



Memorandum

To: Joint Budget Committee Members
From: Kelly Shen, JBC Staff (303-866-5434)
Date: March 18, 2026
Subject: Potential Legislation Packet 6

If the Committee would like to approve a bill draft for introduction, the motion should include:

- Approve for introduction in the House as a JBC bill LLS 25-XXXX;
- When the bill should be run (with the Long Bill package or otherwise);
- Prime sponsors and co-sponsors; and
- Grant staff permission to make technical changes.

Each individual item has page numbers, but also a packet page number (P-XXX) to help navigate the whole document. The page numbers below refer to the packet page number that begins with a "P".

Potential Legislation

Personnel – Giulia Bova

LLS 26-0893 Unused State-Owned Real Property Program Modifications.....P-1

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

DRAFT
3/16/26

DRAFT

LLS NO. 26-0893.01 Nicole Myers x4326

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Unused State-Owned Real Prop Prog Modifications

A BILL FOR AN ACT

101 **CONCERNING MODIFICATIONS TO THE PROGRAM THAT ALLOWS THE**
102 **DEPARTMENT OF PERSONNEL TO USE UNUSED STATE-OWNED**
103 **REAL PROPERTY FOR CERTAIN PURPOSES.**

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/>.)

Joint Budget Committee. Currently, the department of personnel (department) is required to maintain an inventory of unused state-owned real property (unused property) and is authorized to enter into agreements to construct affordable housing, child care facilities, public school facilities, residential mental and behavioral health-care facilities, or

*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words indicate deletions from existing law.*

renewable energy production facilities on suitable unused property and to determine other beneficial uses of the unused property. When the department plans to enter into a contract or lease for the use of any unused property, the department is first required to submit a report to the capital development committee (committee) that outlines the anticipated use of the unused property. The department may not lease or enter into a contract regarding unused property without the committee's approval. The bill specifies that the department's report to the committee must also include the appraised value of the unused property, the total anticipated project costs that the state will incur, a list of the project costs that will be funded by the state and by private partners, and the anticipated terms of the project contracts.

In addition, if the anticipated use of the unused property changes after the committee has approved the department's anticipated use of the unused property, the bill requires the department to obtain authorization from the committee for the new anticipated use of the unused property before proceeding with the project.

Currently, proceeds from the sale, rent, or lease of unused property and revenue generated from public-private agreements are credited to the state-owned unused real property fund (fund) and the money in the fund is continuously appropriated to the department for specified purposes in connection with unused property. The bill makes the money in the fund subject to annual appropriation by the general assembly to the department. In addition, on July 1, 2026, the bill directs the state treasurer to transfer \$1,224,207 from the fund to the general fund.

Beginning on July 15, 2026, the department is required to submit a quarterly report to the committee and the joint budget committee that includes the balance of the money in the fund, a list of transactions from the fund during the previous quarter, and a status update regarding any project that is a public-private partnership that is using unused property.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-82-102.5, **amend**
3 (4)(e) and (5)(c)(I) introductory portion; and **add** (5)(e) and (6) as
4 follows:

5 **24-82-102.5. Unused state-owned real property - cash fund -**
6 **legislative declaration - definitions - reports - repeal.**

7 (4) (e) (I) ~~In the event~~ IF the department plans to enter into a
8 contract regarding any unused state-owned real property as authorized by

1 this section, or ~~in the event~~ IF the department ~~enters~~ PLANS TO ENTER into
2 a lease of unused state-owned real property as allowed under section
3 24-82-102 (2)(a), the department shall first submit a report to the capital
4 development committee that outlines the anticipated use of the property
5 AND THAT SPECIFIES THE FOLLOWING REGARDING THE PROJECT FOR WHICH
6 THE DEPARTMENT PLANS TO ENTER INTO A CONTRACT OR LEASE:

7 (A) THE APPRAISED VALUE OF THE UNUSED STATE-OWNED REAL
8 PROPERTY ON WHICH THE PROJECT WILL OCCUR;

9 (B) THE TOTAL ANTICIPATED COSTS THAT THE STATE WILL INCUR
10 IN CONNECTION WITH THE PROJECT, INCLUDING CONSTRUCTION AND
11 ONGOING OPERATING COSTS;

12 (C) A LIST OF THE PROJECT COSTS THAT WILL BE FUNDED BY THE
13 STATE AND BY PRIVATE PARTNERS; AND

14 (D) THE ANTICIPATED TERMS OF THE PROJECT CONTRACTS.

15 (II) The capital development committee shall review the reports
16 submitted by the department, make recommendations to the department
17 concerning the anticipated use of the unused state-owned real property,
18 and approve or disapprove the anticipated use of the unused state-owned
19 real property. The department shall not enter into a contract regarding
20 unused state-owned real property or lease unused state-owned real
21 property without the approval of the capital development committee.

22 (III) IF THE ANTICIPATED USE OF THE UNUSED STATE-OWNED REAL
23 PROPERTY CHANGES AFTER THE CAPITAL DEVELOPMENT COMMITTEE HAS
24 APPROVED THE DEPARTMENT'S ANTICIPATED USE OF THE PROPERTY
25 PURSUANT TO SUBSECTION (4)(e)(II) OF THIS SECTION, THE DEPARTMENT
26 MUST OBTAIN AUTHORIZATION FROM THE CAPITAL DEVELOPMENT
27 COMMITTEE FOR THE NEW ANTICIPATED USE OF THE PROPERTY BEFORE

1 ENTERING INTO A CONTRACT IN CONNECTION WITH THE UNUSED
2 STATE-OWNED REAL PROPERTY FOR THE NEW ANTICIPATED USE, LEASING
3 THE UNUSED STATE-OWNED REAL PROPERTY FOR THE NEW ANTICIPATED
4 USE, OR PROCEEDING IN ANY OTHER MANNER WITH A PROJECT THAT WILL
5 OCCUR ON THE UNUSED STATE-OWNED REAL PROPERTY IN CONNECTION
6 WITH THE NEW ANTICIPATED USE.

7 (5) (c) (I) ~~The money in the unused state-owned real property fund~~
8 ~~is continuously appropriated to the department~~ SUBJECT TO ANNUAL
9 APPROPRIATION BY THE GENERAL ASSEMBLY, THE DEPARTMENT MAY
10 EXPEND MONEY IN THE FUND for:

11 (e) (I) ON JULY 1, 2026, THE STATE TREASURER SHALL TRANSFER
12 ONE MILLION TWO HUNDRED TWENTY-FOUR THOUSAND TWO HUNDRED
13 SEVEN DOLLARS FROM THE FUND TO THE GENERAL FUND.

14 (II) THIS SUBSECTION (5)(e) IS REPEALED, EFFECTIVE JULY 1, 2027.

15 (6) ON OR BEFORE JULY 15, 2026, OCTOBER 15, 2026, JANUARY
16 15, 2027, AND APRIL 15, 2027, AND ON OR BEFORE THE FIFTEENTH DAY OF
17 EACH JULY, OCTOBER, JANUARY, AND APRIL THEREAFTER, THE
18 DEPARTMENT SHALL SUBMIT A QUARTERLY REPORT TO THE JOINT BUDGET
19 COMMITTEE AND THE CAPITAL DEVELOPMENT COMMITTEE THAT INCLUDES:

20 (a) THE BALANCE OF THE MONEY IN THE FUND;

21 (b) A LIST OF FUND TRANSACTIONS IN THE PREVIOUS QUARTER;

22 AND

23 (c) A STATUS UPDATE REGARDING ANY PROJECT THAT INCLUDES
24 A PUBLIC-PRIVATE AGREEMENT OR A PUBLIC-PRIVATE PARTNERSHIP, AS
25 THOSE TERMS ARE DEFINED IN SECTION 24-94-102, AND THAT IS USING
26 UNUSED STATE-OWNED REAL PROPERTY.

27 **SECTION 2. Effective date.** This act takes effect upon passage;

1 except that section 24-82-102.5 (5)(c)(I), Colorado Revised Statutes, as
2 amended in section 1 of this act takes effect July 1, 2026.

3 **SECTION 3. Safety clause.** The general assembly finds,
4 determines, and declares that this act is necessary for the immediate
5 preservation of the public peace, health, or safety or for appropriations for
6 the support and maintenance of the departments of the state and state
7 institutions.