

SENATE JOURNAL
 Sixty-eighth General Assembly
STATE OF COLORADO
 First Regular Session

93rd Legislative Day Thursday, April 14, 2011

- Prayer 10
 By the chaplain, Dr. Michael Dent, Trinity United Methodist Church, Denver. 11
- Call to Order 12
 By the President at 9:00 a.m. 13
- Pledge 14
 By Senator White. 15
- Roll Call 16
 Present--32 17
 Excused--3, Bacon, Kopp, Mitchell. 18
 Present later--2, Bacon, Mitchell. 19
- Quorum 20
 The President announced a quorum present. 21
- Reading of Journal 22
 On motion of Senator Nicholson, reading of the Journal of Wednesday, April 13, 2011, 23
 was dispensed with and the Journal was approved as corrected by the Secretary. 24

THIRD READING OF BILLS -- FINAL PASSAGE

On third reading, the titles of the following bills were publicly read, the reading at length having been dispensed with by unanimous consent:

HB11-1234 by Representative(s) Vaad; also Senator(s) Spence and Williams S.--Concerning the creation of a taxicab license plate for motor vehicles authorized to provide taxicab services, and making an appropriation therefor.

A majority of those elected to the Senate having voted in the affirmative, Senator Harvey was given permission to offer a third reading amendment.

Third Reading Amendment No. 1(L.004), by Senator Harvey.

Amend revised bill, page 3, line 17, after the period add "THE DEPARTMENT SHALL NOT ISSUE MORE THAN TEN LICENSE PLATES BEYOND THE NUMBER OF MOTOR VEHICLES THE PERSON IS AUTHORIZED BY THE PUBLIC UTILITIES COMMISSION TO USE."

The amendment was lost on the following roll call vote:

YES	7	NO	27	EXCUSED	1	ABSENT	0
Aguilar	N	Guzman	N	Kopp	E	Scheffel	Y
Bacon	N	Harvey	Y	Lambert	Y	Schwartz	N
Boyd	N	Heath	N	Lundberg	Y	Spence	N
Brophy	N	Hodge	N	Mitchell	Y	Steadman	N
Cadman	Y	Hudak	N	Morse	N	Tochtrop	N
Carroll	N	Jahn	N	Newell	N	White	N
Foster	N	Johnston	N	Nicholson	N	Williams S.	N
Giron	N	King K.	N	Renfroe	N	President	N
Grantham	Y	King S.	N	Roberts	N		

The question being "Shall the bill pass?", the roll call was taken with the following result:

YES	33	NO	1	EXCUSED	1	ABSENT	0
Aguilar	Y	Guzman	Y	Kopp	E	Scheffel	Y
Bacon	Y	Harvey	Y	Lambert	Y	Schwartz	Y
Boyd	Y	Heath	Y	Lundberg	Y	Spence	Y
Brophy	N	Hodge	Y	Mitchell	Y	Steadman	Y
Cadman	Y	Hudak	Y	Morse	Y	Tochtrop	Y
Carroll	Y	Jahn	Y	Newell	Y	White	Y
Foster	Y	Johnston	Y	Nicholson	Y	Williams S.	Y
Giron	Y	King K.	Y	Renfroe	Y	President	Y
Grantham	Y	King S.	Y	Roberts	Y		

A majority of all members elected to the Senate having voted in the affirmative, the bill was passed.

HB11-1216 by Representative(s) Riesberg and Gerou, Baumgardner, Court, Ferrandino, Kefalas, Looper, Miklosi, Pabon, Soper, McCann; also Senator(s) Aguilar, Bacon, King S., Newell, Tochtrop, Williams S.--Concerning the funding of programs that help persons with disabilities obtain benefits by the sale of uniquely valuable registration numbers for vehicles, and making an appropriation therefor.

The question being "Shall the bill pass?", the roll call was taken with the following result:

YES	28	NO	6	EXCUSED	1	ABSENT	0
Aguilar	Y	Guzman	Y	Kopp	E	Scheffel	Y
Bacon	Y	Harvey	N	Lambert	Y	Schwartz	Y
Boyd	Y	Heath	Y	Lundberg	N	Spence	Y
Brophy	N	Hodge	N	Mitchell	Y	Steadman	Y
Cadman	N	Hudak	Y	Morse	Y	Tochtrop	Y
Carroll	Y	Jahn	Y	Newell	Y	White	Y
Foster	Y	Johnston	Y	Nicholson	Y	Williams S.	Y
Giron	Y	King K.	Y	Renfroe	Y	President	Y
Grantham	N	King S.	Y	Roberts	Y		

A majority of all members elected to the Senate having voted in the affirmative, the bill was passed.

Co-sponsors added: Boyd, Giron, Guzman, Hudak, Morse, Nicholson, Spence and Steadman.

MESSAGE FROM THE HOUSE

April 13, 2011

Mr. President:

The House has adopted and transmits herewith HJR11-1015.

INTRODUCTION AND CONSIDERATION OF RESOLUTIONS

HJR11-1015 by Representative(s) Nikkel and McCann; also Senator(s) Newell and White--Concerning recognition of the month of April as Child Abuse Prevention Month.

On motion of Senator Newell, the resolution was read at length and **adopted** by the following roll call vote:

YES	34	NO	0	EXCUSED	1	ABSENT	0	
Aguilar	Y	Guzman	Y	Kopp	E	Scheffel	Y	1
Bacon	Y	Harvey	Y	Lambert	Y	Schwartz	Y	2
Boyd	Y	Heath	Y	Lundberg	Y	Spence	Y	3
Brophy	Y	Hodge	Y	Mitchell	Y	Steadman	Y	4
Cadman	Y	Hudak	Y	Morse	Y	Tochtrop	Y	5
Carroll	Y	Jahn	Y	Newell	Y	White	Y	6
Foster	Y	Johnston	Y	Nicholson	Y	Williams S.	Y	7
Giron	Y	King K.	Y	Renfroe	Y	President	Y	8
Grantham	Y	King S.	Y	Roberts	Y			9

Co-sponsors added: Aguilar, Bacon, Boyd, Brophy, Cadman, Carroll, Foster, Giron, Grantham, Guzman, Harvey, Heath, Hodge, Hudak, Jahn, Johnston, King K., King S., Lambert, Lundberg, Mitchell, Morse, Nicholson, Renfroe, Roberts, Scheffel, Schwartz, Shaffer B., Spence, Steadman, Tochtrop and Williams S.

INTRODUCTION OF MEMORIALS

The following memorials were read by title and referred to the committees indicated:

SJM11-003 by Senator(s) Boyd; also Representative(s) Summers--Memorializing Congress to designate pseudoephedrine and ephedrine as prescription-only drugs.
Laid over one day under Senate Rule 30(d).

SJM11-004 by Senator(s) Brophy, Carroll; also Representative(s) Solano and Massey, Sonnenberg, Kagan, Miklosi--Memorializing Congress to repeal the provisions of the federal "No Child Left Behind Act of 2001" when reauthorizing the federal "Elementary and Secondary Education Act of 1965".
Education

INTRODUCTION OF BILLS -- FIRST READING

The following bills were read by title and referred to the committees indicated:

SB11-239 by Senator(s) Newell; also Representative(s) Swerdfeger--Concerning the repeal of a requirement that the division of local government annually report about information related to incorporated municipalities to the clerk of each incorporated municipality.
Local Government

SB11-240 by Senator(s) Hudak, Bacon, Schwartz; also Representative(s) Murray--Concerning the implementation of sunset review of the regulation of private occupational schools, and, in connection therewith, requiring the department of regulatory agencies to review the functions of the private occupational school division and the private occupational school board and scheduling a future repeal of the laws related to regulation of private occupational schools.
Education

HB11-1195 by Representative(s) Gardner B., Ryden; also Senator(s) Newell--Concerning the voluntary licensure of private investigators, and making an appropriation therefor.
Judiciary

HB11-1217 by Representative(s) Acree, Joshi, Kerr A., Stephens, Summers; also Senator(s) Boyd, Roberts--Concerning measures to expand access to health care throughout the state.
Health and Human Services

HB11-1278 by Representative(s) Gardner B.; also Senator(s) Morse--Concerning sex offender registration.
Judiciary

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HB11-1279 by Representative(s) Sonnenberg and Becker; also Senator(s) Hodge--Concerning permits for excess size and weight vehicles.
Transportation

HB11-1281 by Representative(s) Joshi; also Senator(s) Boyd--Concerning health care professional loan forgiveness programs administered by the primary care office in the department of public health and environment, and making an appropriation therefor.
Health and Human Services

MESSAGE FROM THE GOVERNOR

April 13, 2011

To the Honorable Senate
Sixty-eighth General Assembly
First Regular Session
State Capitol
Denver, CO 80203

Ladies and Gentlemen:

I have the honor to inform you that I have approved and filed with the Secretary of State the following Acts:

SB11-007 CONCERNING THE RESPONSIBILITY FOR THE PROSECUTION OF A PERSON WHO IS CHARGED WITH FAILURE TO REGISTER AS A SEX OFFENDER

Approved April 13, 2011 at 11:02 a.m.

SB11-081 CONCERNING THE VOLUNTARY CONTRIBUTION DESIGNATION BENEFITING THE HEALTH FAIR FUND THAT APPEARS ON THE STATE INDIVIDUAL INCOME TAX RETURN FORMS, AND, IN CONNECTION THEREWITH, EXTENDING THE PERIOD FOR THE CONTRIBUTION DESIGNATION

Approved April 13, 2011 at 11:05 a.m.

SB11-082 CONCERNING THE AUTHORITY OF THE STATE AUDITOR TO CONDUCT AUDITS OF SECURITY SYSTEMS USED FOR INFORMATION TECHNOLOGY OPERATED BY THE STATE

Approved April 13, 2011 at 11:08 a.m.

SB11-084 CONCERNING THE EMPLOYMENT OF PHYSICIANS AT LONG-TERM CARE FACILITIES

Approved April 13, 2011 at 11:13 a.m.

SB11-110 CONCERNING A REQUIREMENT THAT CERTAIN BOARDS OF COUNTY COMMISSIONERS DEVELOP AN OPEN BURNING PERMIT SYSTEM FOR THE PURPOSE OF SAFELY DISPOSING OF SLASH

Approved April 13, 2011 at 11:10 a.m.

SB11-115 CONCERNING THE AUTHORITY OF THE STATE AUDITOR TO AUDIT STATE GOVERNMENTAL ENTITIES

Approved April 13, 2011 at 11:14 a.m.

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SB11-175 CONCERNING ENACTMENT OF THE INSURABLE INTEREST AMENDMENTS TO THE UNIFORM TRUST CODE

Approved April 13, 2011 at 11:15 a.m.

Sincerely,
(signed)
John W. Hickenlooper
Governor

SENATE SERVICES REPORT

Correctly Reengrossed: SB11-180, 189, 191, 193, 195, 197, 201 and 206.
Correctly Rerevised: HB11-1004, 1042, 1071, 1080, 1156, 1182, 1198 and 1230.

SIGNING OF BILLS -- RESOLUTIONS -- MEMORIALS

The President has signed: HB11-1185.

DELIVERY TO THE GOVERNOR

To the Governor for signature on Wednesday, April 13, 2011, at 3:56 p.m.: SB11-057.

COMMITTEE OF REFERENCE REPORTS

Local Government After consideration on the merits, the Committee recommends that **HB11-1116** be postponed indefinitely.

Local Government After consideration on the merits, the Committee recommends that **HB11-1196** be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation.

Amend reengrossed bill, page 3, after line 10 insert:

"SECTION 3. 19-1-116 (1.5) and (2) (b) (I), Colorado Revised Statutes, are amended to read:

19-1-116. Funding - alternatives to placement out of the home - services to prevent continued involvement in child welfare system.

(1.5) No later than July 1, 1994, each county in the state shall assure access to alternatives to out-of-home placements for families with children at imminent risk of out-of-home placements. BEGINNING SEPTEMBER 1, 2011, A COUNTY MAY ALSO PROVIDE ACCESS FOR FAMILIES TO ALTERNATIVE SERVICES TO PREVENT CONTINUED INVOLVEMENT WITH THE COUNTY DEPARTMENT CHILD WELFARE SYSTEM. Two or more counties may jointly provide or purchase alternative services to families in the respective counties. Such services shall either be provided for under the plan adopted by placement alternative commissions in accordance with paragraph (b) of subsection (2) of this section or purchased by the county if such county does not have a placement alternative commission for the county. If a county purchases alternative services, the county shall ensure that the services purchased meet the goals of placement alternative commission plans, as described in subparagraph (I) of paragraph (b) of subsection (2) of this section.

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(2) (b) (I) On or before July 1, 1994, the commission, if established, shall annually prepare a plan for the provision of services. The primary goals under the plan shall be to prevent imminent placement of children out of the home and to reunite children who have been placed out of the home with their families. IF A COUNTY PROVIDES SERVICES TO CHILDREN WHO, WITHOUT INTERVENTION, RISK CONTINUED INVOLVEMENT WITH THE CHILD WELFARE SYSTEM, THE COUNTY SHALL INCLUDE IN THE PLAN THE GOALS TO BE ACHIEVED BY PROVIDING SAID SERVICES. The plan shall be prepared using all available sources of information in the community, including public hearings. The plan shall specify the nature of the expenditures to be made and shall identify the services which are intended to prevent or minimize placement out of the home and to what extent. The plan shall contain, whenever practicable, a vocational component to provide assistance to older children concerning a transition into the work force upon completion of school. Upon approval of the plan by the county commissioners, the counties shall submit the plan to the department of human services."

Renumber succeeding sections accordingly.

Page 4, line 4, strike "THE" and substitute "BEGINNING WITH THE 2012-13 STATE FISCAL YEAR, THE".

Agriculture,
Natural
Resources,
and Energy

After consideration on the merits, the Committee recommends that **HB11-1286** be referred to the Committee of the Whole with favorable recommendation and with a recommendation that it be placed on the Consent Calendar.

Agriculture,
Natural
Resources,
and Energy

After consideration on the merits, the Committee recommends that **HB11-1274** be referred to the Committee on Appropriations with favorable recommendation.

Judiciary

The Committee on Judiciary has had under consideration and has had a hearing on the following appointments and recommends that the appointments be confirmed:

**MEMBERS OF THE
JUVENILE PAROLE BOARD**

for terms expiring at the pleasure of the Governor:

Paula Ramaekers-Mattas of Grand Junction, Colorado, to fill the vacancy occasioned by the resignation of Mary Beth Buescher of Grand Junction, Colorado, and to serve as a public at-large member from the Western Slope, appointed;

Charles F. Garcia of Denver, Colorado, to fill the vacancy occasioned by Allison A. Brittsan of Denver, Colorado, and to serve as a public member, appointed;

Carmen Q. Nelson of Denver, Colorado, to fill the vacancy occasioned by the resignation of Suzanne S. Ageton of Boulder, Colorado, and to serve as a public member, appointed.
James A. Known of Thornton, Colorado, to fill the vacancy occasioned by the resignation of Dean J. Conder of Denver, Colorado, and to serve as a representative from the Colorado Department of Labor and Employment, appointed.

Judiciary

After consideration on the merits, the Committee recommends that **SB11-166** be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation.

Amend printed bill, page 5, after line 10 insert:

"(7) NO PERSON OBLIGATED TO DISTRIBUTE AN INTEREST DISCLAIMED UNDER THIS PART 12 SHALL BE LIABLE TO ANY PERSON FOR DISTRIBUTING THE INTEREST AS IF THE INTEREST WERE NOT DISCLAIMED

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UNLESS THE PERSON OBLIGATED TO DISTRIBUTE THE INTEREST RECEIVES A COPY OF THE DISCLAIMER PRIOR TO DISTRIBUTING THE INTEREST."

Page 15, after line 15 insert:

"(7) NOTWITHSTANDING ANY OTHER PROVISION IN THIS PART 12, THIS PART 12 SHALL NOT MODIFY THE CONSTRUCTION OF LAW OR APPLICATION OF LAW WITH RESPECT TO:

(a) A DISQUALIFICATION OF MEDICAL ASSISTANCE BENEFITS UNDER TITLE 25.5, C.R.S., TO A DISCLAIMANT WHO IS OR WAS AN APPLICANT FOR OR RECIPIENT OF SUCH BENEFITS; OR

(b) A RECOVERY FROM THE ESTATE OF A DECEASED RECIPIENT OF SUCH MEDICAL ASSISTANCE BENEFITS."

Page 16, after line 24 insert:

"SECTION 2. Repeal. 15-11-801, Colorado Revised Statutes, is repealed.

SECTION 3. 11-50-119 (1), Colorado Revised Statutes, is amended to read:

11-50-119. Renunciation, resignation, death, or removal of custodian - designation of successor custodian. (1) A person nominated under section 11-50-104 or designated under section 11-50-110 as custodian may decline to serve by delivering a valid disclaimer in the form provided in section 15-11-801 15-11-1212, C.R.S., to the person who made the nomination or to the transferor or the transferor's legal representative. If the event giving rise to a transfer has not occurred and no substitute custodian able, willing, and eligible to serve was nominated under section 11-50-104, the person who made the nomination may nominate a substitute custodian under section 11-50-104; otherwise the transferor or the transferor's legal representative shall designate a substitute custodian at the time of the transfer, in either case from among the persons eligible to serve as custodian for that kind of property under section 11-50-110 (1). The custodian so designated has the rights of a successor custodian."

Renumber succeeding section accordingly.

Health & Human Services

After consideration on the merits, the Committee recommends that SB11-227 be referred to the Committee of the Whole with favorable recommendation.

State, Veterans, & Military Affairs

After consideration on the merits, the Committee recommends that SB11-231 be referred to the Committee of the Whole with favorable recommendation and with a recommendation that it be placed on the Consent Calendar.

Education

After consideration on the merits, the Committee recommends that SB11-001 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation.

Amend printed bill, strike everything below the enacting clause and substitute:

"SECTION 1. Legislative declaration. (1) The general assembly finds that:

(a) In difficult economic times, the general assembly must be exceptionally vigilant in prioritizing the appropriation of public moneys to fund those services that most directly influence the success of the state and its citizens;

(b) Of all of the services provided by state and local government, public education exercises the most widespread, direct influence on the citizens of the state, ensuring them a wider range of opportunities and a greater likelihood of economic success;

(c) In providing a well-educated citizenry, a well-funded, effective public education system also increases the likelihood that the state will

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enjoy a strong economy that attracts investment by businesses and industries that further improve the standard of living for the people of the state; and

(d) During periods of budgetary reductions, it is crucial that the state maintains funding for public education to the greatest extent possible. In considering funding for services and programs other than education, the general assembly should specifically balance the necessity of funding that service or program against the necessity of funding the state's public education system.

(2) The general assembly finds, therefore, that it is in the best interests of the state to appropriate to the state public school fund created in section 22-54-114, Colorado Revised Statutes, and to the state education fund created in section 17(4) of article IX of the state constitution the amount of the general fund surplus that exceeds the amount required for reserves for the 2010-11 fiscal year and any additional amount that the general assembly finds would be most appropriately spent to enhance the public education system in the state.

SECTION 2. 24-75-201.1 (1) (d) (XI.5), Colorado Revised Statutes, as amended by Senate Bill 11-156, is amended to read:

24-75-201.1. Restriction on state appropriations - legislative declaration - negative factor reduction cash fund - definitions - repeal. (1) (d) Except as otherwise provided in paragraph (e) of this subsection (1), for each fiscal year, unrestricted general fund year-end balances shall be retained as a reserve in the following amounts:

(XI.5) For the fiscal year 2010-11, two and three-tenths percent of the amount appropriated for expenditure from the general fund for that fiscal year. The additional amount of general fund moneys made available for appropriation by the reduction in the required reserve from four percent to two and three-tenths percent may be appropriated during the fiscal year 2010-11 for any lawful purpose. Notwithstanding any provision of law to the contrary, the state treasurer shall transfer the general fund surplus designated in accordance with section 24-75-201 (1) for the fiscal year 2010-11, less the applicable amount of reserve required pursuant to this subparagraph (XI.5), to the STATE PUBLIC SCHOOL FUND CREATED IN SECTION 22-54-114, C.R.S., AND TO THE state education fund created in section 17 (4) of article IX of the state constitution. ~~Such transfer shall be made~~ ON JULY 1, 2011, THE STATE TREASURER SHALL TRANSFER AN AMOUNT EQUAL TO TWENTY-FIVE PERCENT OF THE ESTIMATED TOTAL AMOUNT REQUIRED TO BE TRANSFERRED PURSUANT TO THIS SUBPARAGRAPH (XI.5) TO THE STATE PUBLIC SCHOOL FUND. THE AMOUNT TRANSFERRED SHALL BE BASED ON THE ESTIMATE OF GENERAL FUND REVENUES PREPARED BY THE OFFICE OF STATE PLANNING AND BUDGETING IN JUNE 2011. On the date on which the state controller publishes the comprehensive annual financial report of the state for the fiscal year 2010-11, THE STATE TREASURER SHALL TRANSFER THE REMAINDER OF THE AMOUNT REQUIRED TO BE TRANSFERRED PURSUANT TO THIS SUBPARAGRAPH (XI.5) TO THE STATE EDUCATION FUND.

SECTION 3. 22-54-114, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

22-54-114. State public school fund. (2.7) FOR THE 2011-12 BUDGET YEAR, THE STATE TREASURER SHALL TRANSFER TO THE STATE PUBLIC SCHOOL FUND THE AMOUNT DESCRIBED IN SECTION 24-75-201.1 (1) (d) (XI.5), C.R.S. THE TRANSFERRED MONEYS ARE CONTINUOUSLY APPROPRIATED TO THE DEPARTMENT OF EDUCATION FOR THE PURPOSE OF INCREASING THE SUM OF THE TOTAL PROGRAM FUNDING FOR ALL DISTRICTS, INCLUDING FUNDING FOR INSTITUTE CHARTER SCHOOLS, FOR THE 2011-12 BUDGET YEAR AS ESTABLISHED IN SECTION 22-54-104 (5) (g) (I) (B), AND THEREBY REDUCING THE NEGATIVE FACTOR APPLIED TO TOTAL PROGRAM FUNDING FOR EACH DISTRICT AND FOR EACH INSTITUTE CHARTER SCHOOL FOR THE 2011-12 BUDGET YEAR.

SECTION 4. 22-54-104 (5), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

22-54-104. District total program. (5) For purposes of the formulas used in this section:

(h) NOTWITHSTANDING ANY PROVISION OF PARAGRAPH (g) OF THIS SUBSECTION (5) TO THE CONTRARY, FOR THE 2011-12 BUDGET YEAR, THE DEPARTMENT OF EDUCATION SHALL USE ANY AMOUNT OF MONEYS APPROPRIATED TO THE DEPARTMENT PURSUANT TO SECTION 24-54-114 (2.5), TO REDUCE THE NEGATIVE FACTOR CALCULATED PURSUANT TO

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PARAGRAPH (g) OF THIS SUBSECTION (5).

SECTION 5. 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."

Page 1, line 101, strike "EDUCATION, AND, IN CONNECTION" and substitute "EDUCATION."

Page 1, strike lines 102 and 103.

Education

After consideration on the merits, the Committee recommends that **SB11-109** be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation.

Amend printed bill, page 2, after line 1 insert:

"SECTION 1. 39-22-1001 (6), Colorado Revised Statutes, is amended to read:

39-22-1001. Limitation on the duration of voluntary contribution programs. (6) FOR INCOME TAX YEARS COMMENCING PRIOR TO JANUARY 1, 2011, no more than fifteen voluntary contributions shall appear on Colorado income tax returns in any income tax year. FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2011, NO MORE THAN TWENTY VOLUNTARY CONTRIBUTIONS SHALL APPEAR ON COLORADO INCOME TAX RETURNS IN ANY INCOME TAX YEAR."

Renumber succeeding sections accordingly.

Page 2, line 10, strike "FROM PRESCHOOL THROUGH".

Page 2, line 11, strike "GRADUATE SCHOOL," and substitute "BEGINNING WITH PRESCHOOL,".

Page 2, line 16, after "EFFECTIVE" insert "PRESCHOOL AND".

Page 3, line 1, strike "PUBLIC EDUCATION" and substitute "PRESCHOOL".

Page 3, line 3, strike "PUBLIC EDUCATION," and substitute "PRESCHOOL,".

Page 3, line 5, before "PUBLIC" insert "PRESCHOOL AND".

Page 3, line 7, after "SUPPORT" insert "PRESCHOOL AND".

Page 4, line 8, strike "AS FOLLOWS:" and substitute "TO THE DEPARTMENT OF EDUCATION FOR USE IN THE COLORADO PRESCHOOL PROGRAM CREATED IN ARTICLE 28 OF TITLE 22, C.R.S."

Page 4, strike lines 9 through 26.

Business, Labor, & Technology

After consideration on the merits, the Committee recommends that **SB11-199** be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation.

Amend printed bill, page 3, line 23, after the comma insert "IF REQUESTED BY THE CLAIMANT,".

Business, Labor, & Technology

After consideration on the merits, the Committee recommends that **SB11-182** be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation.

Amend printed bill, page 2, after line 12 insert:

"(2) "LEGITIMATE VIATICAL SETTLEMENT CONTRACT" MEANS A VIATICAL SETTLEMENT CONTRACT THAT COMPLIES WITH COLORADO LAW GOVERNING VIATICAL SETTLEMENT CONTRACTS AND IS NOT OTHERWISE PART OF OR IN FURTHERANCE OF AN ACT, PRACTICE, OR ARRANGEMENT

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THAT IS PROHIBITED BY THIS ARTICLE."

Renumber succeeding subsections accordingly.

Page 2, after line 22 insert:

"(6) "STRANGER ORIGINATED LIFE INSURANCE" MEANS A PRACTICE OR PLAN TO INITIATE A LIFE INSURANCE POLICY FOR THE BENEFIT OF A THIRD-PARTY INVESTOR WHO, AT THE TIME OF POLICY ORINATION, HAS NO INSURABLE INTEREST IN THE INSURED. STRANGER ORIGINATED LIFE INSURANCE PRACTICES INCLUDE CASES IN WHICH LIFE INSURANCE IS PURCHASED WITH RESOURCES OR GUARANTEES FROM OR THROUGH A PERSON OR ENTITY WHO, AT THE TIME OF INCEPTION, COULD NOT LAWFULLY INITIATE THE POLICY THEMSELVES AND WHERE, AT THE TIME OF INCEPTION, THERE IS AN ARRANGEMENT OR AGREEMENT, WHETHER VERBAL OR WRITTEN, TO DIRECTLY OR INDIRECTLY TRANSFER THE OWNERSHIP OF THE POLICY OR THE POLICY BENEFITS TO A THIRD PARTY. TRUSTS THAT ARE CREATED TO GIVE THE APPEARANCE OF INSURABLE INTEREST AND ARE USED TO INITIATE POLICIES FOR INVESTORS VIOLATE INSURABLE INTEREST LAWS AND THE PROHIBITION ON WAGERING ON LIFE."

Page 3, strike lines 6 through 9 and substitute:

"(a) AN INDIVIDUAL HAS AN INSURABLE INTEREST IN THE LIFE OF ANOTHER PERSON IN WHOM THE INDIVIDUAL HAS A SUBSTANTIAL INTEREST ENGENDERED BY LOVE AND AFFECTION IN THE CONTINUATION OF THE LIFE OF THE INSURED AND WHO ARE:

(I) RELATED WITHIN THE FIFTH DEGREE OR CLOSER, AS MEASURED BY THE CIVIL LAW SYSTEM OF DETERMINING DEGREES OF RELATION, EITHER BY BLOOD OR MARRIAGE TO THE INSURED;

(II) STEPCHILDREN OF THE INSURED OR THEIR DESCENDANTS; OR

(III) INDIVIDUALS WHO ARE DESIGNATED AS BENEFICIARIES OF INSURANCE POLICIES FOR LIFE INSURANCE COVERAGE ON THE LIFE OF THE INSURED UNDER A DESIGNATED BENEFICIARY AGREEMENT EXECUTED PURSUANT TO ARTICLE 22 OF TITLE 15, C.R.S.;"

Page 3, line 24, strike "AND THE TRUST OR".

Page 3, strike lines 25 through 27.

Page 4, line 1, strike "HAVE AN INSURABLE INTEREST IN THE INSURED,".

Page 4, line 14, strike "THIRD" and substitute "FIFTH".

Page 4, line 24, strike "INSURED AND THE GUARDIANSHIP OR" and substitute "INSURED;".

Page 4, strike lines 25 through 27.

Page 5, strike line 1.

Page 6, line 5, strike "BORROWER;" and substitute "BORROWER OR ANY OF THE OWNERS, DIRECTORS, OFFICERS, PARTNERS, OR MANAGERS OF THE BORROWER; KEY EMPLOYEES, GUARANTORS, OR KEY PERSONS OF THE BORROWER; OR OF AN AFFILIATE OF THE BORROWER, BUT ONLY IF CONSENT IS NOT OBTAINED IN WRITING FROM SUCH PERSONS BEFORE THE INSURANCE IS PURCHASED;".

Page 6, line 6, strike "THE INSTITUTION'S" and substitute "SUCH".

Page 6, strike lines 13 through 17 and substitute "BENEFICIARY AT THE TIME OF ORIGIN OR MAY, UNLESS THE BENEFICIARY DESIGNATION IS IRREVOCABLE, CHANGE THE BENEFICIARY AT ANY TIME THEREAFTER."

Page 7, after line 4 insert:

"(a) A SPOUSE MAY CONSENT TO INSURANCE ON THE OTHER SPOUSE;".

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Reletter succeeding paragraphs accordingly.

Page 7, line 23, after "**practices.**" insert "(1)".

Page 7, after line 26 insert:

"(2) IT IS UNLAWFUL FOR ANY PERSON TO ENGAGE IN STRANGER ORIGINATED LIFE INSURANCE OR OTHERWISE WAGER ON LIFE. SUCH CONDUCT IS AN UNFAIR OR DECEPTIVE PRACTICE PURSUANT TO SECTION 10-3-1104."

Page 8, line 3, strike "SECTION 10-7-703," and substitute "THIS ARTICLE,".

Page 8, after line 5 insert:

"10-7-710. Legitimate insurance transactions. (1) NOTHING IN THIS ARTICLE PREVENTS:

(a) A POLICY OWNER, WHETHER OR NOT THE POLICY OWNER IS ALSO THE SUBJECT OF THE INSURANCE, FROM ENTERING INTO A LEGITIMATE VIATICAL SETTLEMENT CONTRACT;

(b) ANY PERSON FROM SOLICITING A PERSON TO ENTER INTO A LEGITIMATE VIATICAL SETTLEMENT CONTRACT;

(c) A PERSON FROM ENFORCING THE PAYMENT OF PROCEEDS FROM THE INTEREST OBTAINED UNDER A LEGITIMATE LIFE SETTLEMENT CONTRACT; OR

(d) THE ASSIGNMENT, SALE, TRANSFER, DEVISE, OR BEQUEST, WITH RESPECT TO THE DEATH BENEFIT OR OWNERSHIP OF ANY PORTION OF THE POLICY, PROVIDED THE ASSIGNMENT, SALE, TRANSFER, DEVISE, OR BEQUEST IS CONNECTED TO A LEGITIMATE VIATICAL SETTLEMENT CONTRACT AND NOT PART OF OR IN FURTHERANCE OF STRANGER ORIGINATED LIFE INSURANCE."

Page 8, line 7, strike "A NEW PARAGRAPH" and substitute "THE FOLLOWING NEW PARAGRAPHS".

Page 8, line 13, strike "TITLE." and substitute "TITLE;".

Page 8, after line 13 insert:

"(II) ENGAGING IN STRANGER ORIGINATED LIFE INSURANCE."

On motion of Senator Morse, and with a majority of those elected to the Senate having voted in the affirmative, the balance of the calendar of Thursday, April 14 was laid over until Friday, April 15, retaining its place on the calendar.

General Orders -- Second Reading of Bills: SB11-052, SB11-126, SB11-168, HB11-1160, HB11-1109, HB11-1268, SB11-194, HB11-1138.

Consideration of Resolutions: SJR11-005, SJR11-015, SJR11-023, SJR11-024, SJR11-032, SJR11-035, SJR11-036, SJR11-037, SJR11-039.

Consideration of Memorials: SJM11-002.

Consideration of House Amendments to Senate Bills: SCR11-001.

Conference Committees to Report: SB11-165, HB11-1209.

On motion of Senator Morse, the Senate adjourned until 9:00 a.m., Friday, April 15, 2011.

Approved:

Brandon C. Shaffer
President of the Senate

Attest:

Cindi L. Markwell
Secretary of the Senate

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