

Please vote YES on HB 18-1374

Controlled Maintenance Financed Acquired Property

Sponsors: Hansen, Esgar, Kefalas, Baumgardner

Concerning the maintenance needs of real property acquired through a lease-purchase agreement.

Background:

The Office of the State Architect publishes annual budget instructions limiting requests for state-funded controlled maintenance until the 16th year after a building is purchased or construction is substantially complete. This mechanism, overseen by the Capital Development Committee, is how buildings with substantial public purpose receive upkeep.

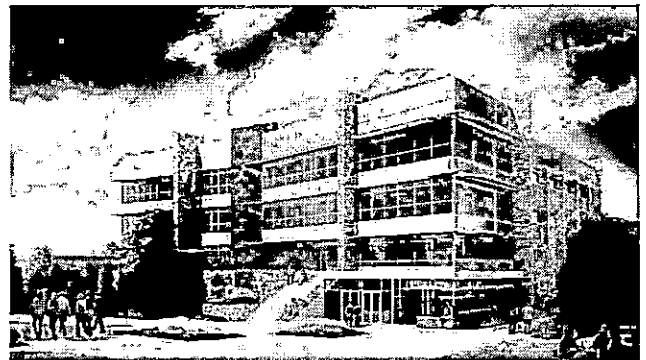
Problem:

There are too many buildings relying on limited amounts of CDC fundings.

Solution:

This bill specifies that capital construction projects and any real property acquired by a state agency or a state institution of higher education through a lease-purchase agreement are not eligible for maintenance funding. It shifts the burden of planning for building upkeep off the state and onto these entities.

- The bill requires any lease-purchase agreement entered into for the acquisition of real property, over \$500,000 USD at the time of purchase, to include a reserve equivalent to a specified and sufficient sum to be used for subsequent maintenance needs.
- The bill also requires the state treasurer to advise any state agency or state institution of higher education regarding the controlled maintenance reserve requirement.



Please Support HB18-1374

Contact:

Representative Chris Hansen / 303-866-2967 / chris.hansen.house@state.co.us