Second Regular Session Seventy-third General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 22-0241.02 Jason Gelender x4330

HOUSE BILL 22-1252

HOUSE SPONSORSHIP

Bernett,

SENATE SPONSORSHIP

Kirkmeyer and Jaquez Lewis,

House Committees

Senate Committees

Education

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A BILL FOR AN ACT CONCERNING PROVISIONS OF PUBLIC SCHOOL CONTRACTS, AND, IN CONNECTION THEREWITH, SPECIFYING REQUIREMENTS AND LIMITATIONS FOR SUCH PROVISIONS.

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.)

The bill, which is modeled in part after an existing provision of the "Procurement Code", concerns provisions of a public school contract, which is defined as an agreement between a public school contracting entity and a contractor where the principal purpose is to acquire supplies, services, or construction or to dispose of supplies for the direct benefit of

or in support of a public school other than an agreement for the acquisition of certain types of professional services. The bill also specifies that certain specified types of terms or conditions in a public school contract are void and makes a public school contract voidable if it does not include certain specified provisions.

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

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2 **SECTION 1.** In Colorado Revised Statutes, add 22-1-134 as 3 follows: 4 22-1-134. Terms and conditions in public school contracts -5 **definitions.** (1) AS USED IN THIS SECTION: 6 "CONSTRUCTION" MEANS THE PROCESS OF BUILDING, (a) 7 ALTERING, REPAIRING, IMPROVING, OR DEMOLISHING ANY PUBLIC 8 STRUCTURE OR BUILDING OR ANY OTHER PUBLIC IMPROVEMENTS OF ANY 9 KIND TO ANY REAL PROPERTY THAT IS OWNED OR LEASED BY A 10 CONTRACTING ENTITY OR BY A PUBLIC SCHOOL AND IS USED FOR THE 11 DIRECT BENEFIT OF OR IN SUPPORT OF A PUBLIC SCHOOL. 12 (b) "CONTRACTOR" MEANS ANY PERSON HAVING A CONTRACT 13 WITH A PUBLIC SCHOOL CONTRACTING ENTITY. "CONTRACTOR" DOES NOT 14 INCLUDE AN EMPLOYEE OF A PUBLIC SCHOOL CONTRACTING ENTITY OR OF 15 A PUBLIC SCHOOL TO BE DIRECTLY BENEFITED BY OR SUPPORTED BY A 16 PUBLIC SCHOOL CONTRACT. 17 (c) "PUBLIC SCHOOL CONTRACT" MEANS ANY TYPE OF AGREEMENT, 18 REGARDLESS OF WHAT IT MAY BE CALLED, ENTERED INTO BETWEEN A 19 PUBLIC SCHOOL CONTRACTING ENTITY AND A CONTRACTOR WHERE THE 20 PRINCIPAL PURPOSE IS TO ACQUIRE SUPPLIES, SERVICES, OR CONSTRUCTION 21 OR TO DISPOSE OF SUPPLIES FOR THE DIRECT BENEFIT OF OR IN SUPPORT OF 22 A PUBLIC SCHOOL; EXCEPT THAT "PUBLIC SCHOOL CONTRACT" DOES NOT 23 INCLUDE AN AGREEMENT FOR THE ACQUISITION OF PROFESSIONAL

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1	SERVICES, AS DEFINED IN SECTION 24-30-1402 (6).
2	(d) "PUBLIC SCHOOL CONTRACTING ENTITY" MEANS AN ENTITY
3	THAT IS AUTHORIZED TO CONTRACT FOR THE DIRECT BENEFIT OF OR
4	SUPPORT OF A PUBLIC SCHOOL AND ENTERS INTO A PUBLIC SCHOOL
5	CONTRACT. "PUBLIC SCHOOL CONTRACTING ENTITY" INCLUDES A SCHOOL
6	DISTRICT AND, TO THE EXTENT AUTHORIZED BY LAW, A PUBLIC SCHOOL, AN
7	ADMINISTRATIVE UNIT, AS DEFINED IN SECTION 22-20-103 (1), A
8	PARTICIPATING PROVIDER, AS DEFINED IN SECTION 22-100-101, OR ANY
9	OTHER ENTITY THAT IS AUTHORIZED TO CONTRACT FOR THE DIRECT
10	BENEFIT OF OR SUPPORT OF A PUBLIC SCHOOL.
11	(2) (a) A TERM OR CONDITION IN A PUBLIC SCHOOL CONTRACT IS
12	VOID AB INITIO IF THE TERM OR CONDITION:
13	(I) REQUIRES THE PUBLIC SCHOOL CONTRACTING ENTITY TO
14	INDEMNIFY OR HOLD HARMLESS ANOTHER PERSON;
15	(II) SPECIFIES THAT THE PUBLIC SCHOOL CONTRACTING ENTITY
16	AGREES TO BINDING ARBITRATION OR TO ANY OTHER BINDING
17	EXTRA-JUDICIAL DISPUTE RESOLUTION PROCESS;
18	(III) SPECIFIES THAT THE PUBLIC SCHOOL CONTRACTING ENTITY
19	AGREES TO LIMIT LIABILITY OF ANOTHER PERSON FOR BODILY INJURY
20	DEATH, OR DAMAGE TO PROPERTY OF THE PUBLIC SCHOOL CONTRACTING
21	ENTITY OR A PUBLIC SCHOOL DIRECTLY BENEFITED BY OR SUPPORTED BY
22	THE PUBLIC SCHOOL CONTRACT THAT IS CAUSED BY THE NEGLIGENCE OR
23	WILLFUL MISCONDUCT OF THE PERSON OR OF THE PERSON'S EMPLOYEES OR
24	AGENTS;
25	(IV) PURPORTS TO WAIVE, ALTER, OR LIMIT THE APPLICATION OF
26	ANY PROVISION OF THE "COLORADO GOVERNMENTAL IMMUNITY ACT"
27	ARTICLE 10 OF TITLE 24;

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1	(V) PURPORTS TO WAIVE, ALTER, OR LIMIT THE APPLICATION OF
2	THE "STUDENT DATA TRANSPARENCY AND SECURITY ACT", ARTICLE 16
3	OF THIS TITLE 22, THE PROVISIONS OF SECTIONS 6-1-713 AND 6-1-713.5
4	RELATING TO PROTECTION AND DISPOSAL OF PERSONAL IDENTIFYING
5	INFORMATION, THE PROVISIONS OF ARTICLE 73 OF TITLE 24 RELATING TO
6	SECURITY BREACHES AND PERSONAL INFORMATION, OR, UPON IT TAKING
7	EFFECT ON JULY 1, 2023, THE "COLORADO PRIVACY ACT", PART 13 OF
8	ARTICLE 1 OF TITLE 6; OR
9	(VI) CONFLICTS WITH COLORADO LAW OR RULES PROMULGATED
10	PURSUANT TO COLORADO LAW OR CONFLICTS WITH ANY PROVISION
11	REQUIRED TO BE INCLUDED OR DEEMED TO BE INCLUDED IN A PUBLIC
12	SCHOOL CONTRACT BY SUBSECTION (2)(d) OF THIS SECTION AS OF THE
13	DATE THE CONTRACT IS EXECUTED.
14	(b) If a public school contract contains a term or
15	CONDITION THAT IS VOID AB INITIO UNDER SUBSECTION (2)(a) OF THIS
16	SECTION, THE PUBLIC SCHOOL CONTRACT IS OTHERWISE ENFORCEABLE AS
17	IF IT DID NOT CONTAIN THE VOID TERM OR CONDITION.
18	(c) ALL PUBLIC SCHOOL CONTRACTS, EXCEPT FOR CONTRACTS
19	WITH ANOTHER GOVERNMENT, ARE GOVERNED BY COLORADO LAW
20	NOTWITHSTANDING ANY CONTRACT TERM OR CONDITION TO THE
21	CONTRARY.
22	(d) A PUBLIC SCHOOL CONTRACT MUST INCLUDE PROVISIONS, AND
23	IF SUCH PROVISIONS ARE NONETHELESS INADVERTENTLY OR OTHERWISE
24	OMITTED, SHALL BE DEEMED TO INCLUDE PROVISIONS, THAT:
25	(I) STATE THAT ANY AND ALL CONTRACTUAL FINANCIAL
26	OBLIGATIONS OF THE PUBLIC SCHOOL CONTRACTING ENTITY THAT ARE
27	DAVARIE AFTED THE CURRENT FISCAL VEAR ARE CONTINGENT ON MONEY

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1	TO PAY THE OBLIGATIONS BEING APPROPRIATED, BUDGETED, AND
2	OTHERWISE MADE AVAILABLE;
3	(II) REQUIRE THE CONTRACTOR TO COMPLY WITH ALL APPLICABLE
4	FEDERAL, STATE, AND LOCAL LAWS, RULES, AND REGULATIONS IN EFFECT
5	WHEN THE CONTRACT IS EXECUTED OR THEREAFTER ESTABLISHED,
6	INCLUDING, WITHOUT LIMITATION:
7	(A) LAWS, RULES, AND REGULATIONS APPLICABLE TO
8	DISCRIMINATION AND UNFAIR EMPLOYMENT PRACTICES; AND
9	(B) LAWS, RULES, AND REGULATIONS THAT REQUIRE THE
10	PROTECTION OF PERSONAL IDENTIFYING INFORMATION, INCLUDING
11	STUDENT PERSONAL IDENTIFYING INFORMATION, AS DEFINED IN SECTION
12	22-16-103 (13), SUCH AS THE FEDERAL "FAMILY EDUCATION RIGHTS AND
13	Privacy Act", 20 U.S.C. sec. 1232g, the "Student Data
14	Transparency and Security Act", article 16 of this title 22, the
15	PROVISIONS OF SECTIONS 6-1-713 AND 6-1-713.5 RELATING TO
16	PROTECTION AND DISPOSAL OF PERSONAL IDENTIFYING INFORMATION, THE
17	PROVISIONS OF ARTICLE 73 OF TITLE 24 RELATING TO SECURITY BREACHES
18	AND PERSONAL INFORMATION, OR, UPON IT TAKING EFFECT ON JULY 1,
19	$2023, \mbox{the}$ "Colorado Privacy Act", part 13 of article 1 of title $6;$
20	AND
21	(III) REQUIRE THE CONTRACTOR TO PERFORM ITS DUTIES AS AN
22	INDEPENDENT CONTRACTOR, TO PAY WHEN DUE ALL APPLICABLE
23	EMPLOYMENT TAXES AND INCOME TAXES FOR ITS EMPLOYEES INCURRED
24	IN THE PERFORMANCE OF THE CONTRACT, AND TO PROVIDE AND KEEP IN
25	FORCE WORKERS' COMPENSATION AND UNEMPLOYMENT COMPENSATION
26	INSURANCE IN THE AMOUNTS REQUIRED BY LAW.
27	SECTION 2. Applicability. This act applies to contracts

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- 1 executed on or after July 1, 2022.
- 2 **SECTION 3. Safety clause.** The general assembly hereby finds,
- determines, and declares that this act is necessary for the immediate
- 4 preservation of the public peace, health, or safety.

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