

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 17-1089.01 Yelana Love x2295

HOUSE BILL 17-1293

HOUSE SPONSORSHIP

Melton,

SENATE SPONSORSHIP

Todd,

House Committees
Local Government

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE ABILITY OF A LOCAL GOVERNMENT OFFICIAL TO
102 SERVE ON A NONPROFIT ENTITY'S BOARD OF DIRECTORS.

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 specifies that it is neither a conflict of interest nor a breach of fiduciary duty or the public trust for a local government official to serve on the board of directors of a nonprofit entity.

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

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 **SECTION 1.** In Colorado Revised Statutes, 24-18-109, **add** (5)
2 as follows:

3 **24-18-109. Rules of conduct for local government officials and**
4 **employees.** (5) (a) NOTWITHSTANDING ANY OTHER PROVISION OF THIS
5 ARTICLE 18, IT IS NEITHER A CONFLICT OF INTEREST NOR A BREACH OF
6 FIDUCIARY DUTY OR THE PUBLIC TRUST FOR A LOCAL GOVERNMENT
7 OFFICIAL WHO IS A MEMBER OF THE GOVERNING BODY OF A LOCAL
8 GOVERNMENT TO SERVE ON A BOARD OF DIRECTORS OF A NONPROFIT
9 ENTITY AND, WHEN SERVING ON THE GOVERNING BODY, TO VOTE ON
10 MATTERS THAT MAY PERTAIN TO OR BENEFIT THE NONPROFIT ENTITY.

11 (b) A LOCAL GOVERNMENT OFFICIAL IS NOT REQUIRED TO PROVIDE
12 OR FILE A DISCLOSURE OR OTHERWISE COMPLY WITH THE REQUIREMENTS
13 OF SUBSECTION (3) OF THIS SECTION UNLESS THE LOCAL GOVERNMENT
14 OFFICIAL HAS A FINANCIAL INTEREST IN THE NONPROFIT ENTITY
15 INDEPENDENT OF THE OFFICIAL'S MEMBERSHIP ON THE BOARD OF
16 DIRECTORS OF THE NONPROFIT ENTITY.

17 **SECTION 2. Act subject to petition - effective date.** This act
18 takes effect at 12:01 a.m. on the day following the expiration of the
19 ninety-day period after final adjournment of the general assembly (August
20 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a
21 referendum petition is filed pursuant to section 1 (3) of article V of the
22 state constitution against this act or an item, section, or part of this act
23 within such period, then the act, item, section, or part will not take effect
24 unless approved by the people at the general election to be held in
25 November 2018 and, in such case, will take effect on the date of the
26 official declaration of the vote thereon by the governor.