

**Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO**

REENGROSSED

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

LLS NO. 10-0420.01 Jerry Barry

HOUSE BILL 10-1083

HOUSE SPONSORSHIP

Gardner B.,

SENATE SPONSORSHIP

Steadman,

House Committees

Judiciary
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE AUTHORITY OF THE STATE TO ENTER INTO**
102 **LEASE-PURCHASE AGREEMENTS FOR A DAY SURGERY CENTER.**

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://www.leg.state.co.us/billsummaries>.)

The bill authorizes the state to enter into one or more lease-purchase agreements for purchase of a day surgery center for the department of corrections.

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

HOUSE
3rd Reading Unamended
March 11, 2010

HOUSE
Amended 2nd Reading
March 10, 2010

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

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

4 (a) Currently, when an inmate in the custody of the department of
5 corrections requires even minor surgery, the inmate must be transferred
6 to an off-site, public hospital;

7 (b) If the department of corrections had a day surgery center at its
8 Denver reception and diagnostic center, certain surgeries could be
9 performed at a lower cost to the department;

10 (c) Furthermore, the ability to perform certain surgical procedures
11 at a secure facility would eliminate the expense of having correctional
12 staff transfer the inmate to a public hospital and supervise the inmate
13 during the procedure and recovery time and would reduce the public risk
14 in having inmates at less-secure public facilities;

15 (d) The source of funding for the cost of the day surgery center
16 should be from moneys currently paid by the department of corrections
17 to public hospitals for the procedures and from such other sources as the
18 general assembly may deem appropriate.

19 (2) It is therefore in the best interest of the citizens of Colorado to
20 authorize the state of Colorado, acting by and through the executive
21 director of the department of corrections, to enter into one or more
22 lease-purchase agreements and other agreements as necessary to finance
23 the purchase of a day surgery center at the Denver reception and
24 diagnostic center.

25 **SECTION 2. Lease-purchase agreement.** (1) (a) The state of
26 Colorado, acting by and through the executive director of the department
27 of corrections, referred to in this section as the "executive director", is

1 authorized to execute a lease-purchase agreement for up to twelve years
2 to purchase a day surgery center to be located at the Denver reception and
3 diagnostic center. The total amount of the principal component of said
4 lease-purchase agreement shall not exceed two million eight hundred
5 thousand dollars (\$2,800,000), plus reasonable and necessary
6 administrative, monitoring, and closing costs and interest. [REDACTED] [REDACTED]

7 (b) Enactment of this act shall satisfy the requirements of sections
8 24-82-102 (1) (b) and 24-82-801, Colorado Revised Statutes, which
9 require authorization of a lease-purchase agreement by a bill other than
10 an annual general appropriation bill or a supplemental appropriation bill.

11 (2) (a) The lease-purchase agreement authorized in subsection (1)
12 of this section shall provide that all of the obligations of the state under
13 the agreement shall be subject to the action of the general assembly in
14 annually making moneys available for all payments thereunder. The
15 agreement shall also provide that the obligations shall not be deemed or
16 construed as creating an indebtedness of the state within the meaning of
17 any provision of the state constitution or the laws of the state of Colorado
18 concerning or limiting the creation of indebtedness by the state of
19 Colorado and shall not constitute a multiple fiscal-year direct or indirect
20 debt or other financial obligation of the state within the meaning of
21 section 20 (4) of article X of the state constitution. In the event the state
22 of Colorado does not renew the lease-purchase agreement authorized in
23 subsection (1) of this section, the sole security available to the lessor shall
24 be the property that is the subject of the nonrenewed lease-purchase
25 agreement.

26 (b) (I) The lease-purchase agreement authorized in subsection (1)
27 of this section may contain such terms, provisions, and conditions as the

1 executive director, acting on behalf of the state of Colorado, may deem
2 appropriate, including all optional terms; except that the lease-purchase
3 agreement shall specifically authorize the state of Colorado to:

4 (A) Receive fee title to all real and personal property that is the
5 subject of the lease-purchase agreement on or prior to the expiration of
6 the terms of the lease-purchase agreement; and

7 (B) Reduce the term of the lease through prepayment of rental and
8 other payments.

9 (II) Any title to property received by the state on or prior to the
10 expiration of the terms of the lease-purchase agreement shall be held for
11 the benefit and use of the state.

12 (c) The state of Colorado, acting through the executive director,
13 is authorized to enter into ancillary agreements and instruments as are
14 deemed necessary or appropriate in connection with the lease-purchase
15 agreements, including but not limited to ground leases, easements, or
16 other instruments relating to the real property on which the day surgery
17 center will be located or other property managed by the department.

18 (3) The provisions of section 24-30-202 (5) (b), Colorado Revised
19 Statutes, shall not apply to the lease-purchase agreement authorized in
20 subsection (1) of this section or any ancillary agreement entered into
21 pursuant to paragraph (c) of subsection (2) of this section. Any provision
22 of the fiscal rules promulgated pursuant to section 24-30-202 (1) and
23 (13), Colorado Revised Statutes, that the state controller deems to be
24 incompatible or inapplicable with respect to said lease-purchase
25 agreements or any ancillary agreement may be waived by the controller
26 or his or her designee.

27 **SECTION 3. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.