

CHAPTER 111

LABOR AND INDUSTRY

HOUSE BILL 93-1247

BY REPRESENTATIVES Hagedorn and Foster;
also SENATORS Lacy and Norton.

AN ACT**CONCERNING COVERAGE OF MEMBERS OF LIMITED LIABILITY COMPANIES UNDER THE "WORKERS' COMPENSATION ACT OF COLORADO".**

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

SECTION 1. 8-41-202, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

8-41-202. Rejection of coverage by corporate officers and others.

(1) Notwithstanding any provisions of articles 40 to 47 of this title to the contrary, a corporate officer of a corporation OR A MEMBER OF A LIMITED LIABILITY COMPANY may elect to reject the provisions of articles 40 to 47 of this title. If so elected, said corporate officer OR MEMBER shall provide written notice of such election to the ~~corporate~~ insurer of the employing corporation OR COMPANY by certified mail. Such notice shall become effective the day following receipt of said notice by the insurer.

(2) A corporate officer's OR MEMBER'S election to reject the provisions of articles 40 to 47 of this title shall continue in effect so long as the ~~corporate~~ CORPORATION'S OR COMPANY'S insurance policy is in effect or until ~~the corporate~~ SAID officer OR MEMBER, by written notice to the ~~corporate~~ insurer, revokes the election to reject said provisions.

(3) Nothing in this section shall be construed to limit the responsibility of corporations OR LIMITED LIABILITY COMPANIES to provide coverage for their employees as required under articles 40 to 47 of this title. An election to reject coverage pursuant to this section may not be made a condition of employment.

(4) For the purposes of this section:

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

(a) "Corporate officer" means the chairman of the board, president, vice-president, secretary, or treasurer who is an owner of at least ten percent of the stock of the corporation, as attested to by the secretary of the corporation at the time of the election.

(b) "MEMBER" MEANS AN OWNER OF AT LEAST TEN PERCENT OF THE MEMBERSHIP INTEREST OF THE LIMITED LIABILITY COMPANY AT ALL TIMES.

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.

Approved: April 19, 1993