Second Regular Session Sixty-seventh General Assembly STATE OF COLORADO

INTRODUCED

LLS NO. 10-0111.01 Michael Dohr

HOUSE BILL 10-1219

HOUSE SPONSORSHIP

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House Committees

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Judiciary

A BILL FOR AN ACT

101 CONCERNING AUTHORIZATION FOR THE SALE OF CORRECTIONAL 102 FACILITIES OWNED BY THE DEPARTMENT OF CORRECTIONS.

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 executive director of the department of corrections to sell by competitive bid the correctional facilities owned by the department of corrections. Under current law, private prisons may only house medium security or lower security inmates. The bill removes that limitation.

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

SECTION 1. Authority to sell real property. The executive director of the department of corrections, on behalf of the state of Colorado, is hereby authorized to sell by competitive bid, in accordance with the procedures and conditions specified in section 2 of this act, any correctional facilities owned by the department of corrections that would total nine hundred fifty-six beds.

SECTION 2. Procedures and conditions for the real property sale. (1) The executive director of the department of corrections, or his or her designated representative, shall ensure that, at a minimum, the following procedures or conditions are followed in completing the transactions:

- (a) **Contract.** A contract for the sale of the property described in section 1 of this act shall be negotiated between the purchaser and the state of Colorado acting through the department of corrections that shall contain at a minimum the requirements of this section. The contract shall provide dates for performance by the purchaser as well as by the state of the acts and performances undertaken, including those required by this act, and time shall be of the essence in the contract. At the time the contract is signed, the purchaser shall present a certified check made out to the treasurer of the state of Colorado in an amount to cover the cost of the appraisal required pursuant to paragraph (b) of this subsection (1).
- (b) **Appraisal.** Two appraisals of the property described in section 1 of this act shall be conducted by two independent appraisers who are designated members of the appraisal institute (MAI), chosen by the executive director of the department of corrections. The appraisals

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- shall be paid for by the purchaser with the funds provided in paragraph

 (a) of this subsection (1).
- 3 (c) **Sale price.** The sale price shall be determined by competitive bid.

- (d) **Transfer of title.** The executive director of the department of corrections is authorized to execute a quit claim deed for the real property described in section 1 of this act when the conditions of paragraphs (a) through (c) of this subsection (1), as applicable, have been met by the purchaser. The state of Colorado is obligated by this section and section 1 of this act to transfer title of the real property so long as the purchaser fulfills the conditions of this section and section 1 of this act. In the event that any of the conditions are not met, the executive director of the department of corrections shall cease conducting business with the purchaser and shall so notify the purchaser, the general assembly, and the attorney general of the state of Colorado. In the event of default by the purchaser, any and all moneys received by the state shall be retained as liquidated damages.
- SECTION 3. 17-1-104.9, Colorado Revised Statutes, is amended to read:
 - 17-1-104.9. State inmates at private prisons. (1) Based upon available appropriations and based upon an annual review by the general assembly, the department is authorized to permanently place state inmates classified as medium custody and below in private contract prisons. Except as otherwise provided in subsection (2) of this section, the department may not place state inmates classified higher than medium custody in private contract prisons or in private prison facilities located outside the state of Colorado. This section does not prevent a private

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contract prison from incarcerating an inmate who has been reclassified to a higher custody designation as a result of an offense committed within the private contract prison. However, it is the intent of the general assembly that the department move any inmate of a higher custody designation out of the private contract prison as soon as space is available at a state-operated correctional facility.

- (2) (a) At the request of the executive director, the governor may, in his or her discretion, declare a correctional emergency and by proclamation authorize the department to place state inmates classified higher than medium custody in private contract prisons or in private prison facilities located outside the state of Colorado. A proclamation issued under this subsection (2) shall remain in effect for thirty days.
- (b) At the request of the executive director, the governor may, in his or her discretion, renew a declaration of correctional emergency and reissue a proclamation in accordance with paragraph (a) of this subsection (2) for one or more additional thirty-day periods as the governor deems appropriate.
- (c) For purposes of this section, "correctional emergency" means a riot, a disturbance, a homicide, or inmate violence occurring in a correctional facility or in transit to or from a correctional facility, or a situation involving inmates that presents a clear and immediate danger to the safety, security, and control of the department. "Correctional emergency" does not include inmate overcrowding.
- **SECTION 4. 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.

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