

Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO

DRAFT
10.9.09

BILL 11

LLS NO. 10-0207.01 Kristen Forrester

INTERIM COMMITTEE BILL

Interim Committee to Study Issues Related to Pinnacol Assurance

SHORT TITLE: "Pinnacol Assurance Board Of Directors"

A BILL FOR AN ACT

101 **CONCERNING THE BOARD OF DIRECTORS OF PINNACOL ASSURANCE.**

Bill Summary

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

Interim Committee to Study Issues Related to Pinnacol Assurance. Requires 2 employee members of the board of directors of Pinnacol Assurance (board) to be nonmanagement employees. Adds 2 additional members to the board: An injured worker and the executive director of the Colorado department of labor and employment or his or her representative.

Changes the way the board is paid from a per diem compensation of \$140 to \$12,000 per year.

Requires the board to post the date, time, and location of board

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

meetings on the Pinnacol Assurance web site at least 7 calendar days prior to a meeting. Requires the board to allow reasonable time for public comment at all board meetings.

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

2 **SECTION 1.** 8-45-101 (2) (a) and (3), Colorado Revised Statutes,
3 are amended to read:

4 **8-45-101. Pinnacol Assurance - creation - powers and duties.**

5 (2) (a) The powers of Pinnacol Assurance shall be vested in the board of
6 directors of Pinnacol Assurance, which shall have ~~nine~~ ELEVEN members.
7 ONE OF THE ELEVEN MEMBERS OF THE BOARD SHALL BE THE EXECUTIVE
8 DIRECTOR OF THE COLORADO DEPARTMENT OF LABOR AND EMPLOYMENT
9 OR HIS OR HER REPRESENTATIVE. The REMAINING TEN members of the
10 board shall be appointed by the governor with the consent of the senate.
11 Of the ~~nine~~ ELEVEN members, four shall be employers whose liability
12 under articles 40 to 47 of this title is insured by Pinnacol Assurance, with
13 one of such employers to be a farmer or rancher. Three of the ~~nine~~
14 ELEVEN members shall be employees of employers whose liability under
15 articles 40 to 47 of this title is insured by Pinnacol Assurance, WITH AT
16 LEAST TWO OF THE EMPLOYEE MEMBERS TO BE NONMANAGEMENT-LEVEL
17 EMPLOYEES. ONE OF THE ELEVEN MEMBERS SHALL BE A PREVIOUSLY
18 INJURED WORKER. One of the ~~nine~~ ELEVEN members shall be experienced
19 in the management and operation of insurance companies as defined in
20 section 10-1-102 (6), C.R.S., ~~Such member~~ BUT shall not concurrently
21 serve as an owner, a shareholder, an officer, an employee, an agent of, or
22 in any other capacity with any business ~~which~~ THAT competes with
23 Pinnacol Assurance. One of the ~~nine~~ ELEVEN members shall be
24 experienced in finance or investments, but shall not be an employer

1 whose liability under articles 40 to 47 of this title is insured by Pinnacol
2 Assurance. The term of office for each ~~such~~ member shall be five years.
3 The appointees may serve on a temporary basis if the senate is not in
4 session when they are appointed until the senate is in session and is able
5 to confirm such appointments. Vacancies on the board shall be filled by
6 appointment of the governor for the remainder of any unexpired terms.
7 The board shall elect a ~~chairman~~ CHAIR annually from its membership.

8 (3) EXCEPT FOR THE EXECUTIVE DIRECTOR OF THE DEPARTMENT
9 OF LABOR AND EMPLOYMENT OR HIS OR HER REPRESENTATIVE, members
10 of the board shall be compensated ~~one hundred forty~~ TWELVE THOUSAND
11 dollars per ~~diem~~ YEAR plus their actual and necessary expenses. ~~Per diem~~
12 compensation, not to exceed thirty days in any calendar year, shall be paid
13 only when the board is transacting official business.

14 SECTION 2. 8-45-101 (5), Colorado Revised Statutes, is
15 amended BY THE ADDITION OF THE FOLLOWING NEW
16 PARAGRAPHS to read:

17 **8-45-101. Pinnacol Assurance - creation - powers and duties.**

18 (5) The board shall:

19 (m) POST THE DATE, TIME, AND LOCATION OF EACH BOARD
20 MEETING ON THE PINNACOL ASSURANCE WEB SITE AT LEAST SEVEN
21 CALENDAR DAYS PRIOR TO THE SCHEDULED MEETING;

22 (n) ALLOW REASONABLE TIME FOR PUBLIC COMMENT AT EACH
23 BOARD MEETING.

24 SECTION 3. **Effective date.** This act shall take effect July 1,
25 2010.

26 SECTION 4. **Safety clause.** The general assembly hereby finds,

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1 determines, and declares that this act is necessary for the immediate
2 preservation of the public peace, health, and safety.