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

## **INTRODUCED**

LLS NO. 10-0669.01 Nicole Myers

#### **SENATE BILL 10-158**

#### SENATE SPONSORSHIP

**Newell,** Bacon, Carroll M., Gibbs, Heath, Hodge, Hudak, Johnston, Keller, Kester, Lundberg, Morse, Romer, Sandoval, Schwartz, Spence, Steadman, Tapia, Tochtrop, White, Whitehead, Williams

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### A BILL FOR AN ACT

101	CONCERNING THE CREATION OF THE CREATIVE INDUSTRIES DIVISION
102	WITHIN THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT,
103	AND, IN CONNECTION THEREWITH, RECODIFYING THE
104	STATUTORY PROVISIONS THAT CREATE THE COLORADO OFFICE
105	OF FILM, TELEVISION, AND MEDIA, THE COUNCIL ON CREATIVE
106	INDUSTRIES, AND THE ART IN PUBLIC PLACES PROGRAM.

### **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.) [Drafting note: This bill reorganizes existing provisions of statutory law for purposes of clarity. Section and subsection numbers and paragraph letters have changed, but no substantive amendments to the operative provisions have been made except where indicated by capitalized or stricken type. Where section and subsection numbers and paragraph letters have changed, the prior designations are indicated by bold, bracketed type.]

Currently, the office of film, television, and media, the state council on the arts, and the art in public places program are all established within the Colorado office of economic development but are not placed in the same location in statute. The bill creates a creative industries division (division) within the Colorado office of economic development and reorganizes the statutory provisions that create the office of film, television, and media (office), the state council on the arts, and the art in public places program (program) into a new part. The bill renames the state council on the arts as the council on creative industries (council) and authorizes the council to establish policies for the council, the office, and the program. The bill specifies that the director of the council shall be the director of the division.

In addition, the bill requires the director of the Colorado office of economic development to make funding recommendations to the governor and the general assembly for the operation of the council, the program, and the office. The bill directs the general assembly to make annual appropriations to the division, in such form as the general assembly deems appropriate, for the operation of the council, the office, and the program.

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. Article 48.5 of title 24, Colorado Revised Statutes,
3	is amended BY THE ADDITION OF A NEW PART CONTAINING
4	RELOCATED PROVISIONS, WITH AMENDMENTS, to read:
5	PART 3
6	CREATIVE INDUSTRIES DIVISION
7	
7	24-48.5-301. Creative industries division - funding
8	24-48.5-301.Creative industries division - fundingrecommendations.(1)THERE IS HEREBY CREATED WITHIN THE

THE "DIVISION". THE DIRECTOR OF THE DIVISION SHALL BE THE PERSON
 WHO IS APPOINTED DIRECTOR OF THE COUNCIL ON CREATIVE INDUSTRIES
 BY THE DIRECTOR OF THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT.
 THE DIVISION SHALL BE COMPRISED OF THE OFFICE OF FILM, TELEVISION,
 AND MEDIA, THE COUNCIL ON CREATIVE INDUSTRIES, AND THE ART IN
 PUBLIC PLACES PROGRAM, AND THE DIRECTOR OF THE DIVISION SHALL
 OVERSEE SUCH OFFICE, COUNCIL, AND PROGRAM.

8 (2) THE DIRECTOR OF THE COLORADO OFFICE OF ECONOMIC 9 DEVELOPMENT SHALL MAKE FUNDING RECOMMENDATIONS TO THE 10 GOVERNOR AND THE GENERAL ASSEMBLY FOR THE OPERATION OF THE 11 COUNCIL ON CREATIVE INDUSTRIES, THE ART IN PUBLIC PLACES PROGRAM, 12 AND THE OFFICE OF FILM, TELEVISION, AND MEDIA. THE GENERAL 13 ASSEMBLY SHALL MAKE ANNUAL APPROPRIATIONS TO THE DIVISION, IN 14 SUCH FORM AS THE GENERAL ASSEMBLY DEEMS APPROPRIATE, FOR THE 15 OPERATION OF THE COUNCIL, THE PROGRAM, AND THE OFFICE.

16 24-48.5-302. [Formerly 24-48.8-102] Council on creative
 industries - legislative declaration. (1) The general assembly finds and
 declares:

(a) That encouragement and support of the arts and humanities,
while primarily a matter for private and local initiative, is also an
appropriate matter of concern to the state government;

(b) That many of our citizens lack the opportunity to view, enjoy,
or participate in living theatrical performances, musical concerts, operas,
dance and ballet recitals, art exhibits, examples of fine architecture, and
the performing and visual arts generally;

26 (c) That, with increasing leisure time, the practice and enjoyment
27 of the arts and humanities are of increasing importance;

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(d) That many of our citizens possess talents of an artistic and
 creative nature which THAT cannot be utilized to their fullest extent under
 existing conditions;

4 (e) That the general welfare of the people of the state will be
5 promoted by giving further recognition to the arts and humanities as a
6 vital part of our culture and heritage and as an important means of
7 expanding the scope of our community life;

8 (f) That it is desirable to establish a state council on the arts 9 CREATIVE INDUSTRIES and to provide such recognition and assistance as 10 will encourage and promote the state's artistic and cultural progress;

11 (g) That it is the policy of the state to cooperate with private 12 patrons, private and public institutions, and professional and 13 nonprofessional organizations concerned with the arts and humanities to 14 insure ENSURE that the role of the arts and humanities in the life of our 15 communities will continue to grow and to play an ever more significant 16 part in the welfare and educational experience of our citizens and to 17 establish the paramount position of this state in the nation and in the 18 world as a cultural center:

(h) That all activities undertaken by the state in carrying out the
policy set out in this section shall be directed toward encouraging and
assisting, rather than in any way limiting, the freedom of artistic
expression which THAT is essential for the well-being of the arts and
humanities.

24 24-48.5-303. [Formerly 24-48.8-103] Council on creative
25 industries - establishment of council - members - term of office - chair
26 - compensation. (1) (a) There is hereby established within the
27 department of higher education DIVISION a state council on the arts

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1 CREATIVE INDUSTRIES, referred to in this article PART 3 as the "council". 2 The council shall remain within the department of higher education 3 through June 30, 2006. The council shall consist of eleven members, 4 including the <del>chairman</del> CHAIR, to be appointed by the governor. The 5 members of the council shall be broadly representative of the major fields 6 of the arts and humanities AND RELATED CREATIVE INDUSTRIES and shall 7 be appointed from among private citizens who are widely known for their 8 competence and experience in connection with the arts and humanities 9 AND RELATED CREATIVE INDUSTRIES, as well as their knowledge of 10 community and state interests. In making these appointments, the 11 governor shall seek and consider those recommended for membership by 12 persons or organizations involved in civic, educational, business, labor, 13 professional, cultural, ethnic, and performing and creative arts fields, as 14 well as those with knowledge of community and state interests. At least 15 one such person from each area designated shall be a member of the 16 council, the membership to include both men and women.

(b) (I) On and after July 1, 2006, the council and the powers,
 duties, and functions of the council are transferred from the department
 of higher education to the Colorado office of economic development.

20 (II) On and after July 1, 2006, employees of the council whose 21 employment is deemed necessary by the director of the Colorado office 22 of economic development shall become employees of the Colorado office 23 of economic development. Any employees transferred to the Colorado 24 office of economic development who are classified employees in the state 25 personnel system shall retain all rights to the personnel system and 26 retirement benefits pursuant to the laws of this state, and their services shall be deemed to have been continuous. All transfers and any 27

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abolishment of positions in the state personnel system shall be made and
 processed in accordance with state personnel system laws and regulations.

3 (III) On and after July 1, 2006, all items of property, real and
4 personal, including office furniture and fixtures, books, documents, and
5 records of the council, are transferred to the Colorado office of economic
6 development and become property thereof.

7 (2) On and after July 1, 1990, members appointed to the council, 8 except the chairperson CHAIR, shall hold office for terms of three years, 9 commencing on July 1 of the year of appointment. Members of the 10 council, except the chairperson CHAIR, shall not be eligible to serve for 11 more than two consecutive terms nor be eligible for reappointment to the 12 council during the three-year period following the expiration of the 13 second of two consecutive terms. Members of the council shall hold 14 office until the expiration of the appointed terms or until successors are 15 duly appointed. Any vacancy occurring on the council other than by 16 expiration of term shall be filled by the governor by the appointment of 17 a qualified person for the unexpired term.

18 (3) The governor shall appoint a chairperson CHAIR of the council 19 who is a person widely recognized for his or her knowledge, experience, 20 and interest in the arts and humanities, as well as his or her knowledge of 21 community and state interests. He or she THE CHAIR shall serve at the 22 pleasure of the appointing governor, but not longer than six consecutive 23 years, and shall not be eligible for reappointment during the three-year 24 period following the expiration of such six-year period. He or she THE 25 CHAIR shall advise the governor with respect to the development in the 26 arts and humanities in the state of Colorado. If any vacancy occurs in the 27 office of <del>chairperson</del> THE CHAIR, the governor shall fill within sixty days

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the vacancy by the appointment of a qualified person in the same manner
 in which the original appointment was made.

3 (4) Members of the council shall serve without compensation, but
4 each member shall be reimbursed for his or her necessary traveling and
5 other expenses incurred in the performance of his or her official duties.

6 24-48.5-304. [Formerly 24-48.8-104] Council on creative 7 industries - meetings of council - quorum. The council shall meet at 8 the call of the chairperson CHAIR, but not less than twice during each 9 calendar year. Five members of the council shall constitute a quorum. 10 All meetings of the council shall be open and public, and all persons shall 11 be permitted to attend any meeting of the council. The chairperson CHAIR 12 shall vote only in case of a tie on any question voted on by the council.

13 24-48.5-305. [Formerly 24-48.8-106] Council on creative
14 industries - powers of the council. (1) The council has the powers
15 necessary to carry out the duties imposed upon it by this article PART 3,
16 including, but not limited to, the power:

(a) To employ such administrative, technical, and other personnel,
subject to the constitution and state personnel system laws of this state,
as may be necessary for the performance of its powers and duties;

(b) To hold hearings, make and sign any agreements, and perform
any acts which THAT may be necessary, desirable, or proper to carry out
the purposes of this article THE COUNCIL;

(c) To request from any department, division, board, bureau,
commission, or other agency of the state such reasonable assistance and
data as will enable it properly to carry out its powers and duties under this
article PART 3;

27

(d) To appoint such advisory committees as it deems advisable

and necessary to the carrying out of its powers and duties under this
 article PART 3;

(e) To accept, on behalf of the state of Colorado, and expend any
federal funds granted by act of congress or by executive order for all or
any of the purposes of this article THE COUNCIL; except that the council
may expend such funds only upon appropriation by the general assembly
if the federal funds require matching state contributions or capital outlay
or create a commitment for future state funding;

9 (f) To accept any gifts, GRANTS, donations, or bequests for all or
10 any of the purposes of this article THE COUNCIL;

(g) To propose methods AND PROCESSES to encourage private
initiative in AND PUBLIC INITIATIVES THAT RECOGNIZE AND ENHANCE THE
ROLE THAT the arts and humanities PLAY IN CREATIVE INDUSTRIES;

(h) To advise and consult with national foundations and other
local, state, and federal departments and agencies on methods by which
to coordinate and assist existing resources and facilities, with the purpose
of fostering artistic and cultural endeavors toward the use of the arts and
humanities both nationally and internationally, in the best interest of
Colorado.

20 24-48.5-306. [Formerly 24-48.8-107] Council on creative
21 industries - duties of the council. (1) The duties of the council shall be:
(a) To stimulate and encourage throughout the state the study and
development of the arts and humanities, as well as public interest and
participation therein;

(b) To take such steps as may be necessary and appropriate to
encourage public interest in the cultural heritage of our state and to
expand the state's cultural resources;

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(c) To encourage and assist freedom of artistic expression
 essential for the well-being of the arts and humanities;

3 (d) To assist the communities and organizations within the state
4 in originating and creating their own cultural and artistic programs;

5 (e) To make such surveys as may be deemed advisable of public 6 and private institutions engaged within the state in artistic and cultural 7 activities, including, but not limited to, humanities, music, theater, dance, 8 painting, sculpture, photography, architecture, and allied arts and crafts, 9 and to make recommendations concerning the appropriate methods to 10 encourage participation in and appreciation of the arts and humanities in 11 order to meet the legitimate needs and aspirations of persons in all parts 12 of the state:

(f) To submit a report to the governor not later than ninety days
after the end of each fiscal year and at such other times as the governor
requests or the council deems appropriate.

16 **24-48.5-307.** [Formerly 24-48.8-108] Council on creative 17 industries - interference by council prohibited. In carrying out its 18 duties and powers under this article PART 3, the council shall never by 19 action, directly or indirectly, interfere with the freedom of artistic 20 expression of the established or contemplated cultural programs in any 21 local community or institution, nor shall it make any recommendations 22 that might be interpreted to be a form of censorship.

23 24-48.5-308. [Formerly 24-48.8-109] Council on creative
24 industries cash fund - creation. (1) There is hereby created in the state
25 treasury the state council on the arts CREATIVE INDUSTRIES cash fund,
26 referred to in this section as the "fund". The fund shall consist of:

27

(a) Moneys transferred to the fund in accordance with section

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1 12-47.1-701 (4) (a), C.R.S.; and

2 (b) Any moneys appropriated to the fund by the general assembly;3 AND

4 (c) ANY GIFTS, GRANTS, OR DONATIONS RECEIVED PURSUANT TO
5 SECTION 24-48.5-305 (1) (f).

6 (2) The moneys in the fund shall be annually appropriated by the 7 general assembly TO THE DIVISION for the purposes of this article THE 8 COUNCIL, including administration of this article by the council. All 9 moneys not expended or encumbered, and all interest earned on the 10 investment or deposit of moneys in the fund, shall remain in the fund and 11 shall not revert to the general fund at the end of any fiscal year. Any 12 moneys not expended or encumbered from any appropriation at the end 13 of any fiscal year shall remain available for expenditure in the next fiscal 14 year without further appropriation.

15 24-48.5-309. [Formerly 24-48.5-201] Film, television, and
16 media - definitions. As used in this part 2 SECTION AND SECTIONS
17 24-48.5-310 AND 24-48.5-311, unless the context otherwise requires:

(1) "Film" means any visual or audiovisual work, including,
without limitation, a video game, that contains a series of related images,
regardless of the medium by which the work is fixed and from which it
can be viewed or reproduced, and that is primarily intended to be either:

(a) Commercially exploited by being shown in theaters, licensed
for television exhibition, licensed for the home market, or otherwise; or
(b) For internal industrial, corporate, or institutional use.

(b) For internal industrial, corporate, or institutional use.

(2) "Office" means the Colorado office of film, television, and
media created pursuant to section 24-48.5-202 SECTION 24-48.5-310.

27 (3) "Production activities" means the shooting of a film, support

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activities related to such shooting, and any preshooting or postshooting
 activities that commence on or after July 1, 2009, and that are necessary
 to produce a finished film, including but not limited to editing and the
 creation of sets, props, costumes, and special effects.

5 (4) "Production company" means a person, including a
6 corporation or other business entity, that engages in production activities
7 for the purpose of producing all or any portion of a film in Colorado.

8 (5) "Qualified local expenditure" means a payment made by a 9 production company operating in Colorado to a business in Colorado in 10 connection with the production of a film that the production company is 11 producing in Colorado. "Qualified local expenditure" shall include, but 12 need not be limited to:

13 (a) Payments made in connection with developing or purchasing14 the story and scenario to be used for a film;

(b) Payments made for the costs of set construction andoperations, wardrobe, accessories, and related services;

17 (c) Payments made for the costs of photography, sound18 synchronization, lighting, and related services;

19 (d) Payments made for the costs of editing, post-production,20 music, and related services;

(e) Payments made for the costs of renting facilities and
equipment, including location fees, leasing vehicles, and providing food
and lodging to people working on the film production;

- 24 (f) Payments for airfare purchased through a Colorado-based25 travel agency or company;
- 26 (g) Payments for insurance and bonding purchased through a
  27 Colorado-based insurance agent; and

(h) Payments for other direct costs incurred by the film production
 company that are deemed appropriate by the office.

3 (6) "Qualified payroll expenditure" means an expenditure of up 4 to three million dollars per employee or contractor, made by a production 5 company to pay the salaries of actors, management, and crew, who 6 participate in the film production activities. In order for any salary to be 7 considered a qualified payroll expenditure, all Colorado income taxes 8 shall be withheld and paid either by the production company or the 9 individual. Any expenditures in excess of three million dollars per 10 employee or contractor shall be excluded.

11 24-48.5-310. [Formerly 24-48.5-202] Film, television, and 12 media. (1) There is hereby created within the Colorado office of 13 economic development DIVISION the Colorado office of film, television, 14 and media, the head of which shall be the director of the Colorado office 15 of film, television, and media. The director of the office shall be assisted 16 by a staff to fulfill the office's mission to promote Colorado as a location 17 for making feature films, television shows, television commercials, still 18 photography, music videos, and emerging mass media projects. 19 BEGINNING ON JULY 1, 2010, THE DIRECTOR OF THE OFFICE SHALL REPORT 20 TO THE DIRECTOR OF THE DIVISION.

21

(2) The office shall:

(a) Market Colorado as a destination for making feature films,
television shows, television commercials, still photography, music videos,
and new media projects;

(b) Assist production companies that are interested in conducting
production activities in Colorado in scouting appropriate locations in the
state for the production company's film;

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(c) Assist state and local government agencies and organizations
 in the creation of permitting criteria for production companies that plan
 to conduct production activities on state or local government property;

4 (d) Assist production companies in determining the appropriate
5 state or local government agencies to contact to apply for a permit to
6 conduct production activities on state or local government property;

(e) Serve as a general liaison for production companies and assist
in coordination efforts among production companies, any state or local
government agency, and local businesses and individuals before, during,
and after the production company conducts production activities in
Colorado;

(f) Serve as a resource for local governments and communities
around Colorado when a production company approaches the local
government or community regarding the possibility of conducing
production activities on the property of the local government or within the
community;

17 (g) Administer the performance-based incentive for film
18 production in Colorado as specified in section 24-48.5-203 SECTION
19 24-48.5-311;

20 (h) Conduct educational seminars to promote the film industry and
21 people working in the film industry in Colorado; and

(i) Perform any other duties in furtherance of the office's mission
as deemed necessary by the director of the office, and the director of the
office of economic development, AND THE DIRECTOR OF THE DIVISION.

25 24-48.5-311. [Formerly 24-48.5-203] Film, television, and
 26 media - performance-based incentive for film production in Colorado
 27 - film, television, and media operational account cash fund - creation

repeal. (1) Subject to the provisions of this section, on or after July 1,
2009, any production company that spends at least seventy-five percent
of its production expenditures for a film on qualified local expenditures
and at least seventy-five percent of its payroll expenditures for a film on
qualified local payroll expenditures shall be allowed to claim a
performance-based incentive in an amount as follows:

(a) For a production company that originates the film production
in Colorado, an amount equal to ten percent of the total amount of the
production company's qualified local expenditures and qualified payroll
expenditures if the total of such expenditures equals or exceeds one
hundred thousand dollars; and

12 (b) For a production company that does not originate the film 13 production activities in Colorado, an amount equal to ten percent of the 14 total amount of the production company's qualified local expenditures and 15 qualified payroll expenditures if the total of such expenditures equals or 16 exceeds one million dollars.

17 In order for a production company to claim a (2) (a) 18 performance-based incentive for film production activities in Colorado 19 pursuant to this section, the production company shall apply to the office, 20 in a manner to be determined by the office, prior to beginning production 21 activities in the state. The application shall include a statement of intent 22 by the production company to produce a film in Colorado for which the 23 production company will be eligible to receive the incentive. The 24 production company shall submit, in conjunction with the application, any 25 documentation necessary to demonstrate that the production company's 26 projected qualified local expenditures and qualified payroll expenditures 27 will satisfy the expenditures specified in paragraph (a) or (b) of

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1 subsection (1) of this section, as applicable.

2 (b) The office shall review each application submitted by a 3 production company before the production company begins work on a 4 film in Colorado. Based on the information provided in the production 5 company's application, the office shall make an initial determination of 6 whether the production company will be eligible to receive a 7 performance-based incentive and estimate the amount of the incentive 8 that will be due to the production company. The office COUNCIL shall 9 grant conditional written approval to every production company that, 10 based on the information provided by the production company, will 11 satisfy the requirements of this section and be eligible to claim an 12 incentive.

13 Upon completion of production activities in Colorado, a (c)14 production company that received conditional approval for a 15 performance-based incentive from the office shall submit financial 16 documents to the office that detail the expenses incurred in the course of 17 the film production activities in Colorado, along with a signed affidavit 18 stating that the financial documents are an accurate accounting of the 19 production company's qualified local expenditures and qualified payroll 20 expenditures. If the amount of the production company's actual qualified 21 local expenditures and qualified payroll expenditures equal or exceed the 22 production company's projected qualified local expenditures and qualified 23 payroll expenditures submitted to the office pursuant to paragraph (a) of 24 this subsection (2), the office shall issue an incentive to the production 25 company.

26 (d) The office shall develop procedures for the administration of27 this section, including application guidelines for production companies

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applying to receive a performance-based incentive and for the office to
 issue payment of the incentives pursuant to this section.

3 (3) The office shall include data regarding the number of 4 production companies that claimed the performance-based incentive 5 pursuant to this section and the total amount of all incentives claimed 6 during the most recent fiscal year for which such information is available 7 in an annual report to the general assembly.

8 (4) There is hereby created in the state treasury the Colorado
9 office of film, television, and media operational account cash fund,
10 referred to in this section as the "fund". The fund shall consist of:

(a) (I) Moneys transferred to the fund as specified in section
 24-46-105.8 (4) (a).

13

(II) This paragraph (a) is repealed, effective January 1, 2010.

14 (b) (a) Moneys transferred to the fund in accordance with section
15 12-47.1-701 (4) (a) (V) (A), C.R.S.;

(c) (b) Any gifts, grants, or donations from private or public
 sources that the office is hereby authorized to seek and accept; and

18 (d) (c) Any moneys appropriated to the fund by the general
19 assembly.

(5) (a) The moneys in the fund shall be continuously appropriated
to the office DIVISION for the operation of the office and for the
performance-based incentive for film production in Colorado as specified
in subsection (1) of this section.

(b) The total amount of performance-based incentives that the
office issues pursuant to this section in any fiscal year shall not exceed the
amount appropriated to the office to be used for the purposes of this
section in the applicable fiscal year. If the office receives applications for

incentives that exceed the amount appropriated by the general assembly
for the fiscal year, the office shall issue incentives to production
companies in the order in which the commission received applications
until the amount appropriated has been expended.

5 (c) All moneys not expended or encumbered, and all interest 6 earned on the investment or deposit of moneys in the fund, shall remain 7 in the fund and shall not revert to the general fund at the end of any fiscal 8 year.

9 24-48.5-312. [Formerly 24-80.5-101] Art in public places 10 program - allocations from capital construction costs - guidelines -11 fund created - definitions. (1) (a) The state of Colorado, in recognition 12 of its responsibility to create a more humane environment of distinction, 13 enjoyment, and pride for all of its citizens and in recognition that public 14 art is a resource which THAT stimulates the vitality and economy of the 15 state's communities and which THAT provides opportunity for artists and 16 other skilled workers to practice their crafts, declares it to be a matter of 17 state policy that, when appropriate, a portion of each capital construction 18 appropriation be allocated for the acquisition of works of art to be placed 19 in public places.

20 (b) There is hereby established an art in public places program to 21 be administered by the state council; on the arts. EXCEPT THAT, ON AND 22 AFTER JULY 1, 2010, THE PROGRAM SHALL BE ADMINISTERED BY THE 23 DIRECTOR OF THE DIVISION. All works of art purchased and 24 commissioned under the art in public places program shall become a part 25 of the state art collection developed, administered, and operated by the 26 state council. on the arts. All works of art purchased or commissioned 27 under this section prior to March 19, 1987, shall be considered a part of

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1 the state art collection to be administered by the state council. on the arts. 2 (2) As used in this section, unless the context otherwise requires: 3 (a) "Architect" means the person or firm designing the public 4 construction project. "Architect" includes architects, landscape architects, 5 interior designers, and other design professionals. 6 (b) "Artist" means a practitioner in the visual arts generally 7 recognized by his peers or critics as a professional who produces works 8 of art. "Artist" does not include the architect of a public building under 9 construction or any member of his architectural THE ARCHITECT'S firm. 10 (c) "Public construction project" means a capital construction project subject to the provisions of section 24-30-1303 (3). 11 12 (d) "Works of art" means all forms of original creations of visual 13 art including, but not limited to: 14 (I) Sculpture, in any material or combination of materials, whether 15 in the round, bas-relief, high relief, mobile, fountain, kinetic, or 16 electronic: or 17 (II) Painting, whether portable or permanently fixed, as in the case 18 of murals: or 19 (III) Mosaics; or 20 (IV) Photographs; or 21 (V) Crafts made from clay, fiber and textiles, wood, glass, metal, plastics, or any other material, or any combination thereof; or 22 23 (VI) Calligraphy; or 24 (VII) Mixed media composed of any combination of forms or 25 media; or 26 (VIII) Unique architectural stylings or embellishments, including 27 architectural crafts: or

1 (IX) Environmental landscaping; or AND

2 (X) Restoration or renovation of existing works of art of historical
3 significance.

4 (3) (a) (I) Each capital construction appropriation for a public
5 construction project shall include as a nondeductible item an allocation
6 of not less than one percent of the capital construction costs to be used for
7 the acquisition of works of art; except that the requirements specified in
8 this subparagraph (I) shall not apply to:

9 (A) Capital construction appropriations covered by section
10 24-80.5-102 SECTION 24-48.5-313;

(B) Agricultural facilities where livestock are housed oragricultural products are grown;

13 (C) The diagnostic center located in the city and county of14 Denver;

(D) The facilities authorized by section 1 of Senate Bill No. 101
SENATE BILL 86-101, enacted at the second regular session of the
fifty-fifth general assembly IN 1986;

18 (E) The Front Range community college - Larimer campus,
19 Mount Antero and Blanca Peak buildings renovation, phase 2 of 2;

20 (F) The Pueblo community college - industrial
21 technology/technical education renovation, phase 1 of 2 and phase 2 of
22 2;

23 (G) The Morgan community college - automotive programs
24 relocation, phase 1 of 2 and phase 2 of 2;

25 (H) The Fort Lewis college - exercise science/athletic facilities,
26 phase 1 of 2 and phase 2 of 2;

27 (I) Department of public safety - Colorado state patrol, Grand

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- 1 Junction troop office construction;
- 2 (J) Department of public safety Colorado state patrol, Castle
  3 Rock troop office construction office portion only; and
- 4 (K) Department of personnel North campus upgrades.
- 5

(II) and (III) Repealed.

(IV) (II) Notwithstanding the provisions of subparagraph (I) of 6 7 this paragraph (a), the percentage of the capital construction costs for the 8 juvenile detention and juvenile commitment beds authorized by sections 9 15 and 16 of House Bill 94-1340, enacted at the second regular session 10 of the fifty-ninth general assembly IN 1994, and sections 25, 26, and 27 11 of House Bill 95-1352, enacted at the first regular session of the sixtieth 12 general assembly IN 1995, allocated to acquisition of works of art shall be 13 one-tenth of one percent. It is the intent of the general assembly that 14 these allocations be utilized to acquire artworks produced by residents of 15 the state's juvenile facilities.

(b) If the allocation provided for in paragraph (a) of this
subsection (3) is equal to or greater than one thousand dollars, the state
council on the arts shall select a jury as described in paragraph (a) of
subsection (5) SUBSECTION (6) of this section.

20 (c) If the allocation provided for in paragraph (a) of this 21 subsection (3) is less than one thousand dollars, the state council on the 22 <del>arts</del> may, at its discretion, either select a jury or direct that the funds be 23 held within the works of art in public places fund described in subsection 24 (6) SUBSECTION (7) of this section for the acquisition of works of art for 25 the state agency for which the capital construction project is to be 26 constructed. Whenever the funds for any state agency equal or exceed one thousand dollars, the state council on the arts shall select a jury as 27

described in paragraph (a) of subsection (5) SUBSECTION (6) of this
 section.

(d) The works of art acquired under this article PART 3 shall be
placed in a publicly accessible location within the state agency for which
the capital construction project is to be constructed. A collection of
works of art may be selected for placement within the state agency and,
at the discretion of the state agency and the state council, on the arts,
made available for loan, circulation, and exhibition in other public
facilities.

(4) The office of state planning and budgeting, in both the
planning and review stages in the construction of state buildings and other
public facilities, shall be responsible for insuring compliance with the
provisions of subsection (3) of this section.

14 (4.5) (5) The administration of the art in public places program 15 includes supervision of the jury process which THAT convenes to select 16 the site and the artwork, contracting, purchase, commissioning, and 17 reviewing of design, execution, and placement. Acceptance of works of 18 art shall be the responsibility of the state council. on the arts. These 19 activities shall be conducted in consultation with the executive directors 20 of the respective state agencies. The administration of the art in public 21 places program shall not include bearing the costs of maintaining or 22 insuring the works of art. Such costs shall be the responsibility of the 23 respective state agencies.

(5) (6) All works of art acquired with funds allocated under
subsection (3) of this section shall be contracted for separately from all
other items in the original construction plans pursuant to the following
guidelines:

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1	(a) Selection of artists shall be by the jury method. The state
2	council on the arts shall select jury members and convene juries. Jury
3	recommendations shall be presented to the state council on the arts for
4	review and final approval. Any significant changes in the design or
5	construction of the work of art occurring after such final approval of the
6	artist shall be subject to the approval of both the jury and the state
7	council. on the arts. The council shall determine which changes shall be
8	considered significant for the purposes of this paragraph (a). Each jury
9	shall contain at least the following:
10	(I) A representative from the contracting state agency for which
11	the capital construction project is to be constructed; and
12	(II) The architect; <del>and</del>
13	(III) A professional artist; and
14	(IV) A representative from each community in which a capital
15	construction project is to be constructed; and
16	(V) A member of the state council; on the arts; and
17	(VI) Repealed.
18	$\overline{(VH)}$ (VI) A representative from the contracting state agency who
19	is a tenant or future tenant of the capital construction site; and
20	(VIII) (VII) A member of the state house of representatives to be
21	appointed by the speaker of the house; and
22	(IX) (VIII) A member of the state senate to be appointed by the
23	president of the senate.
24	(b) Repealed.
25	(c) (b) Residents of Colorado shall be the participants of this
26	program except for artists from other states and territories who have
27	achieved national recognition in their specific forms of expression.

(d) (c) Jury members who are not state employees shall be
 reimbursed for actual and necessary travel expenses incurred in fulfilling
 their duties under this section. Such expenses shall be deducted from the
 one percent allocation for art.

5 (6) (7) (a) There is hereby created in the state treasury the works 6 of art in public places fund, any moneys in which are hereby appropriated 7 to the state council on the arts DIVISION, which fund shall be used 8 exclusively for the following purpose: THE purchase of works of art, 9 taking into consideration the artist's preliminary site visit, the design fee, 10 the total costs of construction and installation of the work of art, jury 11 expenses, and program administration in compliance with the provisions 12 of subsection (5) SUBSECTION (6) of this section.

(b) All moneys allocated for the acquisition of works of art
pursuant to subsection (3) of this section shall be transmitted to the state
treasurer, who shall credit the same to the works of art in public places
fund. Any unexpended moneys shall remain in the fund at the end of the
fiscal year and shall not revert to the capital construction fund.

18 (c) If any moneys allocated for the acquisition of works of art 19 pursuant to subsection (3) of this section are not expended after the jury 20 has been convened and has rendered its decision, such moneys shall 21 remain in the works of art in public places fund to be used for the capital 22 construction project for which they were allocated or shall revert to the 23 general fund.

(d) Notwithstanding any provision of this subsection (6) to the
 contrary, on March 5, 2003, the state treasurer shall deduct one hundred
 forty-five thousand one hundred thirty-eight dollars from the works of art
 in public places fund and transfer such sum to the general fund.

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(7) (8) Nothing in this section shall be construed to preclude the
 placement of works of art in public places other than those placed
 pursuant to this section.

4 24-48.5-313. [Formerly 24-80.5-102] Art in public places -5 works of art in correctional and juvenile facilities. (1) Each capital 6 construction appropriation for a correctional facility shall include as a 7 nondeductible item an allocation of not less than one-tenth of one percent 8 of the capital construction costs to be used for a prison inmate art fund. 9 The moneys in such fund shall be used for materials to allow inmates to 10 create works of art to be included in the construction of or to be placed 11 permanently in such facility. The department of corrections shall 12 administer by rule a competitive program among the inmates of such 13 facility in order to determine which art projects and inmates shall receive 14 an incentive award not to exceed two hundred dollars each. The state 15 council on the arts shall appoint one of its members to serve in an 16 advisory capacity to the department of corrections on the implementation 17 of this subsection (1).

(2) For the purposes of subsection (1) of this section, "correctional
facility" means any state facility in which persons are or may be lawfully
held in custody as a result of conviction of a crime.

(3) (a) On and after January 1, 1998, each capital construction
appropriation for a juvenile correctional facility shall include as a
nondeductible item an allocation of not less than one-tenth of one percent
of the capital construction costs to be used for a juvenile art fund. The
moneys in such fund shall be used for materials to allow juveniles housed
by the department of human services to create works of art to be included
in the construction of or to be placed permanently in juvenile facilities.

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The state council on the arts shall appoint one of its members to serve in
 an advisory capacity to the department of human services on the
 implementation of this subsection (3).

4 (b) As used in this subsection (3), "juvenile correctional facility"
5 means any facility operated by or under contract with the department of
6 human services pursuant to section 19-2-403, C.R.S.

SECTION 2. 12-47.1-701 (4) (a) (IV) (A), (4) (a) (IV) (A.5), (4)
(a) (IV) (B), (4) (a) (V) (A), (4) (a) (V) (C), and (4) (a) (VI), Colorado
Revised Statutes, are amended to read:

10 12-47.1-701. Limited gaming fund. (4) (a) At the end of each
fiscal year, the state treasurer shall distribute the balance remaining in the
limited gaming fund in accordance with the provisions of section 9 (5) (b)
(II) of article XVIII of the state constitution and paragraph (c) of
subsection (1) of this section; except that:

15 (IV) (A) Except as provided in subparagraph (VI) of this 16 paragraph (a) and sub-subparagraphs (A.5) and (B) of this subparagraph (IV), for the 2005-06 fiscal year and each fiscal year thereafter, of the 17 18 portion of limited gaming fund moneys that would otherwise be 19 transferred to the general fund pursuant to section 9 (5) (b) (II) of article 20 XVIII of the state constitution, after the transfer to the local government 21 limited gaming impact fund required by section 12-47.1-1601, nineteen 22 million dollars shall be transferred to the Colorado travel and tourism 23 promotion fund created in section 24-49.7-106, C.R.S., one million five 24 hundred thousand dollars shall be transferred to the state council on the 25 arts CREATIVE INDUSTRIES cash fund created in section 24-48.8-109 26 SECTION 24-48.5-308, C.R.S., and three million dollars shall be 27 transferred to the new jobs incentives cash fund created in section

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1 24-46-105.7, C.R.S. For purposes of the transfers occurring at the end of 2 the 2006-07 fiscal year and each fiscal year thereafter, no later than June 3 1, 2007, and no later than June 1 of each calendar year thereafter, the 4 executive director of the department of revenue shall adjust the dollar 5 amounts specified in this sub-subparagraph (A) to reflect the percentage 6 change in the consumer price index for the Denver metropolitan area. As 7 used in this sub-subparagraph (A), "percentage change in the consumer 8 price index for the Denver metropolitan area" means the percentage 9 change between the two published annual estimates of the consumer price 10 index for the Denver-Boulder-Greeley combined statistical area for all 11 urban consumers, all goods, as defined and officially reported by the 12 bureau of labor statistics in the United States department of labor, or its 13 successor index, for the two calendar years immediately preceding the 14 calendar year in which the adjustment is made.

15 (A.5) If, based on the March revenue forecast prepared by the 16 legislative council, the joint budget committee determines that the amount 17 of general fund revenues for the fiscal year in which the forecast is 18 prepared will be insufficient to cover the amount of general fund 19 appropriations to be made for that fiscal year as included in the joint 20 budget committee's appropriations report, the joint budget committee, 21 acting by bill, shall determine the amount of limited gaming fund moneys, 22 if any, that should be transferred to the state council on the arts CREATIVE 23 INDUSTRIES cash fund, the new jobs incentives cash fund, and the 24 Colorado travel and tourism promotion fund at the end of that fiscal year. 25 (B) If the joint budget committee, pursuant to sub-subparagraph

26 (A.5) of this subparagraph (IV), does not determine the amount of limited
27 gaming fund moneys, if any, to be transferred to the funds specified in

1 sub-subparagraph (A) of this subparagraph (IV) and if, based on the June 2 revenue forecast prepared by the legislative council, the state treasurer 3 determines that the amount of general fund revenues for the fiscal year in 4 which the forecast is prepared will be insufficient to cover the amount of 5 general fund appropriations to be made for that fiscal year as included in 6 the joint budget committee's appropriations report, the state treasurer shall 7 transfer to the general fund from the moneys that would otherwise be 8 transferred to the state council on the arts CREATIVE INDUSTRIES cash 9 fund, the new jobs incentives cash fund, and the Colorado travel and 10 tourism promotion fund pursuant to sub-subparagraph (A) of this 11 subparagraph (IV) at the end of the fiscal year an amount equal to the 12 lesser of the full amount that would otherwise be transferred to the state 13 council on the arts CREATIVE INDUSTRIES cash fund, the new jobs 14 incentives cash fund, and the Colorado travel and tourism promotion fund 15 or the amount necessary to cover the amount of general fund 16 appropriations to be made for the fiscal year as included in the joint 17 budget committee's appropriations report. Any reduction in the amounts 18 transferred to the state council on the arts CREATIVE INDUSTRIES cash 19 fund, the new jobs incentives cash fund, and the Colorado travel and 20 tourism promotion fund required by this sub-subparagraph (B) shall be 21 pro-rated based on the amounts otherwise required to be transferred to 22 said funds pursuant to sub-subparagraph (A) of this subparagraph (IV). 23 (V) (A) Except as provided in subparagraph (VI) of this paragraph 24 (a) and sub-subparagraphs (B), (C), and (E) of this subparagraph (V), for

the 2006-07, 2007-08, and 2008-09 fiscal years, of the portion of limited
gaming fund moneys that would otherwise be transferred to the general
fund pursuant to section 9 (5) (b) (II) of article XVIII of the state

1 constitution, after the transfer to the local government limited gaming 2 impact fund required by section 12-47.1-1601, six hundred thousand 3 dollars shall be transferred to the film incentives cash fund created in 4 section 24-46-105.8, C.R.S. Except as provided in sub-subparagraphs (B) 5 and (C) of this subparagraph (V), for the 2009-10 fiscal year and each 6 fiscal year thereafter, of the portion of limited gaming fund moneys that 7 would otherwise be transferred to the general fund pursuant to section 9 8 (5) (b) (II) of article XVIII of the state constitution, after the transfer to 9 the local government limited gaming impact fund required by section 10 12-47.1-1601, six hundred thousand dollars shall be transferred to the 11 Colorado office of film, television, and media operational account cash 12 fund created in section 24-48.5-203 SECTION 24-48.5-311, C.R.S. For 13 purposes of the transfers occurring at the end of the 2006-07 fiscal year 14 and each fiscal year thereafter, no later than June 1, 2007, and no later 15 than June 1 of each calendar year thereafter, the executive director shall adjust the dollar amounts specified in this sub-subparagraph (A) to reflect 16 17 the percentage change in the consumer price index for the Denver 18 metropolitan area. As used in this sub-subparagraph (A), "percentage 19 change in the consumer price index for the Denver metropolitan area" 20 means the percentage change between the two published annual estimates 21 of the consumer price index for the Denver-Boulder-Greeley combined 22 statistical area for all urban consumers, all goods, as defined and 23 officially reported by the bureau of labor statistics in the United States 24 department of labor for the two calendar years immediately preceding the 25 calendar year in which the adjustment is made.

26 (C) If the joint budget committee, pursuant to sub-subparagraph
27 (B) of this subparagraph (V), does not determine the amount of limited

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1 gaming fund moneys, if any, to be transferred to the film incentives cash 2 fund or the Colorado office of film, television, and media operational 3 account cash fund specified in sub-subparagraph (A) of this subparagraph 4 (V) and if, based on the June revenue forecast prepared by the legislative 5 council, the state treasurer determines that the amount of general fund 6 revenues for the fiscal year in which the forecast is prepared will be 7 insufficient to cover the amount of general fund appropriations to be 8 made for that fiscal year as included in the joint budget committee's 9 appropriations report, the state treasurer shall transfer to the general fund 10 from the moneys that would otherwise be transferred to the film 11 incentives cash fund or the Colorado office of film, television, and media 12 operational account cash fund pursuant to sub-subparagraph (A) of this 13 subparagraph (V) at the end of the fiscal year an amount equal to the 14 lesser of the full amount that would otherwise be transferred to the film 15 incentives cash fund or the Colorado office of film, television, and media 16 operational account cash fund or the amount necessary to cover the 17 amount of general fund appropriations to be made for the fiscal year as 18 included in the joint budget committee's appropriations report. Any 19 reduction in the amount transferred to the film incentives cash fund or the 20 Colorado office of film, television, and media operational account cash 21 fund required by this sub-subparagraph (C) and the amounts transferred 22 to the state council on the arts CREATIVE INDUSTRIES cash fund, the new 23 jobs incentives cash fund, and the Colorado travel and tourism promotion 24 fund required by sub-subparagraph (B) of subparagraph (IV) of this 25 paragraph (a) shall be pro-rated based on the amounts otherwise required 26 to be transferred to said funds pursuant to sub-subparagraph (A) of this 27 subparagraph (V) and sub-subparagraph (A) of subparagraph (IV) of this

1 paragraph (a).

27

2 (VI) For the 2008-09 fiscal year, of the portion of limited gaming 3 fund moneys that would otherwise be transferred to the general fund 4 pursuant to section 9 (5) (b) (II) of article XVIII of the state constitution, 5 after the transfer to the local government limited gaming impact fund 6 required by section 12-47.1-1601, fifteen million five hundred 7 seventy-eight thousand six hundred ninety-nine dollars shall be 8 transferred to the Colorado travel and tourism promotion fund created in 9 section 24-49.7-106, C.R.S., one million two hundred thousand 10 twenty-six dollars shall be transferred to the state council on the arts 11 CREATIVE INDUSTRIES cash fund created in section 24-48.8-109 SECTION 12 24-48.5-308, C.R.S., one million four hundred thousand fifty-two dollars 13 shall be transferred to the new jobs incentives cash fund created in section 14 24-46-105.7, C.R.S., one million dollars shall be transferred to the 15 innovative higher education research fund created in section 23-19.7-104, 16 C.R.S., and four hundred eighty thousand eleven dollars shall be 17 transferred to the film incentives cash fund created in section 18 24-46-105.8, C.R.S. If when making the transfers in June 2009 the 19 treasurer determines that the portion of limited gaming fund moneys that 20 would otherwise be transferred to the general fund pursuant to section 9 21 (5) (b) (II) of article XVIII of the state constitution, after the transfer to 22 the local government limited gaming impact fund required by section 23 12-47.1-1601, is insufficient to make the transfers set forth in this 24 subparagraph (VI), the transfers shall be proportionally reduced.

25 SECTION 3. 24-1-137, Colorado Revised Statutes, is amended
26 to read:

24-1-137. Effect of decrease in the length of terms of office for

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1 certain state boards, commissions, authorities, and agencies. Persons 2 who are holding office on June 15, 1987, and who were appointed to 3 terms of office pursuant to sections 11-2-102, 12-4-103, 12-22-104, 4 12-32-103, 12-33-103, 12-36-103, 12-40-106, 12-60-102, 22-80-104, 5 23-9-103, 23-15-104, 23-40-104, 23-41-102, 24-32-706, 24-42-102, 6 25-25-104, 29-1-503, 29-4-704, 34-60-104, 35-41-101, 35-65-401, 7 35-75-104, 39-2-123, and 40-2-101, C.R.S., as said sections existed prior 8 to June 15, 1987, shall continue to serve in such office, but such service 9 shall be at the pleasure of the governor, who may appoint a replacement 10 to serve for the unexpired term of any member. However, if the governor 11 has not appointed any such replacement on or before November 15, 1987, 12 then the person who is holding such office on June 15, 1987, shall no 13 longer be subject to replacement pursuant to this section but shall be 14 subject to whatever removal provisions may otherwise apply for such 15 office. Any such member for whom a replacement has been appointed 16 shall continue to serve until his or her successor is duly qualified. 17 Appointments to new terms of office made after June 15, 1987, shall be 18 made for terms of four years as prescribed by law; except that such 19 provision shall not apply to terms of office of persons appointed pursuant 20 to section 23-9-103, C.R.S., as it existed prior to July 1, 2006, or to 21 section 24-48.8-103 SECTION 24-48.5-303, which is the former section 22 23-9-103, C.R.S.

23 SECTION 4. 24-37.5-402 (4), Colorado Revised Statutes, is
24 amended to read:

25 24-37.5-402. Definitions. As used in this part 4, unless the
26 context otherwise requires:

27

(4) "Department of higher education" means the Colorado

commission on higher education, college invest, the Colorado student loan
 program, the Colorado college access network, the private occupational
 school division, AND the state historical society. and the state council on
 the arts.

5 SECTION 5. 24-46-105.8 (4) (a), Colorado Revised Statutes, is
6 amended to read:

7 24-46-105.8. Performance-based incentive for film production 8 in Colorado - film incentives cash fund - definitions - repeal. 9 (4) (a) For the 2006-07, 2007-08, and 2008-09 fiscal years, the general 10 assembly shall annually appropriate the moneys transferred to the fund 11 pursuant to section 12-47.1-701 (4) (a) (V), C.R.S., to the commission to 12 be used for performance-based incentives for the motion picture industry 13 pursuant to the provisions of this section. Any moneys remaining in the 14 fund on July 1, 2009, shall be transferred to the Colorado office of film, 15 television, and media operational account cash fund created in section 16 24-48.5-203 SECTION 24-48.5-311.

17 **SECTION 6.** The introductory portion to 43-1-404 (1) and 18 43-1-404 (1) (e) (III), Colorado Revised Statutes, are amended to read:

43-1-404. Advertising devices allowed - exception. (1) The
following advertising devices as defined in section 43-1-403 may be
erected and maintained when in compliance with all provisions of this
part 4 and the rules and regulations adopted by the department:

(e) (III) The department shall consult with the state council on the
arts CREATIVE INDUSTRIES and the state historical society to determine
places of cultural importance which are eligible to erect advertising
devices pursuant to sub-subparagraph (C) of subparagraph (I) of this
paragraph (e). It is the intent of the general assembly that no state

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1	moneys nor any federal funds be used to erect such advertising devices.
2	SECTION 7. Repeal of provisions being relocated in this act.
3	Part 2 of article 48.5 of title 24, article 48.8 of title 24, and article 80.5 of
4	title 24, Colorado Revised Statutes, are repealed.
5	SECTION 8. Repeal of provisions not being relocated in this
6	act. 24-48.8-101 and 24-48.8-105, Colorado Revised Statutes, are
7	repealed.
8	SECTION 9. Specified effective date. This act shall take effect
9	July 1, 2010.
10	SECTION 10. Safety clause. The general assembly hereby finds,
11	determines, and declares that this act is necessary for the immediate
12	preservation of the public peace, health, and safety.