Second Regular Session Seventy-first General Assembly STATE OF COLORADO

ENGROSSED

This Version Includes All Amendments Adopted on Second Reading in the House of Introduction SENATE BILL 18-247

LLS NO. 18-1195.01 Nicole Myers x4326

SENATE SPONSORSHIP

Gardner,

HOUSE SPONSORSHIP

Senate Committees Finance **House Committees**

A BILL FOR AN ACT

101	CONCERNING THE CREATION OF A FUND TO PAY FOR THE
102	CONTINUATION OF CERTAIN BENEFITS FOR DEPENDENTS OF
103	CERTAIN LOCAL GOVERNMENT PUBLIC SAFETY EMPLOYEES WHO
104	DIE IN A WORK-RELATED DEATH.

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 <u>http://leg.colorado.gov</u>.)

The bill creates the police officers' and firefighters' continuation of benefits board (board) in the department of the treasury. The board is required to review submissions from counties or municipalities offering

SENATE Amended 2nd Reading April 25, 2018

(None),

police or fire protection service or any special district or county improvement district in the state offering fire protection service (employers) for the continuation of medical and dental benefits for the dependants of any employee who dies in a work-related death and to oversee the payment of such benefits. The board is composed of the state treasurer, the executive director of the department of public safety, and the executive director of the fire and police pension association, or their designees.

The bill specifies that any employer may enter into an agreement with the board to make quarterly contributions to the police officers' and firefighters' continuation of benefits fund (fund), which is created in the bill, on behalf of each person it employs whose duties are directly involved with the provision of police or fire protection. Only employers that make contributions to the fund are eligible to have the continuation of benefits for the dependants of an employee who died in a work-related death paid from the fund.

The board shall determine the amount of the contribution required by each employer and shall determine the method by which each employer shall pay the quarterly contribution to the fund. The bill does not prohibit an employer that chooses not to make contributions to the fund from independently paying for the continuation of benefits for the dependents of any person it employs and who dies in a work-related death.

The bill specifies that the dependents of an employee who dies in a work-related death are automatically qualified for the continuation of medical and dental benefits through the employer's medical and dental benefit coverage for 12 months from the end of the month in which the work-related death occurred, so long as the dependents had medical or dental benefits through the employer at the time of the employee's work-related death. The board will pay the cost of providing medical or dental benefits on behalf of the employee's dependents from the fund only if the employer has an agreement with the board to make contributions to the fund.

At any time, if an employee dies from a work-related death and the money in the fund is insufficient to cover the costs of continuation of benefits for the dependents of the employee, the bill directs the state treasurer to advance sufficient money from the state treasury to cover such costs and to be repaid by the board on a schedule to be set by the board.

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

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SECTION 1. In Colorado Revised Statutes, add 24-36-122 as

1 follows:

2 24-36-122. <u>Law enforcement officers</u> and firefighters 3 work-related death - continuation of medical benefits for dependants
4 - cash fund - created - definitions. (1) AS USED IN THIS SECTION, UNLESS
5 THE CONTEXT OTHERWISE REQUIRES:

6 (a) "BOARD" MEANS THE <u>LAW ENFORCEMENT OFFICERS'</u> AND
7 FIREFIGHTERS' CONTINUATION OF BENEFITS BOARD CREATED IN
8 SUBSECTION (2) OF THIS SECTION.

9 (b) "EMPLOYEE" MEANS AN ACTIVE, FULL-TIME OR PART-TIME
10 SALARIED EMPLOYEE OF AN EMPLOYER WHOSE DUTIES ARE DIRECTLY
11 INVOLVED WITH THE PROVISION OF <u>LAW ENFORCEMENT</u> OR FIRE
12 PROTECTION, AS CERTIFIED BY HIS OR HER EMPLOYER, AND WHO HAS
13 MEDICAL OR DENTAL BENEFIT COVERAGE THROUGH HIS OR HER EMPLOYER.

(c) "EMPLOYER" MEANS ANY COUNTY OR MUNICIPALITY IN THE
STATE OFFERING <u>LAW ENFORCEMENT</u> OR FIRE PROTECTION SERVICE
EMPLOYING ONE OR MORE PERSONS AND ANY SPECIAL DISTRICT OR
COUNTY IMPROVEMENT DISTRICT IN THE STATE OFFERING FIRE
PROTECTION SERVICE EMPLOYING ONE OR MORE PERSONS AND THAT
CONTRIBUTES TO THE CONTINUATION OF BENEFITS FUND PURSUANT TO
SUBSECTION (3) OF THIS SECTION ON BEHALF OF ITS EMPLOYEES.

21 (d) "FUND" MEANS THE <u>LAW ENFORCEMENT</u> OFFICERS' AND
22 FIREFIGHTERS' CONTINUATION OF BENEFITS FUND CREATED IN SUBSECTION
23 (5) OF THIS SECTION.

(e) "WORK-RELATED DEATH" MEANS A DEATH THAT IS THE
PROXIMATE RESULT OF AN INJURY ARISING OUT OF AND IN THE COURSE
AND SCOPE OF EMPLOYMENT WITH AN EMPLOYER.

27 (2) (a) THERE IS HEREBY CREATED IN THE DEPARTMENT OF THE

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1 TREASURY THE LAW ENFORCEMENT OFFICERS' AND FIREFIGHTERS' 2 CONTINUATION OF BENEFITS BOARD. THE BOARD SHALL REVIEW 3 SUBMISSIONS FROM EMPLOYERS FOR THE CONTINUATION OF MEDICAL AND 4 DENTAL BENEFITS FOR THE DEPENDANTS OF ANY EMPLOYEE WHO DIES IN 5 A WORK-RELATED DEATH AND SHALL OVERSEE THE PAYMENT OF SUCH 6 BENEFITS. IN THE COURSE OF ITS DUTIES, THE BOARD MAY COORDINATE 7 AND CONFER WITH THE DEPARTMENT OF PUBLIC SAFETY, THE DEPARTMENT 8 OF LOCAL AFFAIRS, THE FIRE AND POLICE PENSION ASSOCIATION, ANY 9 EMPLOYER AS DEFINED IN SUBSECTION (1)(c) OF THIS SECTION, OR ANY 10 OTHER ENTITY AS DEEMED NECESSARY AND APPROPRIATE BY THE BOARD. 11 (b) THE BOARD IS COMPOSED OF THE FOLLOWING MEMBERS: 12 (I) THE STATE TREASURER OR HIS OR HER DESIGNEE; 13 (II) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF PUBLIC 14 SAFETY OR HIS OR HER DESIGNEE; AND 15 (III) THE EXECUTIVE DIRECTOR OF THE FIRE AND POLICE PENSION 16 ASSOCIATION OR HIS OR HER DESIGNEE. 17 (c) THE MEMBERS OF THE BOARD SERVE WITHOUT COMPENSATION 18 BUT SHALL BE REIMBURSED BY THE DEPARTMENT OF THE TREASURY FOR 19 ANY NECESSARY EXPENSES INCURRED IN THE CONDUCT OF THEIR OFFICIAL 20 DUTIES AND SHALL SUFFER NO LOSS OF SALARY FROM AN EMPLOYER FOR 21 SERVICE ON THE BOARD. 22 (d) STAFF SERVICES FOR THE BOARD SHALL BE PROVIDED BY THE 23 DEPARTMENT OF THE TREASURY. 24 (3) (a) ANY COUNTY OR MUNICIPALITY IN THE STATE OFFERING 25 LAW ENFORCEMENT OR FIRE PROTECTION SERVICE EMPLOYING ONE OR 26 MORE PERSONS AND ANY SPECIAL DISTRICT OR COUNTY IMPROVEMENT 27 DISTRICT IN THE STATE OFFERING FIRE PROTECTION SERVICE EMPLOYING

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1 ONE OR MORE PERSONS MAY ENTER INTO AN AGREEMENT WITH THE BOARD 2 TO MAKE QUARTERLY CONTRIBUTIONS TO THE FUND CREATED IN 3 SUBSECTION (6) OF THIS SECTION ON BEHALF OF EACH PERSON IT EMPLOYS 4 WHOSE DUTIES ARE DIRECTLY INVOLVED WITH THE PROVISION OF LAW 5 ENFORCEMENT OR FIRE PROTECTION. ONLY COUNTIES, MUNICIPALITIES, 6 SPECIAL DISTRICTS, OR COUNTY IMPROVEMENT DISTRICTS THAT MAKE 7 CONTRIBUTIONS TO THE FUND PURSUANT TO THIS SUBSECTION (3) AND 8 PURSUANT TO ITS AGREEMENT WITH THE BOARD ARE EMPLOYERS FOR 9 PURPOSES OF THIS SECTION, AND ONLY EMPLOYERS ARE ELIGIBLE TO HAVE 10 THE CONTINUATION OF BENEFITS FOR THE DEPENDENTS OF AN EMPLOYEE 11 WHO DIED IN A WORK-RELATED DEATH PAID FROM THE FUND.

12 (b) THE BOARD SHALL DETERMINE THE AMOUNT OF THE
13 CONTRIBUTION REQUIRED BY EACH EMPLOYER AND SHALL DETERMINE THE
14 METHOD BY WHICH EACH EMPLOYER SHALL PAY THE QUARTERLY
15 CONTRIBUTION TO THE FUND.

16 (c) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO PROHIBIT
17 A COUNTY, MUNICIPALITY, SPECIAL DISTRICT, OR COUNTY IMPROVEMENT
18 DISTRICT THAT CHOOSES NOT TO MAKE CONTRIBUTIONS TO THE FUND
19 FROM INDEPENDENTLY PAYING FOR THE CONTINUATION OF BENEFITS FOR
20 THE DEPENDENTS OF ANY PERSON IT EMPLOYS AND WHO DIES IN A
21 WORK-RELATED DEATH.

(4) THE DEPENDENTS OF AN EMPLOYEE WHO DIES IN A
WORK-RELATED DEATH ARE AUTOMATICALLY QUALIFIED FOR THE
CONTINUATION OF MEDICAL AND DENTAL BENEFITS THROUGH THE
EMPLOYER'S MEDICAL AND DENTAL BENEFIT COVERAGE FOR TWELVE
MONTHS FROM THE END OF THE MONTH IN WHICH THE WORK-RELATED
DEATH OCCURRED, SO LONG AS THE DEPENDENTS HAD MEDICAL OR

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DENTAL BENEFITS THROUGH THE EMPLOYER AT THE TIME OF THE
 EMPLOYEE'S WORK-RELATED DEATH. THE MEDICAL OR DENTAL BENEFITS
 ALLOWED TO DEPENDENTS PURSUANT TO THIS SECTION SHALL BE THE
 SAME COVERAGE THAT THE DEPENDENTS WERE ENROLLED IN AT THE TIME
 OF THE EMPLOYEE'S WORK-RELATED DEATH.

6 (5) THE BOARD SHALL PAY THE COST OF PROVIDING MEDICAL OR
7 DENTAL BENEFITS ON BEHALF OF THE EMPLOYEE'S DEPENDENTS FOR THE
8 TWELVE-MONTH PERIOD PURSUANT TO SUBSECTION (4) OF THIS SECTION
9 FROM THE FUND. THE BOARD SHALL MAKE ARRANGEMENTS WITH THE
10 EMPLOYER TO PAY SUCH COSTS.

(6) (a) THE <u>LAW ENFORCEMENT OFFICERS'</u> AND FIREFIGHTERS'
CONTINUATION OF BENEFITS FUND IS HEREBY CREATED IN THE STATE
TREASURY. THE FUND CONSISTS OF CONTRIBUTIONS TO THE FUND PAID BY
EMPLOYERS PURSUANT TO SUBSECTION (3) OF THIS SECTION AND ANY
OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR
TRANSFER TO THE FUND.

17 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
18 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
19 FUND TO THE FUND.

20 (c) THE STATE TREASURER SHALL CREDIT ANY UNEXPENDED AND
21 UNENCUMBERED MONEY REMAINING IN THE FUND AT THE END OF A FISCAL
22 YEAR TO THE FUND.

(d) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL
ASSEMBLY, THE BOARD MAY EXPEND MONEY FROM THE FUND TO PAY THE
COST OF PROVIDING MEDICAL OR DENTAL BENEFITS ON BEHALF OF AN
EMPLOYEE'S DEPENDENTS WHEN THE EMPLOYEE DIED IN A WORK-RELATED
DEATH. THE BOARD SHALL MAKE ARRANGEMENTS WITH THE EMPLOYER TO

1 PAY SUCH COSTS.

(7) AT ANY TIME, IF AN EMPLOYEE DIES FROM A WORK-RELATED
DEATH AND THE MONEY IN THE FUND IS INSUFFICIENT TO COVER THE COSTS
OF THE CONTINUATION OF BENEFITS FOR THE DEPENDENTS OF THE
EMPLOYEE, THE STATE TREASURER SHALL ADVANCE SUFFICIENT MONEY
FROM THE STATE TREASURY TO THE FUND TO COVER SUCH COSTS. ANY
MONEY ADVANCED TO THE FUND SHALL BE REPAID BY THE BOARD ON A
SCHEDULE TO BE SET BY THE BOARD.

9 (8) THE BOARD MAY DEVELOP POLICIES OR PROCEDURES TO
 10 IMPLEMENT THIS SECTION. SUCH POLICIES OR PROCEDURES MAY INCLUDE:

(a) THE TIME AND MANNER BY WHICH A COUNTY, MUNICIPALITY,
 SPECIAL DISTRICT, OR COUNTY IMPROVEMENT DISTRICT MAY ENTER INTO
 AN AGREEMENT WITH THE BOARD TO MAKE CONTRIBUTIONS TO THE FUND;
 (b) THE METHOD BY WHICH AN EMPLOYER MAKES CONTRIBUTIONS

15 TO THE FUND;

16 (c) THE MANNER IN WHICH AN EMPLOYER NOTIFIES THE BOARD
17 THAT AN EMPLOYEE DIED IN A WORK-RELATED DEATH AND HAS
18 DEPENDENTS WHO ARE ELIGIBLE FOR A CONTINUATION OF BENEFITS
19 PURSUANT TO THIS SECTION;

20 (d) PROCEDURES FOR THE PAYMENT OF CONTINUATION OF
21 BENEFITS AFTER AN EMPLOYEE DIES IN A WORK-RELATED DEATH; AND

(e) POLICIES OR PROCEDURES TO ADDRESS ANY OTHER ISSUE
DEEMED NECESSARY AND APPROPRIATE BY THE BOARD.

SECTION 2. 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.

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