

## CHAPTER 56

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**EDUCATION - POSTSECONDARY**


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## SENATE BILL 16-121

BY SENATOR(S) Tate, Aguilar, Baumgardner, Cooke, Grantham, Heath, Hill, Holbert, Jahn, Johnston, Lambert, Lundberg, Martinez Humenik, Newell, Roberts, Scheffel, Scott, Todd;  
also REPRESENTATIVE(S) Garnett, Brown, Coram, Fields, Kagan, Kraft-Tharp, Lontine, Melton, Mitsch Bush, Pabon, Pettersen, Priola, Roupe, Ryden, Vigil, Wist, Young, Hullinghorst.

## AN ACT

**CONCERNING THE PERCENTAGE OF TUITION REVENUE THAT AN INSTITUTION OF HIGHER EDUCATION IS AUTHORIZED TO PLEDGE FOR CONTRACTS FOR THE ADVANCEMENT OF MONEY.**

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

**SECTION 1.** In Colorado Revised Statutes, 23-5-103, **amend** (1) as follows:

**23-5-103. Pledge of income.** (1) (a) The governing board of any one or more state educational institutions, including, but not limited to, the state colleges under the control and operation of their respective boards of trustees, that enters into such a contract for the advancement of ~~moneys~~ MONEY is authorized, in connection with or as a part of such contract, to pledge the net income derived or to be derived from such land or facilities so constructed, acquired, and equipped as security for the repayment of the ~~moneys~~ MONEY advanced therefor, together with interest thereon, and for the establishment and maintenance of reserves in connection therewith; and, for the same purpose, any such governing board is also authorized, subject to the limitations specified in section 23-5-119.5 (5), to pledge the net income derived or to be derived from other facilities that are included in a designated enterprise or, if not included, other facilities that are not acquired and not to be acquired with ~~moneys~~ MONEY appropriated to the institution by the state of Colorado, and to pledge the net income, fees, and revenues derived from such sources, if unpledged, or, if pledged, the net income, fees, and revenues currently in excess of the amount required to meet principal, interest, and reserve requirements in connection with outstanding obligations to which such net income, fees, and revenues have theretofore been pledged. EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (1), a governing board of an institution or group of institutions designated as an enterprise pursuant to section 23-5-101.7 that has entered into a

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

contract for the advancement of money on behalf of such an institution or group of institutions may pledge up to ten percent of tuition revenues of such an enterprise, except for general fund ~~moneys~~ MONEY appropriated by the general assembly, and all or a portion of a facility construction fee that may be imposed as security for the repayment of the ~~moneys~~ MONEY advanced pursuant to said contract. The pledge of tuition revenues or the imposition of a facility construction fee shall include a process for student input consistent with the institutional plan for student fees adopted by the governing board of the applicable institution pursuant to section 23-5-119.5.

(b) COMMENCING ON AND AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH (b), A GOVERNING BOARD OF AN INSTITUTION OR GROUP OF INSTITUTIONS DESIGNATED AS AN ENTERPRISE PURSUANT TO SECTION 23-5-101.7 THAT HAS ENTERED INTO A CONTRACT FOR THE ADVANCEMENT OF MONEY ON BEHALF OF THE INSTITUTION OR GROUP OF INSTITUTIONS MAY PLEDGE UP TO ONE HUNDRED PERCENT OF TUITION REVENUES OF THE ENTERPRISE, EXCEPT FOR GENERAL FUND MONEY APPROPRIATED BY THE GENERAL ASSEMBLY, IF:

(I) THE CONTRACT FOR THE ADVANCEMENT OF MONEY FOR WHICH THE INSTITUTION IS PLEDGING TUITION REVENUE IS NOT SUBJECT TO THE HIGHER EDUCATION REVENUE BOND INTERCEPT PROGRAM SET FORTH IN SECTION 23-5-139; AND

(II) THE INSTITUTION IS NOT A PARTY TO ANY EXISTING CONTRACT FOR THE ADVANCEMENT OF MONEY ON BEHALF OF THE INSTITUTION OR GROUP OF INSTITUTIONS THAT IS SUBJECT TO THE HIGHER EDUCATION REVENUE BOND INTERCEPT PROGRAM SET FORTH IN SECTION 23-5-139.

**SECTION 2. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: March 31, 2016