

**Effective 5/4/2022**

**Renumbered 10/14/2025**

**53B-2a-113 Technical colleges -- Leasing authority -- Lease-purchase agreements -- Report.**

- (1) A technical college may enter into a lease with other higher education institutions, school districts, charter schools, state agencies, or business and industry for a term of:
  - (a) one year or less with the approval of the technical college board of trustees; or
  - (b) more than one year with the approval of the board if:
    - (i) the Legislature approves funding for the lease prior to a technical college entering into the lease; or
    - (ii) the lease agreement includes language that allows termination of the lease without penalty.
- (2)
  - (a) A technical college may enter into a lease-purchase agreement if:
    - (i) there is a long-term benefit to the state;
    - (ii) the project is included in the technical college master plan;
    - (iii) the lease-purchase agreement includes language that allows termination of the lease;
    - (iv) the lease-purchase agreement is approved by the technical college board of trustees and the board; and
    - (v) the lease-purchase agreement is:
      - (A) reviewed by the Division of Facilities Construction and Management; and
      - (B) approved by the Legislature.
  - (b) An approval under Subsection (2)(a) shall include a recognition of:
    - (i) all parties, dates, and elements of the agreement;
    - (ii) the equity or collateral component that creates the benefit; and
    - (iii) the options dealing with the sale and division of equity.
- (3)
  - (a) Each technical college shall provide an annual lease report to the board that details each of the technical college's leases, annual costs, location, square footage, and recommendations for lease continuation.
  - (b) The board shall compile and distribute an annual combined lease report for all technical colleges to the Division of Facilities Construction and Management and to others upon request.
- (4) The board shall use the annual combined lease report in determining planning, utilization, and budget requests.