senate. For the initial appointments, the governor shall appoint members to the board after the speaker of the house of representatives and the president and the minority leader of the senate have made appointments. No more than seven of the members appointed to the board shall be members of the same political party.

**SECTION 66.** In Colorado Revised Statutes, 26-11-101, **amend** (1) as follows:

**26-11-101. Commission on the aging created.** (1) There is ~~hereby~~ created in the state department the Colorado commission on the aging, referred to in this ~~article~~ ARTICLE 11 as the "commission". ~~which~~

1 ~~shall consist~~ THE COMMISSION IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION
2 24-1-105, AND CONSISTS of seventeen members appointed by the
3 governor, with the consent of the senate. Two members ~~shall~~ MUST be
4 appointed from each congressional district of the state, one of whom ~~shall~~
5 MUST be from each major political party, and, after July 1, 1976, and
6 thereafter when a vacancy occurs, one of ~~such~~ THE members ~~shall~~ MUST
7 be from west of the continental divide. A vacancy on the commission
8 occurs whenever any member moves out of the congressional district
9 from which ~~he or she~~ THE MEMBER was appointed. Any member who
10 moves out of ~~such~~ THE congressional district shall promptly notify the
11 governor of the date of such move, but ~~such~~ notice is not a condition
12 precedent to the occurrence of the vacancy. The governor shall fill the
13 vacancy as provided in subsection (2) of this section. Appointments made
14 to take effect on January 1, 1983, ~~shall~~ MUST be made in accordance with
15 section 24-1-135. ~~C.R.S.~~ No more than nine members of the commission
16 ~~shall~~ MAY be members of the same major political party. One member
17 ~~shall~~ MUST be appointed from the state at large, one member ~~shall~~ MUST
18 be appointed from among the membership of the senate, and one member
19 ~~shall~~ MUST be appointed from among the membership of the house of
20 representatives. Appointments to the commission ~~shall~~ MUST comply with
21 the requirements of the rules and regulations of the United States
22 department of health and human services promulgated pursuant to Public
23 Law 93-29, known as the "Older Americans Comprehensive Services
24 Amendments of 1973", as such rules and regulations appear in section
25 903.50 (c) of title 45 of the code of federal regulations. In making
26 appointments to the commission, the governor is encouraged to include
27 representation by at least one member who is a person with a disability,

a family member of a person with a disability, or a member of an advocacy group for persons with disabilities, provided that the other requirements of this subsection (1) are met.

**SECTION 67.** In Colorado Revised Statutes, **amend** 26-11-202 as follows:

**26-11-202. State office on aging.** The executive director shall create ~~within~~ IN the state department a state office on aging, the head of which ~~shall be~~ IS the director of the state office, who ~~shall be~~ IS appointed by the executive director. The state office and the director of the state office ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions under the state department. ~~as if the same were transferred to the state department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 68.** In Colorado Revised Statutes, 26-12-201, **amend** (2)(a) as follows:

**26-12-201. Veterans community living centers authorized.** (2) (a) Subject to available appropriations, there is ~~hereby~~ authorized the establishment and construction of veterans centers for veterans of service in the armed forces of the United States and their spouses, surviving spouses, or dependent parents. Each ~~such~~ veterans center ~~shall be~~ IS known as a Colorado veterans community living center, collectively referred to in this ~~article~~ ARTICLE 12 as "veterans centers". THE VETERANS CENTERS ARE **TYPE 2** ENTITIES, AS DEFINED BY SECTION 24-1-105.

**SECTION 69.** In Colorado Revised Statutes, 26-12-203, **amend** (1)(a) as follows:

**26-12-203. The Colorado veterans community living center at**

**Homelake - jurisdiction - definitions.** (1) (a) The Colorado veterans community living center at Homelake, consisting of a veterans center, a domiciliary care unit, and the Homelake military veterans cemetery, referred to in this part 2 as the "veterans center", ~~as transferred to the state department by the "Administrative Organization Act of 1968", is hereby~~ IS declared to be a veterans center for veterans of service in the armed forces of the United States and their spouses, surviving spouses, and dependent parents. THE COLORADO VETERANS COMMUNITY LIVING CENTER AT HOMELAKE IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 70.** In Colorado Revised Statutes, 26-12-402, **amend** (1) as follows:

**26-12-402. Board of commissioners of veterans community living centers - creation - powers and duties.** (1) There is ~~hereby~~ created the board of commissioners of veterans community living centers ~~within~~ IN the state department. The board of commissioners ~~shall exercise its powers, duties, and functions under the state department as if it were transferred to the state department by a **type 2** transfer under the provisions of the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE STATE DEPARTMENT.

**SECTION 71.** In Colorado Revised Statutes, 26-21-104, **amend** (1) as follows:

**26-21-104. Commission created - appointments.** (1) The Colorado commission for the deaf, hard of hearing, and deafblind is created in the department of human services. The commission ~~shall~~

~~exercise its powers, duties, and functions under the department of human services as if it were transferred to the department by a **type 2** transfer under the provisions of the "Administrative Organization Act of 1968", article 1 of title 24~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF HUMAN SERVICES.

**SECTION 72.** In Colorado Revised Statutes, 27-10.5-203, **amend** (1) as follows:

**27-10.5-203. Establishment of state council.** (1) There is ~~hereby~~ created ~~within~~ IN the office of the executive director of the department of human services, the Colorado developmental disabilities council. ~~The powers, duties, and functions of the state council are transferred by~~ AS a ~~**type 1** transfer, as such transfer is defined by the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S., to the department of human services~~ THE COLORADO DEVELOPMENTAL DISABILITIES COUNCIL IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT. The state council shall operate in accordance with the federal "Developmental Disabilities Assistance and Bill of Rights Act of 2000", 42 U.S.C. sec. 15001 et seq.

**SECTION 73.** In Colorado Revised Statutes, 27-80-102, **amend** (1) introductory portion as follows:

**27-80-102. Duties of the office of behavioral health.** (1) The office of behavioral health IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND IS RESPONSIBLE FOR THE POWERS, DUTIES, AND FUNCTIONS RELATING TO THE ALCOHOL AND DRUG DRIVING SAFETY PROGRAM SPECIFIED IN SECTION 42-4-1301.3. THE OFFICE OF BEHAVIORAL HEALTH

shall formulate a comprehensive state plan for substance use disorder treatment programs. The office of behavioral health shall submit the state plan to the governor and, upon ~~his or her~~ THE GOVERNOR'S approval, submit it to the appropriate United States agency for review and approval. The state plan must include, but not be limited to:

**SECTION 74.** In Colorado Revised Statutes, 27-80-303, **amend** (1)(a) as follows:

**27-80-303. Office of ombudsman for behavioral health access to care - creation - appointment of ombudsman - duties.** (1) (a) There is ~~hereby~~ created in the office of the executive director the office of the ombudsman for behavioral health access to care for the purpose of assisting Coloradans in accessing behavioral health care. THE OFFICE OF THE OMBUDSMAN FOR BEHAVIORAL HEALTH ACCESS TO CARE IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

<{***Department of Labor and Employment***}>

**SECTION 75.** In Colorado Revised Statutes, 24-1-121, **amend** (1.5), (3)(a)(I), (3)(b), (3)(d)(I), (3)(e), (3)(f), (3)(g), (3)(h), (3)(i), (3)(j), (4) introductory portion, (4)(b), and (5); and **add** (6) and (7) as follows:

**24-1-121. Department of labor and employment - creation.** (1.5) The department of labor and employment ~~shall include~~ INCLUDES, as part of the office of the executive director, the industrial claim appeals office, created ~~by~~ IN section 8-1-102. ~~C.R.S. Said~~ THE industrial claim appeals office ~~shall exercise its powers and perform its duties and functions under the department as if transferred thereto by a **type 2** transfer~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT.

(3) The department of labor and employment consists of the following divisions and programs:

(a) (I) The division of labor standards and statistics, the head of which is the director of the division of labor standards and statistics, ~~which division and office are hereby~~ created IN SECTION 8-1-103. The division and the DIVISION'S director ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions specified by law under the department of labor and employment. ~~as if they were transferred to the department by a **type 2** transfer.~~

(b) The division of employment and training, the head of which is the director of the division of employment and training, CREATED IN SECTION 8-83-102. The division ~~created by article 83 of title 8, C.R.S.,~~ and the DIVISION'S director ~~of the division shall exercise their powers, duties, and functions under the department of labor and employment as if transferred by a **type 2** transfer~~ ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF LABOR AND EMPLOYMENT.

(d) (I) The division of workers' compensation, the head of which ~~shall be~~ IS the director of the division of workers' compensation, ~~Said division,~~ created ~~by~~ IN section 8-47-101. ~~C.R.S., and the director thereof, shall exercise their powers, duties, and functions under the department of labor and employment as if transferred thereto by a **type 2** transfer~~ THE DIVISION AND THE DIVISION'S DIRECTOR ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF LABOR AND

EMPLOYMENT.

(e) The division of oil and public safety, the head of which ~~shall be~~ IS the director of the division of oil and public safety, which division and office are created pursuant to section 8-20-101. ~~C.R.S.~~ The division and the DIVISION'S director ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions specified by law under the department of labor and employment. ~~as if the same were transferred to the department by a **type 2** transfer.~~

(f) The state work force development council, created ~~by~~ IN article 46.3 of this ~~title, which~~ TITLE 24. THE COUNCIL IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions under the department of labor and employment. ~~as if the same were transferred to the department by a **type 2** transfer.~~

(g) The division of unemployment insurance, the head of which is the director of the division of unemployment insurance, ~~The division,~~ created in article 71 of title 8. ~~C.R.S., and the director of the division shall exercise their powers, duties, and functions under the department of labor and employment as if transferred by a **type 2** transfer~~ THE DIVISION AND THE DIVISION'S DIRECTOR ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF LABOR AND EMPLOYMENT.

(h) The powers, duties, and functions relating to vocational rehabilitation programs, including the business enterprise program, ~~which are transferred by a **type 2** transfer to the department of labor and employment~~ AS DESCRIBED IN ARTICLE 84 OF TITLE 8.

(i) The powers, duties, and functions relating to the oversight of independent living services pursuant to article 85 of title 8. ~~C.R.S., are transferred by a **type 2** transfer.~~

(j) The underground damage prevention safety commission, created ~~by~~ IN section 9-1.5-104.2. The commission ~~and its powers, duties, and functions are transferred by a **type 2** transfer to the department of labor and employment~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF LABOR AND EMPLOYMENT.

(4) The division of oil and public safety ~~shall include~~ INCLUDES the following:

(b) The division of boiler inspection, created ~~by~~ IN article 4 of title 9. ~~C.R.S. Said division and its powers, duties, and functions are transferred by a **type 2** transfer to the department of labor and employment, and allocated to the division of oil and public safety as a section thereof~~ THE DIVISION OF BOILER INSPECTION IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. THE DIVISION SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF LABOR AND EMPLOYMENT AND IS ALLOCATED TO THE DIVISION OF OIL AND PUBLIC SAFETY AS A SECTION THEREOF. <{***CDLE: This is the only place in statute that refers to the "division of boiler inspection". Its organic statute (section 9-4-102) refers to it as the "boiler inspection section". Should the name be changed here?***}>

(5) The petroleum storage tank committee IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform the duties and functions specified by article 20.5 of title 8 ~~C.R.S.,~~ under the department of labor and employment and the executive director

thereof. ~~as if the same were transferred to the department by a **type 1** transfer.~~

(6) THE SPECIAL FUNDS BOARD, CREATED IN SECTION 8-44-206, IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

(7) THE WORKERS' COMPENSATION COST CONTAINMENT BOARD, CREATED IN THE DIVISION OF WORKERS' COMPENSATION IN SECTION 8-14.5-104, IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 76.** In Colorado Revised Statutes, 8-1-102, **amend** (1) as follows:

**8-1-102. Industrial claim appeals office - creation - powers and duties.** (1) There is ~~hereby~~ created in the office of the executive director of the department of labor and employment the industrial claim appeals office, which ~~may consist~~ CONSISTS of five industrial claim appeals examiners who ~~shall be~~ ARE appointed to serve on the industrial claim appeals panel by the executive director pursuant to section 13 of article XII of the state constitution and the laws and rules governing the state personnel system. ~~Each industrial claim appeals examiner shall exercise such examiner's powers and perform such examiner's duties and functions in the industrial claim appeals office within the office of the executive director of the department as if transferred thereto by~~ AS a ~~**type 2** transfer as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~ THE INDUSTRIAL CLAIM APPEALS OFFICE IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE OFFICE OF THE EXECUTIVE DIRECTOR OF THE DEPARTMENT. Decisions and orders of the industrial claim appeals panel may be made by two appeals examiners. In the event of a disagreement between ~~such~~ THE two

appeals examiners, a third appeals examiner shall review the case, and the decision and final order of the appeals panel shall reflect the collective decision of all three appeals examiners. <{***DCLE, section 24-1-121 (1.5) makes it seem like the powers, duties, and functions belong to the office. This section indicates that the powers, duties, and functions belong to each examiner. Which is correct?***}> <{***CDLE: It seems that the industrial claim appeals examiners from the office make up the panel. Does this correctly designate the office, rather than the panel, as a type 2 entity?***}>

**SECTION 77.** In Colorado Revised Statutes, 8-1-103, **amend** (3) as follows:

**8-1-103. Division of labor standards and statistics - director - employees - qualifications - compensation - expenses.** (3) The DIRECTOR SHALL EXERCISE THE DIRECTOR'S powers AND PERFORM THE DIRECTOR'S duties and functions ~~of the director~~ AS prescribed under this ~~article~~ ARTICLE 1, including rule-making, ~~regulation,~~ licensing, promulgation of rules, rates, ~~regulations,~~ and standards, and the rendering of findings, orders, and adjudications, ~~shall be performed~~ under the direction and supervision of the executive director of the department of labor and employment. ~~as prescribed by section 24-1-105 (4), C.R.S.~~ THE DIRECTOR IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. <{***CDLE, the term "regulation" is generally not used in statute anymore. Is it OK to strike this here?***}>

**SECTION 78.** In Colorado Revised Statutes, 8-14.5-104, **amend** (2) as follows:

**8-14.5-104. Creation of board.** (2) The board IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers

and perform its DUTIES AND functions under the department and the director of the division. ~~as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 79.** In Colorado Revised Statutes, 8-20-101, **amend** (1) as follows:

**8-20-101. Division of oil and public safety - creation - appointment of director - transfer of duties.** (1) There is ~~hereby~~ created ~~within~~ IN the department of labor and employment the division of oil and public safety, the head of which ~~shall be~~ IS the director of the division of oil and public safety. The director of the division of oil and public safety ~~shall be~~ IS appointed by the executive director of the department of labor and employment and shall not have an interest in the manufacture, sale, or distribution of oils. THE DIVISION AND THE DIRECTOR OF THE DIVISION ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105.

**SECTION 80.** In Colorado Revised Statutes, 8-20.5-104, **amend** (9) as follows:

**8-20.5-104. Rules - petroleum storage tank committee.** (9) The petroleum storage tank committee IS A **TYPE 1** ENTITY AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions specified by this section under the department of labor and employment and the executive director. ~~thereof as if the same were transferred to the department by a **type 1** transfer, as such transfer is defined in section 24-1-105, C.R.S.~~

**SECTION 81.** In Colorado Revised Statutes, 8-44-206, **amend** (2)(a) as follows:

**8-44-206. Guaranty fund - immediate payment fund - special funds board - creation.** (2) **Creation of special funds board - duties.** (a) For the purposes of carrying out this section, there is ~~hereby~~ created a special funds board, which IS A TYPE **2 ENTITY**, AS DEFINED IN SECTION 24-1-105, AND WHICH shall exercise its powers and perform its duties and functions as specified in this subsection (2) under the department of labor and employment. ~~as if the same were transferred to the department by a **type 2** transfer as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S. Said~~ THE board ~~shall be~~ IS composed of five members: Four members who are managers or employees of self-insured employers in good standing, two of whom shall demonstrate knowledge of risk management and finance, and the executive director.

**SECTION 82.** In Colorado Revised Statutes, 8-47-101, **amend** (3)(a) as follows:

**8-47-101. Division of workers' compensation - creation - powers, duties, and functions - transfer of functions - change of statutory references.** (3) (a) The division of workers' compensation shall, on and after July 1, 1991, execute, administer, perform, and enforce the rights, powers, duties, functions, and obligations vested in the division of labor prior to July 1, 1991, concerning the duties and functions transferred to the division of workers' compensation. On July 1, 1991, all employees of the division of labor whose principal duties are concerned with the duties and functions transferred to the division of workers' compensation and whose employment in the division of workers' compensation is deemed necessary by the executive director of the department of labor and employment to carry out the purposes of this

article 47 shall be transferred to the division of workers' compensation and shall become employees thereof. The employees shall retain all rights to the state personnel system and retirement benefits under the laws of this state, and their services shall be deemed to have been continuous. All transfers and any abolishment of positions in the state personnel system shall be made and processed in accordance with state personnel system laws and rules. THE DIVISION OF WORKERS' COMPENSATION AND THE DIVISION'S DIRECTOR ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105. <{***CDLE: was the division of labor abolished or repealed as of July 1, 1991? It does not seem that there was a Type 3 transfer. Please make sure the statute is correct.*** }>

**SECTION 83.** In Colorado Revised Statutes, 8-71-102, **amend** (1) as follows:

**8-71-102. Powers, duties, and functions - acceptance of money.** (1) The functions of the division comprise all administrative functions of the state in relation to the administration of articles 70 to 82 of this ~~title. The director of the division shall exercise the powers, duties, and functions prescribed under articles 70 to 82 of this title under the direction and supervision of the executive director of the department of labor and employment as prescribed by section 24-1-105. (4), C.R.S.~~ TITLE 8. THE DIVISION AND THE OFFICE OF DIRECTOR OF THE DIVISION ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THE POWERS AND PERFORM THE DUTIES AND FUNCTIONS PRESCRIBED UNDER ARTICLES 70 TO 82 OF THIS TITLE 8 UNDER THE DIRECTION AND SUPERVISION OF THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LABOR AND EMPLOYMENT. Any vacancy in the office of director of the division ~~shall be~~ IS filled in the manner provided by law.

**SECTION 84.** In Colorado Revised Statutes, 8-83-103, **amend** (1) as follows:

**8-83-103. Powers, duties, and functions - acceptance of money.** (1) The functions of the division comprise all administrative functions of the state in relation to the administration of this ~~article. The director shall exercise his or her powers, duties, and functions prescribed under this article under the direction and supervision of the executive director of the department as prescribed by section 24-1-105. (4), C.R.S.~~ ARTICLE 83. THE DIVISION AND THE DIRECTOR OF THE DIVISION ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS AS PRESCRIBED UNDER THIS ARTICLE 83 UNDER THE DIRECTION AND SUPERVISION OF THE EXECUTIVE DIRECTOR OF THE DEPARTMENT. Any vacancy in the office of director ~~shall be~~ IS filled in the manner provided by law.

**SECTION 85.** In Colorado Revised Statutes, 8-84-108, **amend** (1)(a) as follows:

**8-84-108. Transfer of functions - transition plan - report.** (1) (a) On and after July 1, 2016, the ~~rights,~~ powers, duties, and functions OF THE DEPARTMENT OF LABOR AND EMPLOYMENT INCLUDE THE POWERS, DUTIES, AND FUNCTIONS regarding vocational rehabilitation programs, including the business enterprise program, THAT WERE FORMERLY vested in the department of human services prior to that date. ~~are transferred from the department of human services to the department of labor and employment by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 86.** In Colorado Revised Statutes, 8-85-109, **amend** (1) as follows:

1 **8-85-109. Transfer of functions - transition plan - report.**
2 (1) On and after July 1, 2016, the ~~rights,~~ powers, duties, and functions OF
3 THE DEPARTMENT OF LABOR AND EMPLOYMENT INCLUDE THE POWERS,
4 DUTIES, AND FUNCTIONS regarding independent living services THAT
5 WERE FORMERLY vested in the department of human services prior to that
6 date. ~~are transferred from the department of human services to the~~
7 ~~department of labor and employment by a **type 2** transfer, as such transfer~~
8 ~~is defined in the "Administrative Organization Act of 1968", article 1 of~~
9 ~~title 24, C.R.S.~~ <{***CDLE: is it OK to strike "rights" in this section? It***
10 ***does not seem to be standard language. Is there anything covered by***
11 ***"rights" that is not covered by "powers, duties, and functions"?***}>
12 **SECTION 87.** In Colorado Revised Statutes, 9-1.5-104.2, **amend**
13 (1)(a) introductory portion as follows:
14 **9-1.5-104.2. Underground damage prevention safety**
15 **commission - creation - review of violations - enforcement - rules.**
16 (1) (a) There is ~~hereby~~ created the underground damage prevention safety
17 commission in the department of labor and employment. The safety
18 commission is ~~transferred to the department by a **type 2** transfer as that~~
19 ~~term is~~ A **TYPE 2** ENTITY, AS defined in section 24-1-105. The safety
20 commission shall:
21 **SECTION 88.** In Colorado Revised Statutes, 9-4-102, **amend** (1)
22 as follows:
23 **9-4-102. Boiler inspection section - created - director - chief**
24 **boiler inspector - inspectors - qualifications.** (1) The director shall
25 carry out the provisions of this ~~article~~ ARTICLE 4. The director may
26 appoint a chief boiler inspector to oversee the boiler inspection section,
27 which is ~~hereby~~ created in the division of oil and public safety. THE

BOILER INSPECTION SECTION IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. The chief boiler inspector and each state boiler inspector must be qualified from practical experience in the construction, maintenance, repair, or operation of boilers as a mechanical or safety engineer, steam engineer, boilermaker, or boiler inspector of not less than five years' actual experience to enable him or her to judge the safety of boilers for use as such. Neither the chief boiler inspector nor any state boiler inspector shall be interested directly or indirectly in the manufacture, ownership, or sale of boilers or boiler supplies. <{***CDLE: Should this be called the "boiler inspection section" or the "division of boiler inspection"? (see section 24-1-121 (4)(b))***}>

**SECTION 89.** In Colorado Revised Statutes, 24-46.3-101, **amend** (1) as follows:

**24-46.3-101. State work force development council - creation - membership - funding through gifts, grants, and donations.** (1) There is ~~hereby~~ created ~~within~~ IN the department of labor and employment, ~~also~~ referred to in this ~~article~~ ARTICLE 46.3 as the "department", the state work force development council, ~~also~~ referred to in this ~~article~~ ARTICLE 46.3 as the "state council". THE STATE COUNCIL IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. The state council ~~shall be~~ IS established as a state work force development board in accordance with the federal "Workforce Innovation and Opportunity Act", 29 U.S.C. sec. 3101 et seq., as amended, ~~also~~ referred to in this ~~article~~ ARTICLE 46.3 as the "federal act".

<{***Department of Regulatory Agencies***}>

**SECTION 90.** In Colorado Revised Statutes, 24-1-122, **amend** (2) introductory portion, (2)(a), (2)(a.5), (2)(b), (2)(c), (2)(d), (2)(e),

(2)(g), (2)(h), (2)(k), (2)(l), (3) introductory portion, and (4) introductory portion; and **add** (3)(nn) and (4)(f) as follows: <{***DORA: The state board of landscape architects is created in section 12-45-105, but is not in this AOA section. Should it be included?***}>

**24-1-122. Department of regulatory agencies - creation.** (2) The department of regulatory agencies ~~shall consist~~ CONSISTS of the following divisions:

(a) The public utilities commission, created by article 2 of title 40. ~~C.R.S. Its powers, duties, and functions are transferred by a **type 1** transfer to the department of regulatory agencies as a division thereof~~ THE PUBLIC UTILITIES COMMISSION IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF REGULATORY AGENCIES AS A DIVISION THEREOF. The director of the commission ~~shall serve~~ SERVES as the division director.

(a.5) The office of consumer counsel and the utility consumers' board, created by article 6.5 of title 40. ~~C.R.S.~~ The office of consumer counsel ~~and its powers, duties, and functions are transferred by a **type 1** transfer to the department of regulatory agencies as a division thereof~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF REGULATORY AGENCIES AS A DIVISION THEREOF. The utility consumers' board IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions under the department ~~as if the same were transferred to the department by a **type 1** transfer~~ and IS allocated to the office of consumer counsel.

(b) (I) THE division of insurance, CREATED IN SECTION 10-1-103, the head of which ~~shall be~~ IS the commissioner of insurance. The division of insurance ~~of the state of Colorado, created by section 10-1-103, C.R.S., and its powers, duties, and functions are transferred by a **type 1** transfer to the department of regulatory agencies as the division of insurance~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF REGULATORY AGENCIES. <{***DORA, is the commissioner of insurance a type 1 entity? Do you want to specify this?***}>

(II) The workers' compensation classification appeals board, created ~~by~~ IN section 8-55-101 (1). ~~C.R.S., shall exercise its powers and perform duties and functions under the division of insurance as if such workers' compensation classification appeals board were transferred to the division of insurance by a **type 1** transfer~~ THE WORKER'S COMPENSATION CLASSIFICATION APPEALS BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DIVISION OF INSURANCE.

(c) THE division of financial services, the head of which ~~shall be~~ IS the state commissioner of financial services. The financial services board, created ~~by~~ IN section 11-44-101.6, ~~C.R.S., and its powers, duties, and functions are transferred as if by a **type 1** transfer to the department of regulatory agencies, and allocated to the division of financial services.~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. THE FINANCIAL SERVICES BOARD SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF REGULATORY AGENCIES AND IS ALLOCATED TO THE DIVISION OF FINANCIAL SERVICES. The office of state commissioner of financial services and the DIVISION OF financial

1 services, ~~division of the state of Colorado,~~ created ~~by~~ IN article 44 of title
2 11, ~~C.R.S., are transferred by a **type 2** transfer to the department of~~
3 ~~regulatory agencies, and allocated to the division of financial services~~ ARE
4 **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE
5 THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE
6 DEPARTMENT OF REGULATORY AGENCIES.
7 (d) THE division of banking, the head of which ~~shall be~~ IS the state
8 bank commissioner. The banking board, created ~~by~~ IN article 102 of title
9 11 ~~C.R.S., and its powers, duties, and functions are transferred by a **type**~~
10 ~~**1** transfer to the department of regulatory agencies and allocated to the~~
11 ~~division of banking,~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.
12 THE BANKING BOARD SHALL EXERCISE ITS POWERS AND PERFORM ITS
13 DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF REGULATORY
14 AGENCIES AND IS ALLOCATED TO THE DIVISION OF BANKING. <{***DORA, are***
15 ***the division of banking and the bank commissioner also type 1? If so do***
16 ***you want to specify this here and in section 11-102-101?***}>
17 (e) THE division of securities, the head of which ~~shall be~~ IS the
18 commissioner of securities. The securities board, created in section
19 11-51-702.5, ~~C.R.S., and its powers, duties, and functions are transferred~~
20 ~~by a **type 1** transfer to the department of regulatory agencies, and~~
21 ~~allocated to the division of securities~~ IS A **TYPE 1** ENTITY, AS DEFINED IN
22 SECTION 24-1-105. THE SECURITIES BOARD SHALL EXERCISE ITS POWERS
23 AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF
24 REGULATORY AGENCIES AND IS ALLOCATED TO THE DIVISION OF
25 SECURITIES. The division of securities, and the office of commissioner of
26 securities, created ~~by~~ IN article 51 of title 11, ~~C.R.S., and their powers,~~
27 ~~duties, and functions are transferred by a **type 1** transfer to the department~~

1 ~~of regulatory agencies as the division of securities~~ ARE **TYPE 1** ENTITIES,
2 AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS
3 AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF
4 REGULATORY AGENCIES.
5 (g) THE division of professions and occupations, the head of
6 which ~~shall be~~ IS the director of professions and occupations, which
7 office is hereby created. ~~The division of professions and occupations is~~
8 ~~transferred by a **type 2** transfer to the department of regulatory agencies~~
9 ~~as the division of professions and occupations~~ THE DIVISION OF
10 PROFESSIONS AND OCCUPATIONS IS A **TYPE 2** ENTITY, AS DEFINED IN
11 SECTION 24-1-105. <{***DORA do you want to specify that the division is***
12 ***a type 2 in section 12-20-103?***}>
13 (h) THE Colorado civil rights division, the head of which ~~shall be~~
14 IS the director of the Colorado civil rights division, AND THE COLORADO
15 CIVIL RIGHTS COMMISSION. The Colorado civil rights commission, the
16 Colorado civil rights division, and the office of director of the Colorado
17 civil rights division, created ~~by~~ IN part 3 of article 34 of this ~~title, and~~
18 ~~their powers, duties, and functions are transferred by a **type 1** transfer to~~
19 ~~the department of regulatory agencies as the Colorado civil rights division~~
20 TITLE 24, ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND
21 SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND
22 FUNCTIONS UNDER THE DEPARTMENT OF REGULATORY AGENCIES.
23 (k) (I) THE division of real estate, the head of which ~~shall be~~ IS the
24 director of the division, AND THE REAL ESTATE COMMISSION. The division
25 of real estate and the director of the division, created ~~by~~ IN part 2 of
26 article 10 of title 12, ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION
27 24-1-105, AND shall exercise their powers and perform their duties and

functions under the department of regulatory agencies. ~~as if they were transferred to the department by a **type 2** transfer.~~ The real estate commission, created by part 2 of article 10 of title 12, ~~and its powers, duties, and functions are transferred by a **type 1** transfer to the department of regulatory agencies~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF REGULATORY AGENCIES.

(II) The division ~~shall include~~ OF REAL ESTATE INCLUDES the board of real estate appraisers, created ~~by~~ IN part 6 of article 10 of title 12. ~~which~~ THE BOARD OF REAL ESTATE APPRAISERS IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions under the department of regulatory agencies. ~~as if the same were transferred thereto by a **type 1** transfer.~~ The division ~~shall~~ OF REAL ESTATE also ~~include~~ INCLUDES the board of mortgage loan originators, created ~~by~~ IN section 12-10-703. The board of mortgage loan originators ~~shall exercise its powers and perform its duties and functions under the department of regulatory agencies as if transferred thereto by a **type 1** transfer~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF REGULATORY AGENCIES.

(l) THE division of conservation, the head of which is the director of the division, AND THE CONSERVATION EASEMENT OVERSIGHT COMMISSION. The division of conservation and the director of the division, created ~~by~~ IN article 15 of title 12, ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, and shall exercise their powers and perform their duties and functions under the department of regulatory agencies. ~~as if they were transferred to the department by a **type 2**~~

~~transfer.~~ The conservation easement oversight commission, created ~~by~~ IN section 12-15-103, ~~and its powers, duties, and functions are transferred by a **type 2** transfer to the department of regulatory agencies and allocated to the division of conservation~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. THE CONSERVATION EASEMENT OVERSIGHT COMMISSION SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF REGULATORY AGENCIES AND IS ALLOCATED TO THE DIVISION OF CONSERVATION.

(3) The following boards and agencies ~~are transferred by a **type 1** transfer to~~ IN the department of regulatory agencies ~~and~~ ARE allocated to the division of professions and occupations AND ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105:

(nn) THE STATE PHYSICAL THERAPY BOARD, CREATED IN PART 1 OF ARTICLE 285 OF TITLE 12. <{***DORA, are there other type 1 boards or agencies that should be listed here?***}>

(4) The following boards and agencies ~~are transferred by a **type 2** transfer to~~ IN the department of regulatory agencies ~~and~~ ARE allocated to the division of professions and occupations AND ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105:

(f) THE OFFICE OF COMBATIVE SPORTS, CREATED IN SECTION 12-110-105, AND THE COLORADO COMBATIVE SPORTS COMMISSION, CREATED IN SECTION 12-110-106. <{***DORA: are there other type 2 boards or agenices that should also be listed here?***}>

**SECTION 91.** In Colorado Revised Statutes, 8-55-101, **amend** (1) introductory portion as follows:

**8-55-101. Workers' compensation classification appeals board - creation.** (1) There is ~~hereby~~ created in the division of insurance in the

department of regulatory agencies the workers' compensation classification appeals board. THE WORKERS' COMPENSATION CLASSIFICATION APPEALS BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. The board shall hear grievances brought by employers against insurers and Pinnacol Assurance concerning the calculation of experience modification factors and classification assignment decisions. The board ~~shall consist~~ CONSISTS of five voting members, each of whom ~~shall~~ MUST be knowledgeable about workers' compensation classification and experience modification factors, and one nonvoting member, as follows:

**SECTION 92.** In Colorado Revised Statutes, 10-1-103, **amend** (1) as follows:

**10-1-103. Division of insurance - subject to repeal - repeal of functions.** (1) There is established a division of insurance ~~within~~ IN the department of regulatory agencies. THE DIVISION OF INSURANCE IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. This division is charged with the execution of the laws relating to insurance and has a supervising authority over the business of insurance in this state. Offices of the division of insurance ~~shall~~ MUST be provided in the capitol buildings group at Denver, Colorado. Whenever any law of this state refers to the insurance department of the state of Colorado, ~~said~~ THE law shall be construed as referring to the division of insurance.

**SECTION 93.** In Colorado Revised Statutes, **amend** 11-44-101 as follows:

**11-44-101. Division of financial services created.** There is ~~hereby~~ created a division of financial services ~~within~~ IN the department of regulatory agencies, which shall be administered by the state

commissioner of financial services. When any law of this state refers to the savings and loan department of the state of Colorado, said law shall be construed as referring to the division of financial services. THE DIVISION OF FINANCIAL SERVICES AND THE OFFICE OF THE STATE COMMISSIONER OF FINANCIAL SERVICES ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105.

**SECTION 94.** In Colorado Revised Statutes, 11-44-101.6, **amend** (1) as follows:

**11-44-101.6. Financial services board - creation.** (1) There is ~~hereby~~ established in the division OF FINANCIAL SERVICES the financial services board, which ~~shall consist~~ CONSISTS of five members. THE FINANCIAL SERVICES BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 95.** In Colorado Revised Statutes, **amend** 11-51-701 as follows:

**11-51-701. Division of securities - creation - powers and duties.** There is ~~hereby~~ created the division of securities ~~within~~ IN the department of regulatory agencies, the head of which ~~shall be~~ IS the commissioner of securities, who shall be appointed by the executive director of the department of regulatory agencies, pursuant to ~~the provisions of~~ section 13 of article XII of the state constitution, and the securities board. THE DIVISION OF SECURITIES AND THE OFFICE OF COMMISSIONER OF SECURITIES ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105. The division ~~shall be~~ IS responsible for the administration of the provisions of articles 51, 53, and 59 of this ~~title~~ TITLE 11 and part 7 of article 75 of title 24, ~~C.R.S.,~~ and shall perform such other duties as are imposed upon it by law.

**SECTION 96.** In Colorado Revised Statutes, 11-51-702.5, **add**

(2.5) as follows:

**11-51-702.5. Securities board - creation - duties - repeal.** (2.5) THE SECURITIES BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 97.** In Colorado Revised Statutes, 11-102-101, **add** (2.5) as follows:

**11-102-101. Division of banking - creation - subject to termination - repeal of article.** (2.5) THE DIVISION OF BANKING AND THE STATE BANK COMMISSIONER ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105. <{***DORA, are the division and commissioner type 1? Do you want to specify the type here or remove this section?*** }>

**SECTION 98.** In Colorado Revised Statutes, 11-102-104, **add** (1.5) as follows:

**11-102-104. Powers and duties of banking board.** (1.5) THE BANKING BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 99.** In Colorado Revised Statutes, 12-10-206, **amend** (1) as follows:

**12-10-206. Real estate commission - created - compensation - immunity.** (1) There is ~~hereby~~ created a commission of five members, appointed by the governor, which shall administer parts 2 and 5 of this article 10. This commission is known as the real estate commission. THE COMMISSION IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, and consists of three real estate brokers who have had not less than five years' experience in the real estate business in Colorado, one of whom has substantial experience in property management, and two representatives of the public at large. Members of the commission ~~hold office for a period of three years~~ SERVE THREE-YEAR TERMS. Upon the death,

resignation, removal, or otherwise of any member of the commission, the governor shall appoint a member to fill out the unexpired term. The governor may remove any member for misconduct, neglect of duty, or incompetence.

**SECTION 100.** In Colorado Revised Statutes, 12-10-207, **amend** (1) as follows:

**12-10-207. Division of real estate - creation - director, clerks, and assistants.** (1) There is ~~hereby~~ created ~~within~~ IN the department the division of real estate. The executive director is authorized by this section to employ, subject to the provisions of the state personnel system laws of the state, a director of the division, who in turn shall employ such attorneys, deputies, investigators, clerks, and assistants as are necessary to discharge the duties imposed by parts 2 and 5 of this article 10. The division and the director ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions under the department. ~~as if they were transferred to the department by a **type 2** transfer.~~

**SECTION 101.** In Colorado Revised Statutes, 12-10-603, **amend** (2)(a) as follows:

**12-10-603. Board of real estate appraisers - creation - compensation - immunity - legislative declaration - subject to review - repeal of part.** (2) (a) The board IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions under the division of real estate. ~~as if transferred to the division by a **type 1** transfer, as defined in the "Administrative Organization Act of 1968", article 1 of title 24.~~

**SECTION 102.** In Colorado Revised Statutes, 12-10-703, **amend**

(2)(a) as follows:

**12-10-703. Board of mortgage loan originators - creation - compensation - enforcement of part after board creation - immunity.** (2) (a) The board IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions under the department. ~~as if transferred to the department by a **type 1** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24.~~

**SECTION 103.** In Colorado Revised Statutes, 12-15-102, **amend** (1) as follows:

**12-15-102. Division of conservation - creation - director.** (1) There is ~~hereby~~ created ~~within~~ IN the department the division of conservation, referred to in this article 15 as the "division". The executive director is authorized by this section to employ, subject to the provisions of the state personnel system laws of the state, a director of the division, who in turn shall employ such deputies, clerks, and assistants as are necessary to discharge the duties imposed by this article 15. The division and the director of the division ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions under the department. ~~as if they were transferred to the department by a **type 2** transfer.~~

**SECTION 104.** In Colorado Revised Statutes, 12-15-103, **amend** (1) introductory portion as follows:

**12-15-103. Conservation easement oversight commission - created - repeal.** (1) There is ~~hereby~~ created in the division a conservation easement oversight commission, referred to in this article 15 as the "commission". The commission IS A **TYPE 2** ENTITY, AS DEFINED IN

SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions under the division. ~~as if transferred thereto by a **type 2** transfer, as defined in the "Administrative Organization Act of 1968", article 1 of title 24.~~ The commission consists of eight members as follows:

**SECTION 105.** In Colorado Revised Statutes, 12-20-103, **amend** (1)(a) as follows:

**12-20-103. Division of professions and occupations - creation - duties of division and department head - office space - per diem for board or commission members - review of functions.** (1) **Division created.** (a) There is ~~hereby~~ created a division of professions and occupations in the department of regulatory agencies, the head of which is the director of professions and occupations. THE DIVISION OF PROFESSIONS AND OCCUPATIONS IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. The executive director of the department shall appoint the director in accordance with section 13 of article XII of the state constitution. Except as provided in subsection (1)(b) of this section, the director shall appoint other personnel as necessary for the efficient operation of the division. <{***DORA, do you want to add this?***}>

**SECTION 106.** In Colorado Revised Statutes, 12-100-104, **add** (1.5) as follows:

**12-100-104. State board of accountancy - subject to termination.** (1.5) THE STATE BOARD OF ACCOUNTANCY IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 107.** In Colorado Revised Statutes, **amend** 12-110-105 as follows:

**12-110-105. Office of combative sports - creation.** There is

~~hereby~~ created ~~within~~ IN the division the office of combative sports. The office of combative sports and the Colorado combative sports commission, created in section 12-110-106, ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their respective powers and perform their respective duties and functions as specified in this article 110 under the department. ~~as if the powers, duties, and functions were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24.~~

**SECTION 108.** In Colorado Revised Statutes, **amend** 12-115-106 as follows:

**12-115-106. Board under department of regulatory agencies.** The state electrical board ~~and its powers, duties, and functions are transferred, effective July 1, 1978, by a **type 1** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, to the department and allocated to the division~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. THE STATE ELECTRICAL BOARD SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT AND IS ALLOCATED TO THE DIVISION.

**SECTION 109.** In Colorado Revised Statutes, 12-120-103, **amend** (1) as follows:

**12-120-103. State board of licensure for architects, professional engineers, and professional land surveyors - creation - composition - appointment of members - terms - meetings - program director and staff - subject to review - repeal of article.** (1) **Board creation.** A state board of licensure for architects, professional engineers, and professional land surveyors is ~~hereby~~ created, the duty of which ~~shall~~

~~be~~ IS to administer ~~the provisions of~~ this article 120, including the duties and powers specified in section 12-120-104. THE STATE BOARD OF LICENSURE FOR ARCHITECTS, PROFESSIONAL ENGINEERS, AND PROFESSIONAL LAND SURVEYORS IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 110.** In Colorado Revised Statutes, 12-150-104, **amend** (1) as follows:

**12-150-104. Passenger tramway safety board - composition.** (1) There is ~~hereby~~ created IN THE DEPARTMENT OF REGULATORY AGENCIES AND ALLOCATED TO THE DIVISION OF PROFESSIONS AND OCCUPATIONS PURSUANT TO SECTION 24-1-122 (3)(q) a passenger tramway safety board of six appointive members and one member designated by the United States forest service. THE PASSENGER TRAMWAY SAFETY BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. The appointive members ~~shall be~~ ARE appointed by the governor from persons representing the following interests: Two members to represent the industry or area operators; two members to represent the public at large; one member who is a licensed professional engineer not employed by a ski area or related industry; and one member familiar with or experienced in the tramway industry who may represent the passenger tramway manufacturing or design industry or an area operator. ~~No person shall be so appointed or designated except those~~ THE GOVERNOR AND THE UNITED STATES FOREST SERVICE SHALL ONLY APPOINT OR DESIGNATE MEMBERS who, by reason of knowledge or experience, ~~shall be~~ ARE deemed to be qualified. The knowledge or experience ~~shall~~ MUST be either from active and relevant involvement in the design, manufacture, or operation of passenger tramways or as a result of extensive and relevant involvement

in related activities. The governor, in making appointments, shall consider recommendations made to ~~him or her~~ THE GOVERNOR by the membership of the particular interest from which the appointments are to be made.

**SECTION 111.** In Colorado Revised Statutes, 12-155-104, **amend** (1) as follows:

**12-155-104. State plumbing board - subject to review - repeal of article.** (1) There is ~~hereby~~ established ~~within~~ IN the division the state plumbing board. The board IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions ~~in~~ UNDER the department of regulatory agencies. ~~as if it were transferred to the department by a **type 1** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24.~~

**SECTION 112.** In Colorado Revised Statutes, 12-215-104, **add** (1.5) as follows:

**12-215-104. State board of chiropractic examiners - board meetings - election of officers - subject to review - repeal of article.** (1.5) THE COLORADO STATE BOARD OF CHIROPRACTIC EXAMINERS IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 113.** In Colorado Revised Statutes, 12-220-105, **amend** (1)(a) as follows:

**12-220-105. Colorado dental board - qualifications of board members - quorum - panel - rules - review of functions - repeal of article.** (1) (a) The Colorado dental board is ~~hereby~~ created as the agency of this state for the regulation of the practice of dentistry in this state and to carry out the purposes of this article 220. The board IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND is subject to the

supervision and control of the division as provided by section 12-20-103 (2).

**SECTION 114.** In Colorado Revised Statutes, 12-240-105, **amend** (1)(a) introductory portion as follows:

**12-240-105. Colorado medical board - immunity - subject to review - repeal of article.** (1) (a) There is ~~hereby~~ created the Colorado medical board, referred to in this article 240 as the "board". THE BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. The board ~~shall consist~~ CONSISTS of seventeen members appointed by the governor and possessing the qualifications specified in this article 240 and as follows:

**SECTION 115.** In Colorado Revised Statutes, 12-245-302, **amend** (1) as follows:

**12-245-302. State board of psychologist examiners - created - members - terms.** (1) There is ~~hereby~~ created a state board of psychologist examiners under the supervision and control of the division. THE STATE BOARD OF PSYCHOLOGIST EXAMINERS IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 116.** In Colorado Revised Statutes, 12-245-402, **amend** (1) as follows:

**12-245-402. State board of social work examiners - created - members - terms.** (1) There is ~~hereby~~ created under the supervision and control of the division the state board of social work examiners, which ~~shall consist~~ CONSISTS of seven members who are residents of the state of Colorado. THE STATE BOARD OF SOCIAL WORK EXAMINERS IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 117.** In Colorado Revised Statutes, 12-245-502, **amend** (1) as follows:

**12-245-502. State board of marriage and family therapist examiners - created - members - terms.** (1) There is ~~hereby~~ created under the supervision and control of the division the state board of marriage and family therapist examiners, which consists of seven members who are residents of the state of Colorado. THE STATE BOARD OF MARRIAGE AND FAMILY THERAPIST EXAMINERS IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 118.** In Colorado Revised Statutes, 12-245-602, **amend** (1) as follows:

**12-245-602. State board of licensed professional counselor examiners - created - members - fines.** (1) There is ~~hereby~~ created the state board of licensed professional counselor examiners under the supervision and control of the division. The board IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND consists of seven members who are residents of the state of Colorado.

**SECTION 119.** In Colorado Revised Statutes, 12-245-702, **amend** (1) as follows:

**12-245-702. State board of unlicensed psychotherapists - creation - membership.** (1) There is ~~hereby~~ created the state board of unlicensed psychotherapists, which is under the supervision and control of the division as provided in section 12-20-103 (2). The board IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND consists of seven members who are residents of the state of Colorado.

**SECTION 120.** In Colorado Revised Statutes, 12-245-802, **amend** (1) as follows:

**12-245-802. State board of addiction counselor examiners - created - members - terms.** (1) There is ~~hereby~~ created a state board of

addiction counselor examiners under the supervision and control of the division. THE STATE BOARD OF ADDICTION COUNSELOR EXAMINERS IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. Once the governor appoints the board members and the board adopts necessary rules, the board is responsible for regulating addiction counselors pursuant to this part 8 and this article 245.

**SECTION 121.** In Colorado Revised Statutes, 12-255-105, **amend** (1)(a) introductory portion as follows:

**12-255-105. State board of nursing created - removal of board members - meetings of board.** (1) (a) There is ~~hereby~~ created the state board of nursing in the division, which IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. THE board consists of eleven members who are residents of this state, appointed by the governor as follows:

**SECTION 122.** In Colorado Revised Statutes, 12-265-106, **amend** (5) as follows:

**12-265-106. Board of examiners of nursing home administrators - creation - subject to termination.** (5) The board IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions specified by this article 265 under the department, the executive director, and the division. ~~as if the same were transferred to the department by a **type 1** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24.~~

**SECTION 123.** In Colorado Revised Statutes, 12-275-107, **amend** (1)(a) as follows:

**12-275-107. State board of optometry - created - members.** (1) (a) The state board of optometry, referred to in this article 275 as the

"board", is ~~hereby~~ created and is under the supervision and control of the division as provided by section 12-20-103 (2). THE BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. The board consists of five optometrists and two members-at-large, to be appointed by the governor to serve for terms of four years; except that no person shall be appointed to serve more than two consecutive terms. Each member of the board, except for the members-at-large, must have been actually engaged and licensed in the practice of optometry in Colorado for the five years preceding the member's appointment. At least one of the two members-at-large must not be a member or representative of, nor have any direct interest in, any profession, agency, or institution providing health services.

**SECTION 124.** In Colorado Revised Statutes, 12-280-104, **amend** (2) as follows:

**12-280-104. State board of pharmacy - creation - subject to review - repeal of parts.** (2) The board IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions specified by this article 280 under the department and the executive director. ~~as if the same were transferred to the department by a **type 1** transfer, as defined in the "Administrative Organization Act of 1968", article 1 of title 24.~~

**SECTION 125.** In Colorado Revised Statutes, 12-285-104, **amend** (3) as follows:

**12-285-104. Definitions.** As used in this article 285, unless the context otherwise requires:

(3) "Board" means the STATE physical therapy board created in section 12-285-105.

**SECTION 126.** In Colorado Revised Statutes, 12-285-105, **amend** (1)(b) as follows:

**12-285-105. State physical therapy board - created.** (1) (b) The board ~~exercises its powers and performs its duties and functions under the division, as if the powers, duties, and functions were transferred to the division by a **type 1** transfer, as defined in the "Administrative Organization Act of 1968", article 1 of title 24~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DIVISION. The division shall provide necessary management support to the board under section 12-20-103 (2).

**SECTION 127.** In Colorado Revised Statutes, 12-290-106, **amend** (1) introductory portion as follows:

**12-290-106. Powers and duties of board - limitation on authority - rules.** (1) The board shall regulate the practice of podiatry, AND IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. The board shall exercise, subject to ~~the provisions of~~ this article 290, the following powers, ~~and~~ duties, AND FUNCTIONS:

**SECTION 128.** In Colorado Revised Statutes, 12-315-106, **add** (1.5) as follows:

**12-315-106. Board of veterinary medicine - creation - powers - rules.** (1.5) THE STATE BOARD OF VETERINARY MEDICINE IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 129.** In Colorado Revised Statutes, 24-34-302, **amend** (1) as follows:

**24-34-302. Civil rights division - director - powers and duties.** (1) There is ~~hereby~~ created ~~within~~ IN the department of regulatory

1 agencies a division of state government ~~to be known and~~ designated as
2 the Colorado civil rights division, the head of which ~~shall be~~ IS the
3 director of the Colorado civil rights division. The director ~~shall be~~ IS
4 appointed by the executive director of the department of regulatory
5 agencies pursuant to section 13 of article XII of the state constitution, and
6 the executive director shall give good faith consideration to the
7 recommendations of the commission prior to making the appointment.
8 THE COLORADO CIVIL RIGHTS DIVISION AND THE DIRECTOR OF THE
9 COLORADO CIVIL RIGHTS DIVISION ARE **TYPE 1** ENTITIES, AS DEFINED IN
10 SECTION 24-1-105.
11 **SECTION 130.** In Colorado Revised Statutes, 24-34-303, **amend**
12 (1)(a) as follows:
13 **24-34-303. Civil rights commission - membership.**
14 (1) (a) There is ~~hereby~~ created ~~within~~ IN the division the Colorado civil
15 rights commission. THE COMMISSION IS A **TYPE 1** ENTITY, AS DEFINED IN
16 SECTION 24-1-105.
17 **SECTION 131.** In Colorado Revised Statutes, 40-2-101, **amend**
18 (1) as follows:
19 **40-2-101. Creation - appointment - term - subject to**
20 **termination - repeal of part.** (1) (a) A public utilities commission is
21 ~~hereby~~ created IN THE DEPARTMENT OF REGULATORY AGENCIES, which
22 ~~shall be~~ IS known as the public utilities commission of the state of
23 Colorado. ~~to consist~~ THE PUBLIC UTILITIES COMMISSION IS A **TYPE 1**
24 ENTITY, AS DEFINED IN SECTION 24-1-105.
25 (b) THE PUBLIC UTILITIES COMMISSION CONSISTS of three members
26 ~~who shall be~~ appointed by the governor with the consent of the senate.
27 Persons holding office on July 1, 1993, shall continue to serve in such

office, but the term of one of these persons shall expire on the Monday preceding the second Tuesday of January, 1995, of another, the Monday preceding the second Tuesday of January, 1996, and of the third, the Monday preceding the second Tuesday of January, 1997, all as the governor shall designate; except that such designation shall not result in the extension of the term of any member to more than four years' duration. Thereafter, appointments shall be made for terms of four years.

**SECTION 132.** In Colorado Revised Statutes, 40-2-103, **amend** (1) as follows:

**40-2-103. Director - duties.** (1) The executive director of the department of regulatory agencies, pursuant to section 13 of article XII of the state constitution, and with the approval of the commission, shall appoint a director of the commission. The director shall manage the operations of the agency in order to carry out the public utilities law, to carry out and implement policies, procedures, and decisions made by the commission, and to meet the requirements of the commission concerning any matters within the authority of ~~an agency transferred by~~ a **type 1** ~~transfer~~ ENTITY, as defined in section 24-1-105, ~~C.R.S.,~~ and which requirements are under the jurisdiction of the commission. The director has all the powers and responsibilities of the division director for this purpose, including the power to issue all necessary process, writs, warrants, and notices. The director has the requisite power to serve warrants and other process in any county or city and county of this state and to delegate such actions to duly authorized employees or agents of the agency as appropriate.

**SECTION 133.** In Colorado Revised Statutes, 40-6.5-102, **amend** (2)(a) and (3)(a) as follows:

**40-6.5-102. Office of consumer counsel - creation - appointment - attorney general to represent.** (2) (a) The office of consumer counsel IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions specified in this ~~article~~ ARTICLE 6.5 under the department of regulatory agencies. ~~as if the same were transferred to the department by a **type 1** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

(3) (a) The utility consumers' board ~~which~~ is ~~hereby~~ created AND shall guide the policy of the office of consumer counsel. The board IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions specified in this ~~article~~ ARTICLE 6.5 under the department of regulatory agencies and the executive director of the department of regulatory agencies. ~~as if the same were transferred to the department by a **type 1** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

<{***Department of Agriculture***}>

**SECTION 134.** In Colorado Revised Statutes, 24-1-123, **amend** (2), (3), (4) introductory portion, (4)(a), (4)(b), (4)(c), (4)(d), (4)(e), (4)(g)(I), (4)(h), (4)(i), (5), (6), and (7) as follows:

**24-1-123. Department of agriculture - creation.** (2) The state agricultural commission, created by article 1 of title 35, ~~C.R.S., and its powers, duties, and functions are transferred by a **type 1** transfer to the department of agriculture~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF AGRICULTURE.

(3) The state department of agriculture and the office of commissioner of agriculture, created by article 1 of title 35, ~~C.R.S., and their powers, duties, and functions are transferred by a **type 2** transfer to the department of agriculture~~ ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105. <{***Ag, section 35-1-103 specifies that references to the state department of agriculture shall be construed as references to the department of agriculture. Are these the same entities? If so, do these changes make sense?***}>

(4) The department of agriculture ~~shall consist~~ CONSISTS of the following divisions:

(a) THE division of markets, the head of which ~~shall be~~ IS the director of the division of markets. The division of markets and the office of chief thereof, created by article 1 of title 35, ~~C.R.S., and their powers, duties, and functions are transferred by a **type 2** transfer to the department of agriculture as the division of markets~~ ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF AGRICULTURE. <{***Ag: are the director and the chief in subsection (4) the same position? If so, can "chief" be changed to director for consistency?*** }>

(b) THE division of plant industry, the head of which ~~shall be~~ IS the director of the division of plant industry. The division of plant industry and the office of chief thereof, created by article 1 of title 35, ~~C.R.S., and their powers, duties, and functions are transferred by a **type 2** transfer to the department of agriculture as the division of plant industry~~ ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF AGRICULTURE.

(c) (I) THE division of animal industry, the head of which ~~shall be~~ IS the director of the division of animal industry. The division of animal industry and the office of chief thereof, created by article 1 of title 35, ~~C.R.S., and their powers, duties, and functions are transferred by a **type 2** transfer to the department of agriculture as the division of animal industry~~ ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF AGRICULTURE.

(II) The state bureau of animal protection, created by article 42 of title 35. ~~C.R.S., and its powers, duties, and functions are transferred by a **type 2** transfer to the department of agriculture and allocated to the division of animal industry as a section thereof~~ THE STATE BUREAU OF ANIMAL PROTECTION IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. THE STATE BUREAU OF ANIMAL PROTECTION SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF AGRICULTURE AND IS ALLOCATED TO THE DIVISION OF ANIMAL INDUSTRY AS A SECTION THEREOF.

(d) THE division of administrative services, the head of which ~~shall be~~ IS the director of THE administrative services division. The division of administrative services and the office of chief thereof, created by article 1 of title 35, ~~C.R.S., and their powers, duties, and functions are transferred by a **type 2** transfer to the department of agriculture as the division of administrative services~~ ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF AGRICULTURE.

<{***Ag, is the correct name the division of administrative services or the administrative services division (as it is in 35-1-108)? Do you want this***

***section to be consistent?***}>

(e) THE division of inspection and consumer services, the head of which ~~shall be~~ IS the director of inspection and consumer services division. The division of inspection and consumer services and the office of chief thereof, created by article 1 of title 35, ~~C.R.S., and their powers, duties, and functions are transferred by a **type 2** transfer to the department of agriculture as the division of inspection and consumer services.~~ ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF AGRICULTURE. <{***Ag, same question here about the name of the division.***}>

(g) (I) THE division of brand inspection, the head of which ~~shall be~~ IS the brand commissioner. The state board of stock inspection commissioners and the office of brand commissioner, created by article 41 of title 35, ~~C.R.S., and their powers, duties, and functions are transferred by a **type 1** transfer to the department of agriculture as a part of the division of brand inspection~~ ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF AGRICULTURE AS A PART OF THE DIVISION OF BRAND INSPECTION. <{***Ag, is the division of brand inspection a type 1 entity? If so, should this section specify that?***}>

(h) (I) The Colorado state fair authority, the head of which ~~shall be~~ IS the manager of the Colorado state fair and industrial exposition. The Colorado state fair authority and the office of THE manager of the Colorado state fair and industrial exposition, created by part 4 of article 65 of title 35, ~~C.R.S., shall exercise their powers duties and functions as~~

1 ~~a division of the department of agriculture as if the same were transferred~~
2 ~~by a **type 1** transfer to the department of agriculture~~ ARE **TYPE 1** ENTITIES,
3 AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS
4 AND PERFORM THEIR DUTIES AND FUNCTIONS AS A DIVISION OF THE
5 DEPARTMENT OF AGRICULTURE.
6 (II) The Colorado state fair authority ~~shall include~~ INCLUDES the
7 board of commissioners of the Colorado state fair authority, created by
8 part 4 of article 65 of title 35. ~~C.R.S., which~~ THE BOARD OF
9 COMMISSIONERS OF THE COLORADO STATE FAIR AUTHORITY IS A **TYPE 1**
10 ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers
11 and perform its duties and functions as specified by law under the
12 department of agriculture as a part of the Colorado state fair authority. ~~as~~
13 ~~if the same were transferred by a **type 1** transfer.~~
14 (i) The state conservation board, created in article 70 of title 35.
15 ~~C.R.S. All its powers, duties, and functions are transferred by a **type 1**~~
16 ~~transfer to the department of agriculture as a division thereof~~ THE STATE
17 CONSERVATION BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION
18 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND
19 FUNCTIONS UNDER THE DEPARTMENT OF AGRICULTURE AS A DIVISION
20 THEREOF. The employees of the state conservation board appointed
21 pursuant to section 35-70-103 ~~(5)(g), C.R.S.,~~ are transferred to the
22 department of agriculture. ~~by a **type 2** transfer.~~
23 (5) The Colorado wine industry development board, created by
24 article 29.5 of title 35, ~~C.R.S., and its powers, duties, and functions are~~
25 ~~transferred as if by a **type 1** transfer to the department of agriculture~~ IS A
26 **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE
27 ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE

DEPARTMENT OF AGRICULTURE.

(6) The aquaculture board, created by article 24.5 of title 35, ~~C.R.S.,~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions as specified by law under the department of agriculture and the executive director thereof. ~~as if the same were transferred to the department by a **type 2** transfer.~~

(7) The Colorado agricultural value-added development board, created in section 35-75-203, ~~C.R.S.,~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions as specified by law under the department. ~~as if the same were transferred to the department by a **type 1** transfer.~~

**SECTION 135.** In Colorado Revised Statutes, 35-1-105, **amend** (1)(a) as follows:

**35-1-105. State agricultural commission - creation - composition.** (1) (a) There is ~~hereby~~ created the state agricultural commission, referred to in this ~~article~~ ARTICLE 35 as the "commission", which ~~shall consist~~ CONSISTS of nine members ~~each of whom shall be~~ appointed by the governor, with the consent of the senate, for terms of four years each. Of such members, one member ~~shall~~ MUST be appointed from each of the four agricultural districts, as defined in ~~paragraph (c) of this subsection (1)~~ SUBSECTION (1)(c) OF THIS SECTION, and five members ~~shall~~ MUST be appointed from the state at large; except that no more than three members ~~shall~~ MAY be appointed from any one agricultural district. No more than five of the nine members ~~shall~~ MAY be members of the same political party. THE COMMISSION IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 136.** In Colorado Revised Statutes, **amend** 35-1-108 as follows:

**35-1-108. Divisions created.** There is ~~hereby~~ created in the department an administrative services division, a division of plant industry, a division of animal industry, a division of markets, and a division of inspection and consumer services. THESE DIVISIONS ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105.

**SECTION 137.** In Colorado Revised Statutes, 35-24.5-104, **amend** (6) as follows:

**35-24.5-104. Aquaculture board.** (6) The board IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions specified in this ~~article~~ ARTICLE 24.5 under the department and the executive director thereof. ~~as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 138.** In Colorado Revised Statutes, 35-29.5-103, **amend** (1) as follows:

**35-29.5-103. Colorado wine industry development board - creation - members.** (1) There is ~~hereby~~ established a Colorado wine industry development board in the department of agriculture for the purpose of encouraging and promoting viticultural and enological research and experimentation to develop maximum yields and quality from Colorado lands suitable to the production of grapes for commercial wine production, to promote the marketing of wines and wine grapes produced in Colorado, to promote the responsible consumption of all wines, to promote the integration of the Colorado wine industry as a

component of the state's tourism program, and to serve as a resource for the entire wine industry of Colorado. The board IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions specified by this ~~article~~ ARTICLE 29.5 under the department of agriculture. ~~as if the same were transferred to the department by a **type 1** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 139.** In Colorado Revised Statutes, 35-41-101, **amend** (4) as follows:

**35-41-101. State board of stock inspection commissioners - creation - brand commissioner - enterprise - bonds.** (4) The state board of stock inspection commissioners and the office of brand commissioner created by this section ~~shall comprise a part of~~ ARE PART OF the division of brand inspection in the department of agriculture. THE STATE BOARD OF STOCK INSPECTION COMMISSIONERS AND THE OFFICE OF BRAND COMMISSIONER ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105.

**SECTION 140.** In Colorado Revised Statutes, **amend** 35-42-105 as follows:

**35-42-105. State bureau of animal protection - creation.** There is ~~hereby~~ created IN THE DEPARTMENT OF AGRICULTURE the state bureau of animal protection, referred to in this ~~article~~ ARTICLE 42 as the "bureau". THE BUREAU IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 141.** In Colorado Revised Statutes, 35-65-401, **amend** (1)(a) and (2)(b) as follows:

**35-65-401. Colorado state fair authority - creation - board - powers and duties.** (1) (a) The Colorado state fair authority, as it existed

prior to June 30, 1997, is abolished. There is ~~hereby~~ created the Colorado state fair authority ~~which is created within~~ IN the department of agriculture as a division thereof. The Colorado state fair authority IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers AND PERFORM ITS duties and functions under the department of agriculture. ~~as if it were transferred to said department by a **type 1** transfer under the provisions of the "Administrative Organization Act of 1968".~~

(2) (b) There is ~~hereby~~ created the board of commissioners of the Colorado state fair authority, which ~~shall have~~ CONSISTS OF eleven members, ten of whom ~~shall be~~ ARE appointed by the governor with the consent of the senate and one who ~~shall be~~ IS the commissioner of agriculture or his or her designee. At no time ~~shall~~ MAY more than six members of the board be affiliated with the same political party as the governor. Within thirty days after June 30, 1997, the governor shall appoint the initial members of the board. The governor may appoint, as a member of the board, any person who was a member of the board prior to its termination. THE BOARD OF COMMISSIONERS OF THE COLORADO STATE FAIR AUTHORITY IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 142.** In Colorado Revised Statutes, 35-65-403, **amend** (2) as follows:

**35-65-403. Office of manager of the Colorado state fair authority - creation.** (2) The manager ~~shall be~~ IS the chief administrative head of the Colorado state fair authority under the direction and supervision of the board; ~~and shall have~~ HAS general supervision and control of all activities, functions, and employees of the

Colorado state fair authority; and shall exercise all necessary powers incident thereto. The manager shall exercise all the powers and functions of the board in the interim of its meetings and shall perform such other duties as ~~may be~~ prescribed by the board or by law. THE OFFICE OF MANAGER IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 143.** In Colorado Revised Statutes, 35-70-103, **amend** (1)(a) introductory portion as follows:

**35-70-103. State conservation board - composition - powers.** (1) (a) There is ~~hereby~~ created in the department of agriculture the state conservation board, referred to in this ~~article~~ ARTICLE 70 as the "state board", which ~~shall consist~~ CONSISTS of nine members. THE STATE BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. One member ~~shall~~ OF THE STATE BOARD MUST be a qualified elector of the state appointed by the governor from the state at large for a term commencing January 1, 1974. The remaining eight positions on the state board shall be filled by elections held within the areas described in this section. The boards of supervisors of local conservation districts within each such area shall elect the number of members specified in this subsection (1) between November 1 and December 31 in 1973 for terms commencing January 1, 1974, and within such dates in succeeding years as necessary to fill expiring terms. A candidate ~~shall~~ MUST be or ~~shall~~ have been an elected supervisor of a local conservation district. The number of members to be elected and the areas from which they are to be elected are as follows:

**SECTION 144.** In Colorado Revised Statutes, 35-75-203, **amend** (1) as follows:

**35-75-203. Colorado agricultural value-added development board - creation - members.** (1) There is ~~hereby~~ created ~~within~~ IN the

department the Colorado agricultural value-added development board for the purpose of encouraging and promoting agricultural business projects that add value to agricultural products and aid the economies of rural communities. THE COLORADO AGRICULTURAL VALUE-ADDED DEVELOPMENT BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

<{***Department of Natural Resources***}>

**SECTION 145.** In Colorado Revised Statutes, 24-1-124, **amend** (2), (2.1) introductory portion, (2.1)(a), (2.1)(c), (3)(a), (3)(b), (3)(d), (3)(e) introductory portion, (3)(e)(I), (3)(e)(II), (3)(e)(III), (3)(f), (3)(j), (3)(k), (4) introductory portion, (4)(a), (4)(b), (4)(c), and (4)(d) as follows:

**24-1-124. Department of natural resources - creation - divisions.** (2) The office of natural resources coordinator, created by article 33 of this ~~title, and its powers, duties, and functions are transferred by a **type 2** transfer to the department of natural resources~~ TITLE 24, IS A **TYPE 2** ENTITY AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF NATURAL RESOURCES. <{***DNR, pursuant to section 24-33-101, references to the office of natural resources coordinator is construed as referring to the executive director of DNR. Do you want to make that change here?*** }>

(2.1) The department of natural resources ~~shall include~~ INCLUDES, as a part of the office of the executive director:

(a) The office of commissioner of mines, created by section 1 of article XVI of the state constitution. ~~Its powers, duties, and functions are transferred by a **type 2** transfer to the office of the executive director of~~

1 ~~the department of natural resources.~~ THE OFFICE OF COMMISSIONER OF
2 MINES IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL
3 EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER
4 THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF NATURAL RESOURCES.
5 <{***DNR, pursuant to section 24-1-124 (1), the head of the department***
6 ***of natural resources is the commissioner of mines. Should the language***
7 ***say that the commissioner exercises powers, duties, and functions under***
8 ***the department rather than the director?***}>
9 (c) The Colorado avalanche information center, created pursuant
10 to section 24-33-116. The ~~powers, duties, and functions are transferred by~~
11 ~~a **type 2** transfer to the department of natural resources, and allocated to~~
12 ~~the office of the executive director~~ COLORADO AVALANCHE INFORMATION
13 CENTER IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL
14 EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER
15 THE DEPARTMENT OF NATURAL RESOURCES.
16 (3) The department of natural resources consists of the following
17 divisions:
18 (a) THE division of water resources, the head of which ~~shall be~~ IS
19 the state engineer, AS DESCRIBED IN SUBSECTION (4) OF THIS SECTION;
20 <{***DNR: There is no type stated for the division of water resources.***
21 ***Does it currently function as a type 1 or type 2 entity? Or is it OK to be***
22 ***silent because everything under it as listed in subsection (4) already has***
23 ***a type? If you do not want to specify type 1 or 2, this section can be***
24 ***removed from the bill.***}>
25 (b) The Colorado water conservation board and the office of
26 director thereof, created by article 60 of title 37. ~~C.R.S. Their powers,~~
27 ~~duties, and functions are transferred by a **type 1** transfer to the department~~

~~of natural resources as a division thereof.~~ THE COLORADO WATER CONSERVATION BOARD AND THE OFFICE OF THE DIRECTOR ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF NATURAL RESOURCES AS A DIVISION THEREOF.

(d) The state board of land commissioners, created by section 9 of article IX of the state constitution. ~~Its powers, duties, and functions are transferred by a **type 1** transfer to the department of natural resources as a division thereof, subject to the state constitution.~~ THE STATE BOARD OF LAND COMMISSIONERS IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF NATURAL RESOURCES AS A DIVISION THEREOF, SUBJECT TO THE STATE CONSTITUTION.

(e) The division of reclamation, mining, and safety, created ~~by~~ IN section 34-20-103, ~~C.R.S.,~~ the head of which ~~shall be~~ IS the director of the division of reclamation, mining, and safety, under the supervision of the executive director of the department of natural resources. ~~Said~~ THE division and director ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers AND PERFORM THEIR duties and functions as prescribed by law under the department of natural resources and the executive director thereof. ~~as if the same were transferred to the department by a **type 2** transfer.~~ The division of reclamation, mining, and safety ~~shall include~~ INCLUDES the following:

(I) The coal mine board of examiners, created ~~by~~ IN article 22 of title 34. ~~C.R.S. Its powers, duties, and functions are transferred by a **type 2** transfer to the department of natural resources as a section of the division of reclamation, mining, and safety.~~ THE COAL MINE BOARD OF

EXAMINERS IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF NATURAL RESOURCES AS A SECTION OF THE DIVISION OF RECLAMATION, MINING, AND SAFETY.

(II) The mined land reclamation board and the office of mined land reclamation, created ~~by~~ IN article 32 of title 34. ~~C.R.S.~~ The mined land reclamation board ~~and its powers, duties, and functions are transferred by a **type 1** transfer to the department of natural resources, and allocated to the division of reclamation, mining, and safety~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF NATURAL RESOURCES AND IS ALLOCATED TO THE DIVISION OF RECLAMATION, MINING, AND SAFETY. The office of mined land reclamation ~~shall exercise its powers, duties, and functions as if the same were transferred to the department of natural resources and allocated to the division of reclamation, mining, and safety as a section thereof. by a **type 2** transfer~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF NATURAL RESOURCES AND IS ALLOCATED TO THE DIVISION OF RECLAMATION, MINING, AND SAFETY AS A SECTION THEREOF.

(III) The office of active and inactive mines, created ~~by~~ IN article 21 of title 34. ~~C.R.S. Said office shall exercise its powers duties and functions as prescribed by law under the division of reclamation, mining, and safety as if the same were transferred to the department of natural resources and allocated to the division of reclamation, mining, and safety as a section thereof by a **type 2** transfer~~ THE OFFICE OF ACTIVE AND

INACTIVE MINES IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS AS PRESCRIBED BY LAW UNDER THE DEPARTMENT OF NATURAL RESOURCES AND IS ALLOCATED TO THE DIVISION OF RECLAMATION, MINING, AND SAFETY AS A SECTION THEREOF.

(f) The oil and gas conservation commission of the state of Colorado and the office of the director thereof, created ~~by~~ IN article 60 of title 34. ~~C.R.S. Said commission and office and the powers, duties, and functions thereof are transferred by a **type 1** transfer to the department of natural resources as a division thereof~~ THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO AND THE OFFICE OF THE DIRECTOR ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF NATURAL RESOURCES AS A DIVISION THEREOF.

(j) The division of forestry, created in section 24-33-201 (1), the head of which ~~shall be~~ IS the state forester, appointed pursuant to section 23-31-207. ~~C.R.S.~~ The division of forestry and the state forester ~~shall exercise their powers, duties, and functions as prescribed by law under the department of natural resources and the executive director thereof as if the same were transferred to the department by a **type 2** transfer~~ ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS AS PRESCRIBED BY LAW UNDER THE DEPARTMENT OF NATURAL RESOURCES AND THE EXECUTIVE DIRECTOR THEREOF. <{***In what department is the division of forestry? Here and in 24-33-201 it seems to be in DNR but it cross references to 23-31-201, which says in (2)(a) that the forestry***

***functions of the board of governors of CSU were transferred to the wildland fire management section in the division of fire prevention and control in DPS created in section 24-33.5-1201.***}>

(k) (I) (A) The parks and wildlife commission, created in article 9 of title 33. ~~C.R.S.~~ The powers, duties, and functions of the PARKS AND WILDLIFE COMMISSION INCLUDE THE POWERS, DUTIES, AND FUNCTIONS OF THE wildlife commission and the board of parks and outdoor recreation. ~~are transferred by a **type 1** transfer to the parks and wildlife commission as powers, duties, and functions of the parks and wildlife commission.~~ THE PARKS AND WILDLIFE COMMISSION IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

(B) The parks and wildlife commission includes, as an advisory council, the Colorado natural areas council created ~~by~~ IN article 33 of title 33. ~~C.R.S.~~ <{***DNR, does this council currently operate as a type 1 or 2 entity? Should this be specified here and in section 33-33-106?***}>

(II) (A) The division of parks and wildlife, the head of which is the director of the division of parks and wildlife, CREATED IN SECTION 33-9-104. The division of parks and wildlife and the office of the director of the division of parks and wildlife ~~are transferred by a **type 1** transfer to the department of natural resources~~ ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105.

(B) The division of parks and wildlife includes the fish health board created by article 5.5 of title 33. ~~C.R.S.~~ The fish health board IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions as specified by law under the department of natural resources and the executive director of the department of natural resources. ~~as if the same were transferred to the~~

~~department by a **type 2** transfer.~~

(4) The division of water resources ~~shall include~~ INCLUDES the following:

(a) The office of THE state engineer, created ~~by~~ IN article 80 of title 37. ~~C.R.S. Said office and its powers, duties, and functions are transferred by a **type 1** transfer to the department of natural resources, and allocated to the division of water resources as a section thereof~~ THE OFFICE OF THE STATE ENGINEER IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF NATURAL RESOURCES AND IS ALLOCATED TO THE DIVISION OF WATER RESOURCES AS A SECTION THEREOF.

(b) The division engineers, created ~~by~~ IN part 2 of article 92 of title 37. ~~C.R.S. Said engineers and their powers, duties, and functions are transferred by a **type 1** transfer to the department of natural resources, and allocated to the division of water resources as a section thereof~~ THE DIVISION ENGINEERS ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF NATURAL RESOURCES AND ARE ALLOCATED TO THE DIVISION OF WATER RESOURCES AS A SECTION THEREOF.

(c) The ground water commission, created ~~by~~ IN article 90 of title 37. ~~C.R.S. Said commission and its powers, duties, and functions are transferred by a **type 1** transfer to the department of natural resources, and allocated to the division of water resources as a section thereof~~ THE GROUND WATER COMMISSION IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND

FUNCTIONS UNDER THE DEPARTMENT OF NATURAL RESOURCES AND IS ALLOCATED TO THE DIVISION OF WATER RESOURCES AS A SECTION THEREOF.

(d) The state board of examiners of water well construction and pump installation contractors, created ~~by~~ IN article 91 of title 37. ~~C.R.S. Said board and its powers, duties, and functions are transferred by a **type 1** transfer to the department of natural resources and allocated to the division of water resources as a section thereof~~ THE STATE BOARD OF EXAMINERS OF WATER WELL CONSTRUCTION AND PUMP INSTALLATION CONTRACTORS IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF NATURAL RESOURCES AND IS ALLOCATED TO THE DIVISION OF WATER RESOURCES AS A SECTION THEREOF.

**SECTION 146.** In Colorado Revised Statutes, 24-33-116, **amend** (1) as follows:

**24-33-116. Colorado avalanche information center - creation - duties - fund.** (1) There is ~~hereby~~ created in the department of natural resources IN THE OFFICE OF THE EXECUTIVE DIRECTOR OF THE DEPARTMENT, the Colorado avalanche information center to promote safety by reducing the impact of avalanches on recreation, industry, and transportation in the state through a program of avalanche forecasting and education. THE COLORADO AVALANCHE INFORMATION CENTER IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 147.** In Colorado Revised Statutes, 24-33-201, **amend** (1) as follows:

**24-33-201. Division of forestry - creation - state forest service agreement.** (1) There is hereby created the division of forestry in the

department of natural resources. THE DIVISION OF FORESTRY IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. The executive director of the department of natural resources shall enter into an agreement with Colorado state university, through the board of governors of the Colorado state university system, to cooperate in the state's efforts to improve the management and health of Colorado's forests and to provide staff for the division of forestry.

**SECTION 148.** In Colorado Revised Statutes, 33-5.5-101, **amend** (6) as follows:

**33-5.5-101. Fish health board - created.** (6) The fish health board IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions specified in this ~~article~~ ARTICLE 5.5 under the department and the executive director thereof. ~~as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 149.** In Colorado Revised Statutes, 33-9-101, **amend** (9) as follows:

**33-9-101. Commission - creation - composition - terms - vacancies - removal - meetings - strategic plan - legislative declaration.** (9) The commission IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions under the department and the executive director of the department. ~~as if the same were transferred to the department by a **type 1** transfer, as defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 150.** In Colorado Revised Statutes, 33-9-104, **amend**

(2) as follows:

**33-9-104. Division of parks and wildlife - creation - duties.** (2) The division IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions specified in this ~~title~~ TITLE 33 under the department of natural resources and the executive director thereof. ~~as if the same were transferred to the department by a **type 1** transfer as defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~ The division has all the powers, duties, obligations, and functions previously exercised by the division of wildlife or the division of parks and outdoor recreation, as those divisions existed on June 30, 2011.

**SECTION 151.** In Colorado Revised Statutes, 34-20-103, **amend** (1) as follows:

**34-20-103. Division of reclamation, mining, and safety - creation - powers and duties - transfer of functions and property - change of statutory references.** (1) There is ~~hereby~~ created the division of reclamation, mining, and safety in the department of natural resources. Pursuant to section 13 of article XII of the state constitution, the executive director of the department of natural resources shall appoint the director of the division of reclamation, mining, and safety, and the director shall appoint such employees as are necessary to carry out the duties and exercise the powers conferred by law upon the division and the director. Appointing authority for such employees may be delegated by the director to the heads of the offices in the division as appropriate. THE DIVISION OF RECLAMATION, MINING, AND SAFETY AND THE DIRECTOR OF THE DIVISION ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105.

**SECTION 152.** In Colorado Revised Statutes, 34-21-101, **amend**

(1) introductory portion as follows:

**34-21-101. Office of active and inactive mines - creation - duties.** (1) There is ~~hereby~~ created in the division of reclamation, mining, and safety in the department of natural resources the office of active and inactive mines, the head of which ~~shall be~~ IS appointed by the director of the division. THE OFFICE OF ACTIVE AND INACTIVE MINES IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. The office ~~shall have~~ HAS the following duties:

**SECTION 153.** In Colorado Revised Statutes, 34-22-102, **add** (5) as follows:

**34-22-102. Board of examiners - created - duties - members.** (5) THE COAL MINE BOARD OF EXAMINERS IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 154.** In Colorado Revised Statutes, 34-32-105, **amend** (1) and (3) as follows:

**34-32-105. Office of mined land reclamation - mined land reclamation board - created.** (1) There is ~~hereby~~ created, in the division of reclamation, mining, and safety in the department of natural resources, the office of mined land reclamation and, in the department of natural resources, the mined land reclamation board. The head of the office of mined land reclamation ~~shall be~~ IS appointed by the director. The head of the office of mined land reclamation ~~shall~~ MUST have professional and supervisory experience in mined land reclamation, mining, or natural resource planning and management. THE OFFICE OF MINED LAND RECLAMATION IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

(3) The MINED LAND RECLAMATION board IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform

its duties and functions specified in this ~~article~~ ARTICLE 32 under the department. ~~as if the same were transferred to the department by a **type 1** transfer as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 155.** In Colorado Revised Statutes, 34-60-104.3, **amend** (1) as follows:

**34-60-104.3. Oil and gas conservation commission - report - publication.** (1) There is ~~hereby~~ created, in the department of natural resources, the oil and gas conservation commission. THE OIL AND GAS CONSERVATION COMMISSION IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 156.** In Colorado Revised Statutes, 34-60-104.5, **amend** (1) as follows:

**34-60-104.5. Director of commission - duties.** (1) Pursuant to section 13 of article XII of the state constitution, the executive director of the department of natural resources shall appoint a director of the commission who ~~shall~~ MUST possess such qualifications as may be established by the executive director, the commission, and the state personnel board. THE DIRECTOR OF THE COMMISSION IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 157.** In Colorado Revised Statutes, **amend** 37-60-102 as follows:

**37-60-102. Colorado water conservation board - creation.** For the purpose of aiding in the protection and development of the waters of the state AND for the benefit of the present and future inhabitants of the state, there is created a Colorado water conservation board with the powers and duties set out in this ~~article. Said~~ ARTICLE 60. THE board is

1 ~~declared to be~~ an agency of the state, and the functions it is to perform,
2 as set out in this ~~article~~ ARTICLE 60, are ~~declared to be~~ governmental
3 functions for the welfare and benefit of the state and its inhabitants. THE
4 COLORADO WATER CONSERVATION BOARD IS A DIVISION OF THE
5 DEPARTMENT OF NATURAL RESOURCES AND IS A **TYPE 1** ENTITY, AS
6 DEFINED IN SECTION 24-1-105.
7 **SECTION 158.** In Colorado Revised Statutes, **add** 37-80-101.5
8 as follows:
9 **37-80-101.5. Office of the state engineer.** THE OFFICE OF THE
10 STATE ENGINEER IS CREATED IN THE DIVISION OF WATER RESOURCES IN
11 THE DEPARTMENT OF NATURAL RESOURCES, AND IS A **TYPE 1** ENTITY, AS
12 DEFINED IN SECTION 24-1-105.
13 **SECTION 159.** In Colorado Revised Statutes, 37-90-104, **amend**
14 (1) as follows:
15 **37-90-104. Commission - organization - expenses.** (1) There is
16 created a ground water commission to consist of twelve members, nine
17 of whom shall be appointed by the governor and confirmed by the senate.
18 THE GROUND WATER COMMISSION IS A **TYPE 1** ENTITY, AS DEFINED IN
19 SECTION 24-1-105.
20 **SECTION 160.** In Colorado Revised Statutes, 37-91-103, **amend**
21 (1) as follows:
22 **37-91-103. State board of examiners of water well**
23 **construction and pump installation contractors.** (1) There is created,
24 ~~under~~ IN the division of water resources in the department of natural
25 resources, a state board of examiners of water well construction and pump
26 installation contractors, consisting of five members and comprised of the
27 following persons: The state engineer or a representative designated by

~~him~~ THE STATE ENGINEER; a representative of the department of health <{***should this be department of public health and environment?***}> designated by the executive director of the department; and three members appointed by the governor, two of whom ~~shall~~ MUST be well construction contractors or pump installation contractors, each with a minimum of ten years' experience in the well construction or pump installation business preceding ~~his~~ THE INDIVIDUAL'S appointment, and one of whom ~~shall~~ MUST be an engineer or geologist with a minimum of ten years' experience in water supply and well construction preceding ~~his~~ THE INDIVIDUAL'S appointment. THE STATE BOARD OF EXAMINERS OF WATER WELL CONSTRUCTION AND PUMP INSTALLATION CONTRACTORS IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 161.** In Colorado Revised Statutes, 37-92-202, **amend** (1)(a) as follows:

**37-92-202. Division engineers.** (1) (a) The state engineer, with the approval of the executive director of the department of natural resources, shall appoint one division engineer for each division. THE DIVISION ENGINEERS ARE ALLOCATED TO THE DIVISION OF WATER RESOURCES AS A SECTION OF THE DIVISION. THE DIVISION ENGINEERS ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105. Each division engineer ~~shall~~ MUST be a licensed professional engineer and ~~shall~~ MUST have such additional qualifications as may be specified from time to time by the state engineer. The state engineer, with the approval of said executive director, may employ such assistants and staff members as are necessary to enable each division engineer to carry out ~~his or her~~ THE DIVISION ENGINEER'S duties.

<{***Department of Local Affairs***}>

**SECTION 162.** In Colorado Revised Statutes, 24-1-125, **amend** (2) introductory portion, (2)(a), (2)(b), (2)(c)(I), (2)(f), (2)(g), (2)(i), (2)(k), (3), and (4); and **add** (10) and (11) as follows:

**24-1-125. Department of local affairs - creation.** (2) The department of local affairs ~~shall consist~~ CONSISTS of the following divisions:

(a) (I) THE division of local government, the head of which ~~shall be~~ IS the director of local government. The division of local government and the office of THE director ~~thereof~~ OF LOCAL GOVERNMENT, created ~~by~~ IN part 1 of article 32 of this title 24, ~~and their powers, duties, and functions are transferred by a **type 2** transfer to the department of local affairs as the division of local government~~ ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF LOCAL AFFAIRS.

(II) The division of local government includes the Colorado resiliency office, the head of which is the director of the Colorado resiliency office. The Colorado resiliency office ~~exercises its powers, duties, and functions under the division and the department as~~ IS a **type 2** entity, as defined in section 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DIVISION OF LOCAL GOVERNMENT AND THE DEPARTMENT OF LOCAL AFFAIRS.

(b) THE division of property taxation, the head of which ~~shall be~~ IS the property tax administrator, ~~The rule-making, administrative, and enforcement powers, duties, and functions, except as provided in subsection (3) of this section, of the Colorado tax commission are transferred by a **type 1** transfer to the department of local affairs, and said~~

~~powers, duties, and functions shall be exercised or performed by the property tax administrator or the division of property taxation as is otherwise provided by law~~ CREATED IN SECTION 39-2-101. THE DIVISION OF PROPERTY TAXATION AND THE PROPERTY TAX ADMINISTRATOR ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105. EXCEPT FOR THE POWERS, DUTIES, AND FUNCTIONS OF THE FORMER COLORADO TAX COMMISSION THAT ARE VESTED WITH THE BOARD OF ASSESSMENT APPEALS PURSUANT TO SUBSECTION (3) OF THIS SECTION, THE POWERS, DUTIES, AND FUNCTIONS OF THE PROPERTY TAX ADMINISTRATOR AND THE DIVISION OF PROPERTY TAXATION, AS IS OTHERWISE PROVIDED IN LAW, INCLUDE THE RULE-MAKING, ADMINISTRATIVE, AND ENFORCEMENT POWERS, DUTIES, AND FUNCTIONS OF THE FORMER COLORADO TAX COMMISSION. <{***DOLA, Please check this to make sure that I correctly expressed the division of the CO tax commission's powers, duties, and functions. I specified that the PT administrator is type 1 to be consistent with section 39-2-103.***}>

(c) (I) THE division of commerce and development, the head of which ~~shall be~~ IS the director of commerce and development. The division of commerce and development and the office of THE director thereof, created ~~by~~ IN part 3 of article 32 of this ~~title and their powers, duties, and functions, are transferred by a **type 2** transfer to the department of local affairs as the division of commerce and development~~ TITLE 24, ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF LOCAL AFFAIRS.

(f) The division of housing, created by the "Colorado Housing Act of 1970", part 7 of article 32 of this ~~title. Its powers, duties, and functions are transferred by a **type 1** transfer to the department of local affairs as a~~

~~division thereof~~ TITLE 24. THE DIVISION OF HOUSING IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF LOCAL AFFAIRS. <{***DOLA, Should the state housing board be added to the AOA? Please see section 24-32-706 (1). If so, should it be a type 2 entity?***}>

(g) THE division of planning, the head of which ~~shall be~~ IS the director of the division of planning. The division of planning and the office of THE director, ~~thereof,~~ created ~~by~~ IN part 2 of article 32 of this ~~title and their powers, duties, and functions are transferred by a **type 2** transfer to the department of local affairs as a division thereof~~ TITLE 24, ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF LOCAL AFFAIRS.

(i) THE office of rural development, the head of which ~~shall be~~ IS the coordinator of rural development. The office of rural development and the position of coordinator of rural development, created ~~by~~ IN part 8 of article 32 of this ~~title and their powers, duties, and functions are transferred by a **type 2** transfer to the department of local affairs~~ TITLE 24, ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF LOCAL AFFAIRS.

(k) The office of the Colorado youth service corps, created ~~by~~ IN part 20 of article 32 of this ~~title~~ TITLE 24. THE OFFICE OF THE COLORADO YOUTH SERVICE CORPS IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions under the department of local affairs. ~~as if the same were~~

1 ~~transferred to said department by a **type 2** transfer.~~

2 (3) The board of assessment appeals, created ~~by~~ IN article 2 of title
3 39, ~~C.R.S., shall be~~ IS vested with the quasi-judicial powers, duties, and
4 functions of the FORMER Colorado tax commission, ~~which board shall~~
5 ~~constitute~~ AND CONSTITUTES a part of the department of local affairs. ~~and~~
6 ~~said board is transferred by a **type 1** transfer to the department of local~~
7 ~~affairs~~ THE BOARD OF ASSESSMENT APPEALS IS A **TYPE 1** ENTITY, AS
8 DEFINED IN SECTION 24-1-105.

9 (4) The advisory committee to the property tax administrator,
10 created ~~by~~ IN article 2 of title 39, ~~C.R.S., shall constitute~~ CONSTITUTES a
11 part of the department of local affairs. THE ADVISORY COMMITTEE TO THE
12 PROPERTY TAX ADMINISTRATOR IS A **TYPE 1** ENTITY, AS DEFINED IN
13 SECTION 24-1-105, and shall exercise its powers and perform its duties
14 and functions under the department. ~~as if it were transferred to said~~
15 ~~department by a **type 1** transfer.~~

16 (10) THE OFFICE OF SMART GROWTH, CREATED IN SECTION
17 24-32-3203, IN THE DEPARTMENT OF LOCAL AFFAIRS IS A **TYPE 2** ENTITY,
18 AS DEFINED IN SECTION 24-1-105.

19 (11) THE OFFICE OF HOMELESS YOUTH SERVICES, CREATED IN
20 SECTION 24-32-723, IN THE DEPARTMENT OF LOCAL AFFAIRS IS A **TYPE 2**
21 ENTITY, AS DEFINED IN SECTION 24-1-105. <{***DOLA: The office of***
22 ***homeless youth services started out in the department of human***
23 ***services as a type 2 entity, but it was relocated to DOLA without doing***
24 ***a specific transfer and it was not amended out of section 24-1-120 (5)(i).***
25 ***Please see the note section 58 of the bill where 24-1-120 (5)(i) is***
26 ***repealed. Do you want to add that it is a type 2 entity in section***
27 ***24-32-723?***}>

**SECTION 163.** In Colorado Revised Statutes, **amend** 24-32-103 as follows:

**24-32-103. Division of local government - created.** There is ~~hereby~~ created, as a division of the department of local affairs, the division of local government. The ~~division shall be in the charge of a director who shall be appointed by the~~ executive director of the department SHALL APPOINT A DIRECTOR TO BE THE HEAD OF THE DIVISION. The director and any assistants and employees of the division ~~shall be~~ ARE appointed pursuant to section 13 of article XII of the state constitution. THE DIVISION AND THE OFFICE OF THE DIRECTOR ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105.

**SECTION 164.** In Colorado Revised Statutes, 24-32-121, **amend** (1) as follows:

**24-32-121. Colorado resiliency office - creation - director - repeal.** (1) The Colorado resiliency office is created in the division of local government within the department of local affairs. The head of the office is the director of the Colorado resiliency office. The director of the division of local government shall appoint the director of the office in accordance with section 13 of article XII of the state constitution. The office ~~exercises~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE its powers AND PERFORM ITS duties and functions under the division and the department. ~~as a **type 2** entity, as defined in section 24-1-105.~~

**SECTION 165.** In Colorado Revised Statutes, 24-32-202, **amend** (2) as follows:

**24-32-202. Division of planning - creation.** (2) The division of planning and the office of the director ~~thereof~~ OF THE DIVISION OF

PLANNING ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions specified by this part 2 under the department of local affairs and the executive director thereof. ~~as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", being article 1 of this title.~~

**SECTION 166.** In Colorado Revised Statutes, **amend** 24-32-301 as follows:

**24-32-301. Division of commerce and development - creation - director - assistants.** There is ~~hereby~~ created a division in the department of local affairs to be known as the division of commerce and development, referred to in this part 3 as the "division". The ~~division shall be in the charge of a director, who shall be appointed by the~~ executive director of the department SHALL APPOINT A DIRECTOR OF THE DIVISION. The director shall appoint ~~such~~ assistants and clerical employees as ~~may be deemed~~ necessary to effectively administer this part 3. The director, ~~and such~~ assistants, and employees ~~shall be~~ ARE appointed pursuant to section 13 of article XII of the state constitution. THE DIVISION AND THE OFFICE OF THE DIRECTOR ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105.

**SECTION 167.** In Colorado Revised Statutes, 24-32-704, **amend** (2) as follows:

**24-32-704. Division of housing - director.** (2) The division of housing IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions specified in this part 7 under the department of local affairs. ~~as if it were transferred to the department by a **type 1** transfer as such transfer is defined in the~~

~~"Administrative Organization Act of 1968", being article 1 of this title.~~

**SECTION 168.** In Colorado Revised Statutes, 24-32-706, **amend** (1) as follows:

**24-32-706. State housing board.** (1) There is ~~hereby~~ created ~~within~~ IN the division of housing the state housing board. The board consists of seven members who are appointed by the governor for terms of four years each, except as provided in subsection (2) of this section. In making appointments to the board, the governor shall include representation by at least one member who is a person with a disability, as defined in section 24-34-301 (2.5), a family member of a person with a disability, or a member of an advocacy group for persons with disabilities. THE STATE HOUSING BOARD IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. <{***DOLA: This language giving a type 2 status to the housing board was included in the draft I inherited. Do you know where the type 2 status comes from? Is it correct? The board is not in the AOA. Do you want it to be included there?*** }>

**SECTION 169.** In Colorado Revised Statutes, 24-32-802, **amend** (2) as follows:

**24-32-802. Office of rural development created.** (2) The office and the coordinator of rural development ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions specified in this part 8 under the department of local affairs. ~~as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of this title.~~

**SECTION 170.** In Colorado Revised Statutes, 24-32-2004, **amend** (2) as follows:

**24-32-2004. Colorado youth service corps established - director's duties.** (2) The youth service corps IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions specified in this part 20 under the department. ~~as if the same were transferred to the department by a **type 2** transfer as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of this title.~~

**SECTION 171.** In Colorado Revised Statutes, 24-32-3203, **amend** (2) as follows:

**24-32-3203. Office of smart growth - creation - powers and duties of executive director.** (2) The office OF SMART GROWTH IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions specified by this part 32 under the department of local affairs and the executive director thereof. ~~as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of this title.~~

**SECTION 172.** In Colorado Revised Statutes, **amend** 39-2-103 as follows:

**39-2-103. Exercise of power.** The division of property taxation and the property tax administrator ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers AND PERFORM THEIR duties and functions under the department of local affairs. ~~as if they were transferred to said department by a **type 1** transfer under the provisions of the "Administrative Organization Act of 1968".~~

**SECTION 173.** In Colorado Revised Statutes, 39-2-123, **amend** (4) as follows:

**39-2-123. Board of assessment appeals created - members - compensation.** (4) The board of assessment appeals IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers AND PERFORM ITS duties and functions under the department of local affairs. ~~as if it were transferred to said department by a **type 1** transfer under the provisions of the "Administrative Organization Act of 1968".~~

**SECTION 174.** In Colorado Revised Statutes, 39-2-129, **amend** (1) as follows:

**39-2-129. Advisory committee to the property tax administrator created.** (1) There is ~~hereby~~ created in the department of local affairs the advisory committee to the property tax administrator. ~~Said~~ THE advisory committee IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions under the department of local affairs. ~~as if it were transferred to said department by a **type 1** transfer under the provisions of the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~ <{***Department of Military and Veterans Affairs***}>

**SECTION 175.** In Colorado Revised Statutes, 24-1-127, **amend** (2), (3) introductory portion, (3)(a), (3)(b), (3)(d), (3)(f), and (3)(g) as follows:

**24-1-127. Department of military and veterans affairs - creation.** (2) The office of the adjutant general, created ~~by~~ IN part 1 of article 3 of title 28, ~~C.R.S., and its powers, duties, and functions are transferred by a **type 2** transfer to the department of military and veterans affairs~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF MILITARY AND VETERANS AFFAIRS. <{***DMVA,***

***Should this refer to the office of the adjutant general or the adjutant general? See section 28-3-105 in section 177 of the bill.)***}>

(3) The department of military and veterans affairs ~~shall consist~~ CONSISTS of the following divisions:

(a) The Colorado National Guard, created ~~by~~ IN part 2 of article 3 of title 28. ~~C.R.S. Its powers, duties, and functions are transferred by a **type 2** transfer to the department of military and veterans affairs as a division thereof.~~ THE COLORADO NATIONAL GUARD IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF MILITARY AND VETERANS AFFAIRS.

(b) The Colorado ~~department~~ DIVISION of civil air patrol, created ~~by~~ IN article 1 of title 28. ~~C.R.S. Its powers, duties, and functions are transferred by a **type 1** transfer to the department of military and veterans affairs as the Colorado division of the civil air patrol.~~ THE COLORADO DIVISION OF CIVIL AIR PATROL IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF MILITARY AND VETERANS AFFAIRS. <{***DMVA: In section 28-1-101 this is referred to as the Colorado division of Civil Air Patrol, so this change aligns the name.***}>

(d) The Colorado state defense force, when organized by the governor pursuant to article 4 of title 28. ~~C.R.S. If organized, its powers, duties, and functions are transferred by a **type 2** transfer to the department of military and veterans affairs as a division thereof.~~ IF ORGANIZED, THE COLORADO STATE DEFENSE FORCE IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF MILITARY AND

VETERANS AFFAIRS.

(f) The division of veterans affairs, created ~~by~~ IN part 7 of article 5 of title 28. ~~C.R.S. Its powers, duties, and functions are transferred by a **type 2** transfer to the department of military and veterans affairs as a division thereof.~~ THE DIVISION OF VETERANS AFFAIRS IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF MILITARY AND VETERANS AFFAIRS.

(g) The Colorado board of veterans affairs, created ~~by~~ IN section 28-5-702. ~~C.R.S. Its powers, duties, and functions are transferred by a **type 2** transfer to the department of military and veterans affairs as a division thereof~~ THE COLORADO BOARD OF VETERANS AFFAIRS IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF MILITARY AND VETERANS AFFAIRS.

**SECTION 176.** In Colorado Revised Statutes, 28-1-101, **amend** (1)(a) as follows:

**28-1-101. Colorado division of civil air patrol - publication - benefits.** (1) (a) There is ~~hereby~~ created and established ~~within~~ IN the department of military and veterans affairs the Colorado division of civil air patrol. THE DIVISION IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. The mission of the division ~~shall be~~ IS to provide support for and facilitate the operation of the civil air patrol, Colorado wing, which ~~shall be~~ IS under the command and control of the duly appointed commanding officer of ~~such~~ THE wing. On and after July 1, 2004, the head of the division ~~shall be~~ IS appointed by the adjutant general acting on behalf of the governor and in consultation with the duly appointed

commanding officer of the civil air patrol, Colorado wing. Warrants ~~shall be~~ ARE drawn against appropriations made for the division upon vouchers issued and signed by the head of the division.

**SECTION 177.** In Colorado Revised Statutes, 28-3-105, **amend** (1) as follows:

**28-3-105. Adjutant general - assistants.** (1) There ~~shall be~~ IS an adjutant general of the state who ~~shall be~~ IS appointed by the governor, with the advice and consent of the senate, who ~~shall~~ MUST be a staff officer, who at the time of appointment ~~shall~~ MUST be a commissioned officer of the National Guard of this state with not fewer than ten years' military service in the armed forces of this state or of the United States at least five of which have been commissioned service in the Colorado National Guard, and who has attained the grade of lieutenant colonel or a higher grade with federal recognition in such grade at least one year prior to ~~his or her~~ THE INDIVIDUAL'S appointment as adjutant general. The adjutant general ~~shall serve~~ SERVES at the pleasure of the governor. THE ADJUTANT GENERAL IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

<{***Should this section refer to the office of the adjutant general or the adjutant general? See section 24-1-127 (2).***}>

**SECTION 178.** In Colorado Revised Statutes, **amend** 28-3-201 as follows:

**28-3-201. Composition.** The Colorado National Guard consists of the regularly enlisted militia within the ages prescribed by federal law and regulations, organized, armed, and equipped as provided in this ~~article~~ ARTICLE 3, and of commissioned officers and warrant officers within the ages and having the qualifications prescribed by federal law and regulations. "National Guard" applies only to militia organized as

provided for in this ~~article~~ ARTICLE 3 and authorized by federal law and regulations relating to the National Guard. The number of officers and enlisted ~~men~~ PERSONNEL of the National Guard ~~shall~~ MUST be fixed from time to time and organized so as to meet the requirements of the federal laws and regulations. THE COLORADO NATIONAL GUARD IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 179.** In Colorado Revised Statutes, **amend** 28-4-104 as follows:

**28-4-104. State defense force - composition.** The governor is authorized to organize and maintain within this state such military forces as the governor deems necessary to defend this state. Such forces ~~shall be~~ ARE known as the state defense force and ~~shall be~~ ARE composed of such citizens of the state ~~as shall~~ WHO volunteer or ~~be~~ WHO ARE ordered by the governor and qualify for service therein. Such forces ~~shall be~~ ARE additional to and distinct from the National Guard. The Colorado state defense force ~~shall be~~ IS maintained in numbers to be determined by the governor. IF ORGANIZED BY THE GOVERNOR, THE COLORADO STATE DEFENSE FORCE IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. No officer or enlisted person of this force ~~shall~~ MAY be a member of the National Guard or other armed force of the United States. Such part of this force as ordered by the governor ~~shall be~~ IS uniformed. Any part or all of this force may be called to state defense force active duty at the pleasure of the governor. All costs and expenses of the state defense force ~~shall be~~ ARE paid from the general fund by separate appropriation to the department of military affairs.

**SECTION 180.** In Colorado Revised Statutes, 28-5-701, **amend** (1) as follows:

**28-5-701. Division of veterans affairs - transfer of functions - terminology.** (1) There is ~~hereby~~ created the division of veterans affairs ~~within~~ IN the department of military and veterans affairs, the head of which ~~shall be~~ IS the director of the division of veterans affairs who ~~shall be~~ IS appointed by the adjutant general acting in ~~his or her~~ THE ADJUTANT GENERAL'S capacity as the administrative head of the department. The director shall appoint such assistants and clerical employees as may be deemed necessary to effectively administer this part 7 and part 8 of this ~~article~~ ARTICLE 5. The director and such assistants and employees ~~shall~~ MUST be appointed pursuant to section 13 of article XII of the state constitution. THE DIVISION OF VETERANS AFFAIRS AND THE DIRECTOR OF THE DIVISION OF VETERANS AFFAIRS ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105.

**SECTION 181.** In Colorado Revised Statutes, 28-5-702, **amend** (1) as follows:

**28-5-702. Board of veterans affairs.** (1) The Colorado board of veterans affairs and its powers, duties, and functions are ~~hereby~~ transferred ~~by a **type 2** transfer~~ from the department of human services to the department of military and veterans affairs. The board shall advise and consult with the division in the administration and enforcement of this ~~article~~ ARTICLE 5. THE COLORADO BOARD OF VETERANS AFFAIRS IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

<{***Department of Personnel***}>

**SECTION 182.** In Colorado Revised Statutes, 24-1-128, **amend** (2), (3), (4), (6), (7) introductory portion, (7)(a), (7)(b), (7)(d), (7)(f), (7)(g), (7)(h), (7)(k), and (7)(l) as follows:

**24-1-128. Department of personnel - creation.** (2) The state

personnel board, created by section 14 of article XII of the state constitution, ~~and its powers, duties, and functions are transferred by a **type 1** transfer to the department of personnel, subject to the provisions of the state constitution~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PERSONNEL, SUBJECT TO THE PROVISIONS OF THE STATE CONSTITUTION.

(3) The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF PERSONNEL INCLUDE THE POWERS, DUTIES, AND FUNCTIONS OF THE civil service commission. ~~and its powers, duties, and functions are transferred by a **type 3** transfer to the department of personnel and~~ THE POWERS, DUTIES, AND FUNCTIONS OF THE CIVIL SERVICE COMMISSION ARE allocated to the state personnel board and the state personnel director, pursuant to the provisions of the state constitution and laws enacted pursuant thereto, and the civil service commission is abolished.

(4) The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF PERSONNEL INCLUDE THE POWERS, DUTIES, AND FUNCTIONS OF THE state employees' and officials' group insurance board of administration, created by part 2 of article 8 of title 10 ~~C.R.S., and its powers, duties, and functions are transferred by a **type 3** transfer to the department of personnel and~~ PRIOR TO ITS REPEAL IN 1994. THE POWERS, DUTIES, AND FUNCTIONS OF THE STATE EMPLOYEES' AND OFFICIALS' GROUP INSURANCE BOARD OF ADMINISTRATION ARE allocated to the state personnel director, pursuant to the provisions of the state constitution and laws enacted pursuant thereto, and the state employees' and officials' group insurance board of administration is abolished.

(6) The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF

PERSONNEL INCLUDE THE powers, duties, and functions of the department of administration, ~~are transferred by a **type 3** transfer to the department of personnel,~~ and the department of administration is ~~hereby~~ abolished.

(7) The POWERS, DUTIES, AND FUNCTIONS OF THE department of personnel ~~shall~~ include the following administrative support services:

(a) The powers, duties, and functions concerning purchasing, specified in part 2 of article 102 of this ~~title, shall be administered as if transferred by a **type 2** transfer to the department of personnel~~ TITLE 24.

(b) The powers, duties, and functions concerning state archives and public records, specified in part 1 of article 80 of this ~~title, shall be administered as if transferred by a **type 2** transfer to the department of personnel~~ TITLE 24.

(d) The powers, duties, and functions concerning accounts and control and the office of THE controller, specified in part 2 of article 30 of this ~~title, except those powers, duties, and functions transferred by paragraph (c) of this subsection (7), shall be administered as if transferred by a **type 2** transfer to the department of personnel~~ TITLE 24. THE OFFICE OF THE CONTROLLER IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PERSONNEL. <{***DPA: (7)(c) was repealed when the OIT functions were consolidated in state government and the General Government Computer Center in Personnel was transferred to OIT.***}>

(f) The office of administrative courts, the head of which ~~shall be~~ IS the executive director of the department of personnel. The office of administrative courts, created ~~by~~ IN part 10 of article 30 of this ~~title, and its powers, duties, and functions are transferred by a **type 2** transfer to the~~

~~department of personnel as an office thereof~~ TITLE 24, IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PERSONNEL.

(g) The powers, duties, and functions concerning central services, specified in part 11 of article 30 of this ~~title, shall be administered as if transferred by a **type 2** transfer to the department of personnel~~ TITLE 24.

(h) The powers, duties, and functions concerning the risk management system, specified in part 15 of article 30 of this ~~title, shall be administered as if transferred by a **type 2** transfer to the department of personnel~~ TITLE 24.

(k) The powers, duties, and functions concerning state buildings, ~~Such powers, duties, and functions,~~ specified by part 13 of article 30 of this ~~title~~ TITLE 24 and formerly vested in the office of state planning and budgeting. ~~are transferred by a **type 2** transfer to the department of personnel.~~

(l) The state claims board, created ~~by~~ IN part 15 of article 30 of this ~~title and its powers, duties, and functions are transferred by a **type 1** transfer to the department of personnel~~ TITLE 24. THE STATE CLAIMS BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PERSONNEL.

**SECTION 183.** In Colorado Revised Statutes, 24-30-201, **amend** (2) as follows:

**24-30-201. Accounts and control - controller.** (2) The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF PERSONNEL INCLUDE THE powers, duties, and functions concerning accounts and control and the

office of the controller. ~~shall be administered as if transferred by a **type 2** transfer to the department of personnel.~~ THE OFFICE OF THE CONTROLLER IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 184.** In Colorado Revised Statutes, 24-30-1001, **amend** (1) as follows:

**24-30-1001. Office of administrative courts - administrative courts cash fund - creation.** (1) Effective July 1, 2005, there is ~~hereby~~ created the office of administrative courts in the department of personnel, the head of which ~~shall be~~ IS the executive director of the department of personnel. The office of administrative courts ~~shall exercise its powers, duties, and functions as a **type 2** agency~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PERSONNEL.

**SECTION 185.** In Colorado Revised Statutes, 24-30-1103, **amend** (2) as follows:

**24-30-1103. Central services.** (2) The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF PERSONNEL INCLUDE THE powers, duties, and functions concerning central services, specified by this part 11. ~~shall be administered as if transferred by a **type 2** transfer, as such transfer is defined by the "Administrative Organization Act of 1968", article 1 of this title to the department of personnel.~~

**SECTION 186.** In Colorado Revised Statutes, 24-30-1302, **amend** (1) as follows:

**24-30-1302. State buildings - transfer.** (1) The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF PERSONNEL INCLUDE THE powers, duties, and functions ~~of the office of state planning and budgeting~~ relating to state buildings ~~are transferred by a **type 2** transfer,~~

1 ~~to the department of personnel~~ THAT WERE FORMERLY VESTED IN THE
2 OFFICE OF STATE PLANNING AND BUDGETING.
3 **SECTION 187.** In Colorado Revised Statutes, 24-30-1503,
4 **amend** (2) as follows:
5 **24-30-1503. Risk management system.** (2) The POWERS,
6 DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF PERSONNEL INCLUDE THE
7 powers, duties, and functions concerning risk management, specified by
8 this part 15. ~~shall be administered as if transferred to the department of~~
9 ~~personnel by a **type 2** transfer, as such transfer is defined by the~~
10 ~~"Administrative Organization Act of 1968", article 1 of this title.~~
11 **SECTION 188.** In Colorado Revised Statutes, 24-30-1508,
12 **amend** (2) as follows:
13 **24-30-1508. State claims board - creation.** (2) The state claims
14 board IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall
15 exercise its powers and perform its duties and functions ~~as if it were~~
16 ~~transferred to~~ UNDER the department of personnel. ~~by a **type 1** transfer,~~
17 ~~as such transfer is defined by the "Administrative Organization Act of~~
18 ~~1968", article 1 of this title.~~
19 **SECTION 189.** In Colorado Revised Statutes, 24-50-103, **amend**
20 (2) as follows:
21 **24-50-103. State personnel board.** (2) The board IS A **TYPE 1**
22 ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers
23 and perform its duties and functions under the department of personnel
24 and the state personnel director. ~~as if the same were transferred to the~~
25 ~~department by a **type 1** transfer, as such transfer is defined in the~~
26 ~~"Administrative Organization Act of 1968", article 1 of this title.~~
27 **SECTION 190.** In Colorado Revised Statutes, 24-80-102, **amend**

(11) as follows:

**24-80-102. State archives and records - personnel - duties - cash fund - rules - definition.** (11) ~~The powers, duties, and functions of~~ The state archivist ~~and the department of personnel concerning state archives and records shall be administered as if transferred by a **type 2** transfer to the department of personnel~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THE ARCHIVIST'S POWERS AND PERFORM THE ARCHIVIST'S DUTIES AND FUNCTIONS CONCERNING STATE ARCHIVES AND RECORDS UNDER THE DEPARTMENT OF PERSONNEL. <{***Should this "type 2 entity" language be in the AOA as well?***}>

**SECTION 191.** In Colorado Revised Statutes, 24-102-201, **amend** (2) as follows:

**24-102-201. Purchasing.** (2) The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF PERSONNEL INCLUDE THE powers, duties, and functions concerning purchasing. ~~shall be administered as if transferred to the department of personnel by a **type 2** transfer, as such transfer is defined by the "Administrative Organization Act of 1968", article 1 of this title.~~

<{***Department of Corrections***}>

**SECTION 192.** In Colorado Revised Statutes, 24-1-128.5, **amend** (1.5), (2) introductory portion, (2)(a), (2)(b), (3), and (3.5) as follows:

**24-1-128.5. Department of corrections - creation.** (1.5) The department of corrections shall supervise and control each correctional facility, as defined in section 17-1-102. ~~C.R.S.~~ The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF CORRECTIONS INCLUDE THE powers, duties, and functions of the FORMER department of institutions relating to

1 honor camps, work release programs, and other adult correctional
2 programs. ~~are transferred by a **type 2** transfer to the department of~~
3 ~~corrections.~~ The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT
4 OF CORRECTIONS ALSO INCLUDE THE powers, duties, and functions of the
5 FORMER division of parole in the department of institutions, ~~are~~
6 ~~transferred by a **type 3** transfer to the department of corrections,~~ and the
7 division of parole in the department of institutions is abolished. The
8 executive director of the department of corrections ~~shall have~~ HAS the
9 powers and duties specified in title 17. ~~C.R.S.~~
10 (2) The department of corrections ~~shall consist~~ CONSISTS of the
11 following divisions:
12 (a) The division of adult parole, the head of which ~~shall be~~ IS the
13 director of the division of adult parole. The division of adult parole IS A
14 **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its
15 powers and perform its duties and functions under the department of
16 corrections. ~~as if the same were transferred by a **type 2** transfer.~~
17 (b) The division of correctional industries, the head of which ~~shall~~
18 ~~be~~ IS the director of the division of correctional industries. The division
19 ~~shall supervise~~ SUPERVISES and ~~control~~ CONTROLS correctional industries
20 programs in this state. The division IS A **TYPE 2** ENTITY, AS DEFINED IN
21 SECTION 24-1-105, AND shall exercise its powers and perform its duties
22 and functions under the department of corrections. ~~as if the same were~~
23 ~~transferred by a **type 2** transfer.~~
24 (3) The state board of parole, created by part 2 of article 2 of title
25 17, ~~C.R.S., is transferred by a **type 1** transfer to the department of~~
26 ~~corrections~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.
27 (3.5) The division of correctional industries ~~shall include~~

INCLUDES, as a section thereof, the Colorado state agency for surplus property, created ~~by~~ IN part 4 of article 82 of this ~~title~~ TITLE 24. The agency ~~and its powers, duties, and functions are transferred by a **type 2** transfer to the department of corrections and allocated to the division of correctional industries, as a section thereof~~ IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF CORRECTIONS. THE AGENCY IS ALLOCATED TO THE DIVISION OF CORRECTIONAL INDUSTRIES AS A SECTION THEREOF.

**SECTION 193.** In Colorado Revised Statutes, 17-2-102, **amend** (1) as follows:

**17-2-102. Division of adult parole - general powers, duties, and functions - definition.** (1) The division of adult parole in the department shall administer the adult parole program. THE DIVISION OF ADULT PAROLE IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. The division shall keep a complete record in respect to all domestic as well as interstate parolees. The director of the division of adult parole shall exercise the power of suspension of paroles in the interim of the meetings of the state board of parole, referred to in this part 1 as the "board", and in connection therewith the director may arrest ~~such~~ A suspended parolee without warrant and return ~~such~~ A suspended parolee to an appropriately secure facility to await the further action of the board. In case of ~~such~~ A suspension of parole, the director shall send to the board, at its first session thereafter, a transcript of all proceedings taken in connection with ~~such~~ THE suspension and the reasons for ~~his or her~~ THE DIRECTOR'S action.

**SECTION 194.** In Colorado Revised Statutes, 17-2-201, **amend** (1)(a) as follows:

**17-2-201. State board of parole - duties - definitions.** (1) (a) There is ~~hereby~~ created a state board of parole, referred to in this part 2 as the "board", which consists of nine members. THE BOARD IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105. The members of the board are appointed by the governor and confirmed by the senate, and they shall devote their full time to their duties as members of the board. The members are appointed for three-year terms and may serve consecutive terms. The governor may remove a board member for incompetency, neglect of duty, malfeasance in office, continued failure to use the risk assessment guidelines as required by section 17-22.5-404, or failure to regularly attend meetings as determined by the governor. Final conviction of a felony during the term of office of a board member automatically disqualifies the member from further service on the board. The board is composed of representatives from multidisciplinary areas of expertise. Two members must have experience in law enforcement, and one member must have experience in offender supervision, including parole, probation, or community corrections. Six members must have experience in other relevant fields. Each member of the board must have a minimum of five years of experience in a relevant field and knowledge of parole laws and guidelines, rehabilitation, correctional administration, the functioning of the criminal justice system, issues associated with victims of crime, the duties of board members, and actuarial risk assessment instruments and other offender assessment instruments used by the board and the department of corrections. A person who has been convicted of a felony or of a misdemeanor involving moral turpitude or who has any financial interests that conflict with the duties of a member of the board is ineligible for appointment.

**SECTION 195.** In Colorado Revised Statutes, 17-24-104, **amend** (1) as follows:

**17-24-104. Creation of division of correctional industries and advisory committee - enterprise status of division - duties of committee - sunset review of committee - rules.** (1) There is ~~hereby~~ created in the department of corrections the division of correctional industries, which ~~shall be~~ IS under the direction of the director of correctional industries, who ~~shall be~~ IS appointed by the executive director of the department of corrections pursuant to section 13 of article XII of the state constitution. The division ~~shall constitute~~ CONSTITUTES an enterprise for the purposes of section 20 of article X of the state constitution so long as it retains the authority to issue revenue bonds and receives less than ten percent of its total annual revenues in grants, as defined in section 24-77-102 (7), ~~C.R.S.,~~ from all Colorado state and local governments combined. So long as it constitutes an enterprise pursuant to the provisions of this section, the division of correctional industries ~~shall~~ IS not ~~be~~ a district for purposes of section 20 of article X of the state constitution. THE DIVISION OF CORRECTIONAL INDUSTRIES IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. <{***DOC, is the director a type 2 entity? If so, should this be added here and in section 24-1-128.5 (2)(b)?***}>

**SECTION 196.** In Colorado Revised Statutes, **amend** 24-82-402 as follows:

**24-82-402. Director - staff.** The Colorado state agency for surplus property, referred to in this part 4 as the "state agency", ~~shall consist~~ IS A SECTION OF THE DIVISION OF CORRECTIONAL INDUSTRIES. THE STATE AGENCY CONSISTS of a director, who ~~shall be~~ IS the executive

officer of the state agency, and ~~such~~ THE deputies, assistants, and employees as in the opinion of the director and the governor are necessary to carry out the provisions of this part 4. The director ~~shall be~~ IS the director of the division of correctional industries. All deputies, assistants, and employees ~~shall be~~ ARE appointed by the director pursuant to section 13 of article XII of the state constitution and ~~shall~~ receive such compensation and reimbursement of expenses incurred in the performance of their duties as other employees of the state government are paid. All employees of the state agency on July 1, 1987, ~~shall~~ remain employees of ~~such~~ THE agency without the need for further appointment due to the transfer of the state agency from the department of personnel. The employees of the state agency ~~shall~~ MUST not exceed ten employees. THE STATE AGENCY IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

<{***DOC, same questions as above regarding including the director as type 2.***}>

<{***Department of Public Safety***}>

**SECTION 197.** In Colorado Revised Statutes, 24-1-128.6, **amend** (2)(a), (2)(c), (2)(d), (2)(h), (2)(i), (4)(a) introductory portion, (5), (6), (7), (8)(a), and (9) as follows:

**24-1-128.6. Department of public safety - creation - repeal.** (2) The department of public safety consists of the following divisions:

(a) THE Colorado state patrol, the head of which ~~shall be~~ IS the chief of the Colorado state patrol. The Colorado state patrol and the office of chief, ~~thereof~~ created ~~by~~ IN part 2 of article 33.5 of this ~~title, and their powers, duties, and functions are transferred by a **type 2** transfer to the department of public safety~~ TITLE 24, ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM

THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PUBLIC SAFETY. THE RESPONSIBILITIES OF THE DEPARTMENT OF PUBLIC SAFETY AND THE COLORADO STATE PATROL INCLUDE the powers, duties, and functions of the state department of highways relating to the Colorado state patrol. ~~are transferred by a **type 2** transfer to the department of public safety and allocated to the Colorado state patrol.~~ The RESPONSIBILITIES OF THE DEPARTMENT OF PUBLIC SAFETY AND THE COLORADO STATE PATROL INCLUDE THE powers, duties, and functions of the ports of entry section of the FORMER motor carrier services division of the division of motor vehicles of the department of revenue, which motor carrier services division is abolished pursuant to section 24-1-117 (5), enacted by House Bill 12-1019, ~~enacted~~ in 2012. ~~are transferred by a **type 3** transfer to the department of public safety and allocated to the Colorado state patrol.~~

(c) THE Colorado bureau of investigation, the head of which ~~shall be~~ IS the director of the Colorado bureau of investigation. The Colorado bureau of investigation and the office of THE director, ~~thereof,~~ created by part 4 of article 33.5 of this ~~title and their powers, duties, and functions are transferred by a **type 2** transfer to the department of public safety~~ TITLE 24, ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PUBLIC SAFETY. THE POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF PUBLIC SAFETY AND THE COLORADO BUREAU OF INVESTIGATION INCLUDE the powers, duties, and functions ~~of the department of local affairs~~ relating to the Colorado bureau of investigation ~~are transferred by a **type 2** transfer to the department of public safety and allocated to the Colorado bureau of~~

1 ~~investigation~~ THAT WERE FORMERLY VESTED IN THE DEPARTMENT OF
2 LOCAL AFFAIRS.
3 (d) THE division of criminal justice, the head of which ~~shall be~~ IS
4 the director of the division of criminal justice. The division of criminal
5 justice and the office of THE director, ~~thereof,~~ created ~~by~~ IN part 5 of
6 article 33.5 of this ~~title, and their powers, duties, and functions are~~
7 ~~transferred by a **type 2** transfer to the department of public safety~~ TITLE
8 24, ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL
9 EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS
10 UNDER THE DEPARTMENT OF PUBLIC SAFETY. THE POWERS, DUTIES, AND
11 FUNCTIONS OF THE DEPARTMENT OF PUBLIC SAFETY AND THE DIVISION OF
12 CRIMINAL JUSTICE INCLUDE the powers, duties, and functions ~~of the~~
13 ~~department of local affairs~~ relating to the division of criminal justice ~~are~~
14 ~~transferred by a **type 2** transfer to the department of public safety and~~
15 ~~allocated to the division of criminal justice~~ THAT WERE FORMERLY VESTED
16 IN THE DEPARTMENT OF LOCAL AFFAIRS.
17 (h) (I) THE division of homeland security and emergency
18 management, the head of which is the director of the division of
19 homeland security and emergency management. The division of
20 homeland security and emergency management and the office of THE
21 director, ~~thereof,~~ created ~~by~~ IN part 16 of article 33.5 of this ~~title, shall~~
22 ~~exercise their powers and perform their duties and functions as if the~~
23 ~~same were transferred by a **type 2** transfer to the department of public~~
24 ~~safety, and allocated to the division of homeland security and emergency~~
25 ~~management~~ TITLE 24 ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION
26 24-1-105. THE DIVISION OF HOMELAND SECURITY AND EMERGENCY
27 MANAGEMENT AND THE OFFICE OF THE DIRECTOR OF THE DIVISION SHALL

EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PUBLIC SAFETY AND ARE ALLOCATED TO THE DIVISION OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT.

(II) The division of homeland security and emergency management includes the following agencies, which ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND WHICH shall exercise their powers and perform their duties and functions under the department of public safety: ~~as if the same were transferred thereto by a **type 2** transfer:~~

(A) The office of emergency management, created ~~by~~ IN part 7 of article 33.5 of this ~~title~~ TITLE 24, the head of which is the director of the office of emergency management. Effective July 1, 2012, THE POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF PUBLIC SAFETY AND THE OFFICE OF EMERGENCY MANAGEMENT UNDER THE DIVISION OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT PURSUANT TO THIS ARTICLE 1 INCLUDE THE POWERS, DUTIES, AND FUNCTIONS OF the division of emergency management, ~~in the department of local affairs,~~ created ~~by~~ IN part 21 of article 32 of this ~~title~~ TITLE 24, prior to its repeal in 2012. ~~and its powers, duties, and functions are transferred by a **type 2** transfer to the department of public safety and allocated to the office of emergency management under the division of homeland security and emergency management pursuant to this article.~~

(B) THE office of prevention and security, created in section 24-33.5-1606; and

(C) The office of preparedness, created in section 24-33.5-1606.5.

(i) THE division of fire prevention and control, the head of which is the director of the division of fire prevention and control. The division

of fire prevention and control and the office of the director, ~~thereof,~~ created ~~by~~ IN part 12 of article 33.5 of this ~~title, and their powers, duties, and functions are transferred by a **type 2** transfer to the department of public safety~~ TITLE 24, ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF PUBLIC SAFETY. <{***DPS: Should the public school construction and inspection section, the wildland fire management section, and the health facility construction and inspection section created in the division, in section 24-33.5-1201, be included here?***}>

(4) (a) The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF PUBLIC SAFETY INCLUDE THE POWERS, DUTIES, AND FUNCTIONS OF THE Colorado emergency planning commission, created by section 24-33.5-1503, prior to the repeal of that section by House Bill 14-1004, ~~is abolished, and its powers, duties, and functions are transferred by a **type 3** transfer~~ as follows:

(5) The witness protection board, created ~~by~~ IN section 24-33.5-106, IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions ~~as if the same were transferred by a **type 1** transfer to~~ UNDER the department of public safety.

(6) The identity theft and financial fraud board, created ~~by~~ IN section 24-33.5-1703, IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions ~~as if the same were transferred by a **type 2** transfer to~~ UNDER the department of public safety.

(7) The cold case task force, created in section 24-33.5-109, IS A

1 **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its
2 powers and perform its duties and functions ~~as if the same were~~
3 ~~transferred by a **type 2** transfer to~~ UNDER the department of public safety.
4 (8) (a) The Colorado commission on criminal and juvenile justice,
5 created pursuant to section 16-11.3-102, ~~C.R.S.,~~ IS A **TYPE 2** ENTITY, AS
6 DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform
7 its duties and functions ~~as if the same were transferred by a **type 2**~~
8 ~~transfer to~~ UNDER the department of public safety.
9 (9) The crime victim services advisory board, created pursuant to
10 section 24-4.1-117.3, IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION
11 24-1-105, AND shall exercise its powers and perform its duties and
12 functions ~~as if the same were transferred by a **type 2** transfer to~~ UNDER
13 the division of criminal justice in the department of public safety.
14 **SECTION 198.** In Colorado Revised Statutes, 16-11.3-102,
15 **amend** (1)(b) as follows:
16 **16-11.3-102. Colorado commission on criminal and juvenile**
17 **justice - creation - membership - operation.** (1) (b) The commission
18 IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise
19 its powers and perform its duties and functions ~~as if the same were~~
20 ~~transferred to~~ UNDER the department of public safety. ~~by a **type 2** transfer,~~
21 ~~as such transfer is defined in the "Administrative Organization Act of~~
22 ~~1968", article 1 of title 24, C.R.S.~~
23 **SECTION 199.** In Colorado Revised Statutes, 24-4.1-117.3,
24 **amend** (1) as follows:
25 **24-4.1-117.3. Crime victim services advisory board - creation**
26 **- duties.** (1) There is ~~hereby~~ created in the division of criminal justice in
27 the department of public safety the crime victim services advisory board,

1 referred to in this section as the "advisory board". The advisory board IS
2 A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its
3 powers and perform its duties and functions under the division of criminal
4 justice in the department of public safety and the executive director of the
5 department of public safety, referred to in this section as the "executive
6 director". ~~as if the same were transferred to the department of public~~
7 ~~safety by a **type 2** transfer, as such transfer is defined in the~~
8 ~~"Administrative Organization Act of 1968", article 1 of this title.~~
9 **SECTION 200.** In Colorado Revised Statutes, 24-33.5-106,
10 **amend** (2) as follows:
11 **24-33.5-106. Witness protection board - creation - Javad**
12 **Marshall-Fields and Vivian Wolfe witness protection program -**
13 **witness protection fund.** (2) The witness protection board IS A **TYPE 1**
14 ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers
15 and perform its duties and functions ~~as if the same were transferred to~~
16 UNDER the department of public safety. ~~by a **type 1** transfer, as such~~
17 ~~transfer is defined in the "Administrative Organization Act of 1968",~~
18 ~~article 1 of this title.~~
19 **SECTION 201.** In Colorado Revised Statutes, 24-33.5-109,
20 **amend** (1)(b) as follows:
21 **24-33.5-109. Cold case task force - creation - rules - repeal.**
22 (1) (b) The task force IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION
23 24-1-105, AND shall exercise its powers and perform its duties and
24 functions ~~as if the same were transferred to~~ UNDER the department of
25 public safety. ~~by a **type 2** transfer, as such transfer is defined in the~~
26 ~~"Administrative Organization Act of 1968", article 1 of this title.~~
27 **SECTION 202.** In Colorado Revised Statutes, 24-33.5-201,

1 **amend** (2) as follows:

2 **24-33.5-201. Colorado state patrol created.** (2) The Colorado
3 state patrol and the office of the chief ARE **TYPE 2** ENTITIES, AS DEFINED
4 IN SECTION 24-1-105, AND shall exercise their powers and perform their
5 duties and functions under the department of public safety and the
6 executive director. ~~as transferred to the department by a **type 2** transfer,~~
7 ~~as such transfer is defined in the "Administrative Organization Act of~~
8 ~~1968", article 1 of this title.~~

9 **SECTION 203.** In Colorado Revised Statutes, 24-33.5-401,
10 **amend** (2) as follows:

11 **24-33.5-401. Colorado bureau of investigation.** (2) The
12 Colorado bureau of investigation and the office of the director ARE **TYPE**
13 **2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their
14 powers and perform their duties and functions under the department of
15 public safety and the executive director. ~~as transferred to the department~~
16 ~~by a **type 2** transfer, as such transfer is defined in the "Administrative~~
17 ~~Organization Act of 1968", article 1 of this title.~~

18 **SECTION 204.** In Colorado Revised Statutes, 24-33.5-502,
19 **amend** (2) as follows:

20 **24-33.5-502. Division of criminal justice created.** (2) The
21 division of criminal justice and the office of the director ARE **TYPE 2**
22 ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their
23 powers and perform their duties and functions under the department of
24 public safety and the executive director. ~~as transferred to the department~~
25 ~~by a **type 2** transfer, as such transfer is defined in the "Administrative~~
26 ~~Organization Act of 1968", article 1 of this title.~~

27 **SECTION 205.** In Colorado Revised Statutes, 24-33.5-1201,

1 **amend** (2), (3)(a), (4)(a)(II), and (5)(a) as follows:

2 **24-33.5-1201. Division of fire prevention and control - creation**
3 **- public school construction and inspection section - health facility**
4 **construction and inspection section - legislative declaration.** (2) The
5 division, the office of the director, the advisory board created ~~by~~ IN
6 section 24-33.5-1204, and the board of appeals created ~~by~~ IN section
7 24-33.5-1213.7 ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105,
8 AND shall exercise their powers and perform their duties and functions
9 under the department of public safety and the executive director. ~~as if the~~
10 ~~same were transferred to the department by a **type 2** transfer, as such~~
11 ~~transfer is defined in the "Administrative Organization Act of 1968",~~
12 ~~article 1 of this title.~~ <{***DPS, should the advisory board and the board***
13 ***of appeals be included in the Administrative Organization Act?***}>

14 (3) (a) There is ~~hereby~~ created ~~within~~ IN the division the public
15 school construction and inspection section to implement the provisions
16 of sections 22-32-124 (2) and 23-71-122 (1)(v) ~~C.R.S.,~~ and to administer
17 and enforce the codes in accordance with sections 24-33.5-1213 and
18 24-33.5-1213.3. The public school construction and inspection section IS
19 A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall EXERCISE
20 ITS POWERS AND perform its duties and functions under the division and
21 the executive director. ~~as if the same were transferred to the department~~
22 ~~by a **type 2** transfer, as such transfer is defined in the "Administrative~~
23 ~~Organization Act of 1968", article 1 of this title.~~ <{***DPS, should this be***
24 ***included in the AOA?***}>

25 (4) (a) (II) There is ~~hereby~~ created in the division of fire
26 prevention and control the wildland fire management section to
27 implement the provisions of this subsection (4) and sections 24-33.5-1217

to 24-33.5-1226. The wildland fire management section IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall EXERCISE ITS POWERS AND perform its duties and functions under the division of fire prevention and control. ~~as if the same were transferred by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of this title.~~ <{***DPS, should this be included in the AOA?***}>

(5) (a) There is ~~hereby~~ created ~~within~~ IN the division the health facility construction and inspection section to implement section 24-33.5-1212.5 and to administer and enforce the codes in accordance with sections 24-33.5-1212.5 and 24-33.5-1213. The health facility construction and inspection section IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall EXERCISE ITS POWERS AND perform its duties and functions under the division and the executive director. ~~as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of this title.~~ <{***DPS, should this be included in the AOA?***}>

**SECTION 206.** In Colorado Revised Statutes, **amend** 24-33.5-1603 as follows:

**24-33.5-1603. Division of homeland security and emergency management - creation - director.** (1) There is ~~hereby~~ created ~~within~~ IN the department the division of homeland security and emergency management, the head of which is the director of the division. The executive director shall appoint the director pursuant to section 13 of article XII of the state constitution. THE DIVISION OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT AND THE DIRECTOR OF THE DIVISION ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105.

(2) The division includes the following agencies, WHICH ARE **TYPE**

1 **2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND which shall exercise
2 their powers and perform their duties and functions under the department:
3 ~~as if the same were transferred thereto by a **type 2** transfer:~~
4 (a) The office of emergency management, created in section
5 24-33.5-705;
6 (b) The office of prevention and security, created in section
7 24-33.5-1606; and
8 (c) The office of preparedness, created in section 24-33.5-1606.5.
9 **SECTION 207.** In Colorado Revised Statutes, 24-33.5-1606,
10 **amend** (1)(a) as follows:
11 **24-33.5-1606. Office of prevention and security - creation -**
12 **duties.** (1) (a) There is ~~hereby~~ created ~~within~~ IN the division an office of
13 prevention and security, the head of which is the manager of the office of
14 prevention and security. The director shall appoint the manager of the
15 office of prevention and security pursuant to section 13 of article XII of
16 the state constitution. THE OFFICE OF PREVENTION AND SECURITY IS A
17 **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105. <{***DPS, is this a type***
18 ***2 entity? It specified type 2 in the draft I inherited but I'm not sure***
19 ***where that came from.***}>
20 **SECTION 208.** In Colorado Revised Statutes, 24-33.5-1703,
21 **amend** (1)(b) as follows:
22 **24-33.5-1703. Identity theft and financial fraud board -**
23 **creation - rules.** (1) (b) The board IS A **TYPE 2** ENTITY, AS DEFINED IN
24 SECTION 24-1-105, AND shall exercise its powers and perform its duties
25 and functions ~~as if the same were transferred to~~ UNDER the department of
26 public safety. ~~by a **type 2** transfer, as such transfer is defined in the~~
27 ~~"Administrative Organization Act of 1968", article 1 of this title.~~

1 <{***Department of Transportation***}>

2 **SECTION 209.** In Colorado Revised Statutes, 24-1-128.7,
3 **amend** (2), (3), (4), (5), (6), and (8) as follows:

4 **24-1-128.7. Department of transportation - creation.** (2) The
5 transportation commission, created ~~by~~ IN part 1 of article 1 of title 43,
6 ~~C.R.S., and its powers, duties, and functions are transferred by a **type 1**~~
7 ~~transfer to the department of transportation~~ IS A **TYPE 1** ENTITY, AS
8 DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE ITS POWERS AND
9 PERFORM ITS DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF
10 TRANSPORTATION.

11 (3) The department of transportation consists of the following
12 divisions:

13 (a) THE highway maintenance division, the head of which is the
14 director of the highway maintenance division. The highway maintenance
15 division and the office of the director, ~~thereof,~~ created ~~by~~ IN part 1 of
16 article 1 of title 43, ~~C.R.S., and their powers, duties, and functions are~~
17 ~~transferred by a **type 2** transfer to the department of transportation~~ ARE
18 **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE
19 THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE
20 DEPARTMENT OF TRANSPORTATION.

21 (b) THE aeronautics division, the head of which ~~shall be~~ IS the
22 director of the aeronautics division. The aeronautics division and the
23 office of the director, ~~thereof,~~ created ~~by~~ IN article 10 of title 43, ~~C.R.S.,~~
24 ~~and their powers, duties, and functions are transferred by a **type 1** transfer~~
25 ~~to the department of transportation~~ ARE **TYPE 1** ENTITIES, AS DEFINED IN
26 SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM
27 THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF

TRANSPORTATION. The RESPONSIBILITIES OF THE DEPARTMENT OF TRANSPORTATION AND THE AERONAUTICS DIVISION INCLUDE THE powers, duties, and functions of the division of aviation, FORMERLY UNDER THE AUTHORITY of the department of military and veterans affairs. ~~are transferred by a **type 1** transfer to the department of transportation and allocated to the aeronautics division.~~ <{***Does the division of aviation still exist? If so, is it a type 1 entity?***}>

(c) THE transportation development division, the head of which ~~shall be~~ IS the director of the transportation development division. The transportation development division and the office of the director, ~~thereof,~~ created ~~by~~ IN part 1 of article 1 of title 43, ~~C.R.S., and their powers, duties, and functions are transferred by a **type 2** transfer to the department of transportation~~ ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF TRANSPORTATION.

(d) THE engineering, design, and construction division, the head of which ~~shall be~~ IS the chief engineer. The ~~transportation development division~~ ENGINEERING, DESIGN, AND CONSTRUCTION DIVISION <{***CDOT, Was the reference to the transportation development division here a mistake? That division is detailed in subsection (c).***}> and the office of the chief engineer, created ~~by~~ IN part 1 of article 1 of title 43, ~~C.R.S., and their powers, duties, and functions are transferred by a **type 2** transfer to the department of transportation~~ ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND SHALL EXERCISE THEIR POWERS AND PERFORM THEIR DUTIES AND FUNCTIONS UNDER THE DEPARTMENT OF TRANSPORTATION.

(e) The transit and rail division created in part 1 of article 1 of title

43, ~~C.R.S.,~~ the head of which ~~shall be~~ IS the director of the transit and rail division. The transit and rail division and the office of the director of the division ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions under the department of transportation and the executive director of the department. ~~as if the same were transferred thereto by a **type 2** transfer.~~

(4) The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF TRANSPORTATION INCLUDE THE POWERS, DUTIES, AND FUNCTIONS OF THE state department of highways, created ~~by~~ IN section 24-1-126, prior to its repeal in 1991, and ~~its powers, duties, and functions, are transferred by a **type 3** transfer to the department of transportation, pursuant to the provisions of this article **1**, and~~ the state department of highways is abolished.

(5) The statewide bridge enterprise, created in section 43-4-805 (2), ~~C.R.S.,~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions ~~as if the same were transferred by a **type 1** transfer, as defined in section 24-1-105, to~~ UNDER the department of transportation.

(6) (a) The high-performance transportation enterprise, created in section 43-4-806 (2)(a), ~~C.R.S.,~~ IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions ~~as if the same were transferred by a **type 1** transfer, as defined in section 24-1-105 to~~ UNDER the department of transportation.

(b) The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF TRANSPORTATION AND THE HIGH-PERFORMANCE TRANSPORTATION ENTERPRISE INCLUDE THE POWERS, DUTIES, AND FUNCTIONS OF THE statewide tolling enterprise, created by the transportation commission

pursuant to section 43-4-803 (1), ~~C.R.S.,~~ prior to the repeal and reenactment of said section by Senate Bill 09-108, enacted in 2009, and ~~its powers, duties, and functions are transferred by a **type 3** transfer, as defined in section 24-1-105, to the high-performance transportation enterprise created in section 43-4-806 (2)(a), C.R.S., and~~ the statewide tolling enterprise is abolished.

(8) (a) The southwest chief and front range passenger rail commission created in section 43-4-1001 (2)(a) IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties and functions ~~as if the same were transferred by a **type 1** transfer, as defined in section 24-1-105, to~~ UNDER the department of transportation.

(b) The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF TRANSPORTATION AND THE SOUTHWEST CHIEF AND FRONT RANGE PASSENGER RAIL COMMISSION INCLUDE THE POWERS, DUTIES, AND FUNCTIONS OF THE southwest chief rail line economic development, rural tourism, and infrastructure repair and maintenance commission created in section 43-4-1001 (4) prior to the repeal and reenactment of said section by Senate Bill 17-153, enacted in 2017, and ~~its powers, duties, and functions are transferred by a **type 3** transfer, as defined in section 24-1-105, to the southwest chief and front range passenger rail commission created in section 43-4-1001 (2)(a) and~~ the southwest chief rail line economic development, rural tourism, and infrastructure repair and maintenance commission is abolished.

**SECTION 210.** In Colorado Revised Statutes, 43-1-106, **amend** (1) as follows:

**43-1-106. Transportation commission - powers and duties.**

(1) There is ~~hereby~~ created a transportation commission, which ~~shall consist~~ CONSISTS of eleven members. The initial members of the commission shall be the members of the state highway commission immediately prior to July 1, 1991, and each such commission member shall continue to represent the same district. THE TRANSPORTATION COMMISSION IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105.

**SECTION 211.** In Colorado Revised Statutes, 43-1-114, **amend** (2) as follows:

**43-1-114. Highway maintenance division - creation.** (2) The highway maintenance division and the director of the division ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions under the department and the executive director. ~~as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 212.** In Colorado Revised Statutes, 43-1-116, **amend** (2) as follows:

**43-1-116. Engineering, design, and construction division - created - duties.** (2) The engineering, design, and construction division and the office of the chief engineer ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions under the department of transportation and the executive director. ~~as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 213.** In Colorado Revised Statutes, 43-1-117, **amend** (2) as follows:

**43-1-117. Transportation development division - created - duties.** (2) The transportation development division and the office of the director of ~~such~~ THE division ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions under the department of transportation and the executive director. ~~as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.~~

**SECTION 214.** In Colorado Revised Statutes, 43-1-117.5, **amend** (2) as follows:

**43-1-117.5. Transit and rail division - created - powers and duties.** (2) The transit and rail division and the office of the director of the division ARE **TYPE 2** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties and functions under the department and the executive director. ~~as if the same were transferred to the department by a **type 2** transfer, as defined in section 24-1-105, C.R.S.~~

**SECTION 215.** In Colorado Revised Statutes, 43-4-805, **amend** (2)(a)(II) as follows:

**43-4-805. Statewide bridge enterprise - creation - board - funds - powers and duties - legislative declaration.** (2) (a) (II) The bridge enterprise and the bridge enterprise director ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties ~~as if the same were transferred to~~ AND FUNCTIONS UNDER the department. ~~by a **type 1** transfer, as defined in section 24-1-105, C.R.S.~~

**SECTION 216.** In Colorado Revised Statutes, 43-4-806, **amend**

(2)(a)(III) as follows:

**43-4-806. High-performance transportation enterprise - creation - board - funds - powers and duties - limitations - reporting requirements - legislative declaration - definition.** (2) (a) (III) (A) The transportation enterprise and the transportation enterprise director ARE **TYPE 1** ENTITIES, AS DEFINED IN SECTION 24-1-105, AND shall exercise their powers and perform their duties ~~as if the same were transferred to~~ AND FUNCTIONS UNDER the department. ~~by a **type 1** transfer, as defined in section 24-1-105, C.R.S.~~

(B) The POWERS, DUTIES, AND FUNCTIONS OF THE DEPARTMENT OF TRANSPORTATION INCLUDE THE POWERS, DUTIES, AND FUNCTIONS OF THE statewide tolling enterprise, created by the commission pursuant to section 43-4-803 (1), prior to the repeal and reenactment of said section by Senate Bill 09-108, enacted in 2009, ~~and its powers, duties, and functions are transferred by a **type 3** transfer, as defined in section 24-1-105, C.R.S., to the transportation enterprise,~~ and the statewide tolling enterprise is abolished.

**SECTION 217.** In Colorado Revised Statutes, 43-4-1001, **amend** (2)(a) introductory portion as follows:

**43-4-1001. Southwest chief and front range passenger rail service in Colorado - commission - membership and powers - definitions.** (2) (a) The southwest chief and front range passenger rail commission is created in the department of transportation. The commission IS A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND shall exercise its powers and perform its duties ~~as if the same were transferred to~~ AND FUNCTIONS UNDER the department. ~~by a **type 1** transfer, as defined in section 24-1-105.~~ The commission consists of the

following eleven commissioners:

**SECTION 218. Act subject to petition - effective date.** This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.