

**First Regular Session
Sixty-fourth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 03-0594.01 Duane Gall

HOUSE BILL 03-1059

HOUSE SPONSORSHIP

Paccione,

SENATE SPONSORSHIP

(None),

House Committees

Information & Technology

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING ALLOWING MINORS TO SERVE AS DIRECTORS OF**
102 **NONPROFIT CORPORATIONS, AND, IN CONNECTION THEREWITH,**
103 **EXEMPTING DIRECTORS WHO ARE MINORS FROM PERSONAL**
104 **LIABILITY.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Permits persons under 18 years of age to serve as directors of nonprofit corporations so long as the effective control of the nonprofit corporation remains with persons 18 years of age or older.

Exempts person under 18 years of age from personal liability for acts and omissions in the scope of their duties as directors.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

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

2 **SECTION 1.** 7-128-102, Colorado Revised Statutes, is amended
3 to read:

4 **7-128-102. Qualifications of directors.** (1) A director shall be
5 a natural person. ~~who is eighteen years of age or older.~~ The bylaws may
6 prescribe other qualifications for directors. A director need not be a
7 resident of this state or a member of the nonprofit corporation unless the
8 bylaws so prescribe.

9 (2) THE BOARD OF DIRECTORS MAY INCLUDE ONE OR MORE
10 PERSONS WHO ARE UNDER EIGHTEEN YEARS OF AGE SO LONG AS:

11 (a) SUCH PERSONS DO NOT HOLD ELECTED OFFICER POSITIONS
12 INCLUDING, BUT NOT LIMITED TO, THE POSITION OF CHAIR OF THE BOARD;
13 AND

14 (b) THE NUMBER OF SUCH PERSONS DOES NOT EXCEED ONE-HALF
15 THE TOTAL NUMBER OF DIRECTORS REQUIRED FOR A QUORUM FOR THE
16 TRANSACTION OF BUSINESS.

17 (3) IF THE CORPORATION ALLOWS PERSONS UNDER EIGHTEEN
18 YEARS OF AGE TO SERVE AS DIRECTORS, THE CORPORATION SHALL STATE
19 IN ITS ARTICLES OF INCORPORATION THE NUMBER OF DIRECTORS WHO MAY
20 BE UNDER EIGHTEEN YEARS OF AGE.

21 **SECTION 2.** 7-128-402, Colorado Revised Statutes, is amended
22 BY THE ADDITION OF A NEW SUBSECTION to read:

23 **7-128-402. Limitation of certain liabilities of directors and**
24 **officers.** (3) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A
25 DIRECTOR UNDER EIGHTEEN YEARS OF AGE SHALL NOT BE PERSONALLY
26 LIABLE TO ANY PERSON FOR ANY ACT OR OMISSION AS A DIRECTOR UNLESS

1 SUCH ACT OR OMISSION CONSTITUTED A CRIMINAL OFFENSE.

2 **SECTION 3. Safety clause.** The general assembly hereby finds,
3 determines, and declares that this act is necessary for the immediate
4 preservation of the public peace, health, and safety.