

CHAPTER 302

GOVERNMENT - LOCAL

SENATE BILL 04-198

BY SENATOR(S) Taylor, Anderson, Takis, Tupa, Arnold, Chlouber, Entz, and Kester;
also REPRESENTATIVE(S) Coleman, Rhodes, Vigil, Williams T., Cloer, Hefley, Jahn, Paccione, and Williams S.

AN ACT

CONCERNING THE TRANSFER OF THE RESPONSIBILITY OF ADMINISTERING THE STATE CONTRIBUTION TO ASSIST IN PROVIDING CERTAIN BENEFITS FOR VOLUNTEER FIREFIGHTERS FROM THE FIRE AND POLICE PENSION ASSOCIATION TO THE DEPARTMENT OF LOCAL AFFAIRS.

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

SECTION 1. 2-3-1203 (3), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

2-3-1203. Sunset review of advisory committees. (3) The following dates are the dates for which the statutory authorization for the designated advisory committees is scheduled for repeal:

(aa) JULY 1, 2014: THE VOLUNTEER FIREFIGHTER ADVISORY COMMITTEE, CREATED IN SECTION 31-30-1112 (6), C.R.S.;

SECTION 2. 31-30-1112 (1), (2) (a), (2) (b) (I), (2) (g), and (2) (h), Colorado Revised Statutes, are amended, and the said 31-30-1112 is further amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to read:

31-30-1112. State contributions - intent - advisory committee - repeal. (1) (a) PRIOR TO JULY 1, 2004, the state treasurer may transfer moneys annually to the fire and police pension association for distribution as provided in this section to assist in funding volunteer firefighter pension funds.

(b) ON AND AFTER JULY 1, 2004, THE STATE TREASURER SHALL TRANSFER MONEYS TO THE DEPARTMENT OF LOCAL AFFAIRS FOR DISTRIBUTION AS PROVIDED IN THIS SECTION TO ASSIST IN FUNDING VOLUNTEER FIREFIGHTER PENSION PLANS.

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

(2) (a) State contributions to any municipality or district must equal ninety percent of all amounts levied, appropriated, and contributed by the municipality or district under section 31-30-1110 IN THE PREVIOUS YEAR, but, notwithstanding any other provision of this part 11, the state contribution shall not exceed one-half mill on the current valuation for assessment of the municipality or district assuming one hundred percent collection.

(b) A municipality or district that was levying an amount necessary to pay volunteer firefighter pensions in excess of three hundred dollars per month shall receive state contributions under paragraph (a) of this subsection (2) in an amount not to exceed one-half mill on the current valuation for assessment of the municipality or district assuming one hundred percent collection but based upon the greater of:

(I) The mill levy, appropriation, or contribution that ~~would be~~ WAS actuarially required to be levied to pay a pension of three hundred dollars per month IN THE PREVIOUS YEAR, as determined by the municipality or district; or

(g) The moneys necessary to make the state's contribution under this section shall be derived from the proceeds of the tax imposed by section 10-3-209, C.R.S., as follows:

(I) (A) On September 30 of each year THROUGH SEPTEMBER 30, 2003, the state treasurer shall transfer the amount necessary to provide contributions equal to the contributions made by the state to each municipality and district during the calendar year 1979 to the fire and police pension association for disbursement to the fund of each municipality or district.

(B) AS OF JULY 1, 2004, THE DEPARTMENT OF LOCAL AFFAIRS SHALL BE RESPONSIBLE FOR DISBURSING THE STATE CONTRIBUTION TO EACH MUNICIPALITY AND DISTRICT. ON OR BEFORE OCTOBER 31, 2004, AND ON OR BEFORE OCTOBER 31 OF EACH YEAR THEREAFTER, THE STATE TREASURER SHALL TRANSFER THE AMOUNT NECESSARY TO PROVIDE CONTRIBUTIONS EQUAL TO THE CONTRIBUTIONS MADE BY THE STATE TO EACH MUNICIPALITY AND DISTRICT DURING THE CALENDAR YEAR 1979 TO THE DEPARTMENT FOR DISBURSEMENT TO THE FUND OF EACH MUNICIPALITY OR DISTRICT.

(II) (A) To the extent the state's contribution under this section exceeds the contributions made by the state during the calendar year 1979, the state treasurer shall transfer the excess amounts from the proceeds of the tax imposed by section 10-3-209, C.R.S., to the fire and police pension association on September 30 of each year THROUGH SEPTEMBER 30, 2003, for disbursement to the municipality's or district's funds.

(B) TO THE EXTENT THAT THE STATE'S CONTRIBUTION UNDER THIS SECTION EXCEEDS CONTRIBUTIONS MADE BY THE STATE DURING THE CALENDAR YEAR 1979, THE STATE TREASURER SHALL TRANSFER THE EXCESS AMOUNTS FROM THE PROCEEDS OF THE TAX IMPOSED BY SECTION 10-3-209, C.R.S., TO THE DEPARTMENT OF LOCAL AFFAIRS ON OR BEFORE OCTOBER 31, 2004, AND ON OR BEFORE OCTOBER 31 OF EACH YEAR THEREAFTER, FOR DISBURSEMENT TO THE MUNICIPALITY OR DISTRICT'S FUNDS.

(C) Moneys transferred under this subparagraph (II) shall be separate from and in

addition to moneys transferred under section 31-30.5-307 (2) and do not revert to the general fund but are available for the purposes provided in this section.

(h) (I) In addition to any other transfers required by this section, on September 30 of each year THROUGH SEPTEMBER 30, 2003, the state treasurer shall transfer from the proceeds of the tax imposed by section 10-3-209, C.R.S., to the fire and police pension association, such moneys as may be necessary to pay for the accidental death and disability insurance policy for volunteer firefighters provided in section 31-31-202 (4).

(II) AS OF JULY 1, 2004, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS OR THE DIRECTOR'S DESIGNEE SHALL BE RESPONSIBLE FOR PROVIDING THE ACCIDENTAL DEATH AND DISABILITY INSURANCE POLICY FOR VOLUNTEER FIREFIGHTERS AS PROVIDED IN SECTIONS 31-30-1134 AND 31-31-202 (4) (d). IN ADDITION TO ANY OTHER TRANSFERS REQUIRED BY THIS SECTION, ON OR BEFORE OCTOBER 31, 2004, AND ON OR BEFORE OCTOBER 31 OF EACH YEAR THEREAFTER, THE STATE TREASURER SHALL TRANSFER FROM THE PROCEEDS OF THE TAX IMPOSED BY SECTION 10-3-209, C.R.S., TO THE DEPARTMENT SUCH MONEYS AS MAY BE NECESSARY TO PAY FOR THE ACCIDENTAL DEATH AND DISABILITY INSURANCE POLICY FOR VOLUNTEER FIREFIGHTERS AND THE ADMINISTRATIVE COSTS OF PROVIDING SUCH POLICY.

(3) (a) THE DEPARTMENT OF LOCAL AFFAIRS SHALL WORK WITH THE MUNICIPALITIES, THE DISTRICTS, AND THE ADVISORY COMMITTEE ESTABLISHED IN SUBSECTION (6) OF THIS SECTION TO DEVELOP A PROCEDURE BY WHICH MUNICIPALITIES AND DISTRICTS APPLY TO RECEIVE STATE ASSISTANCE MONEYS DISTRIBUTED PURSUANT TO THIS SECTION. SUCH APPLICATION PROCEDURE SHALL ENSURE THAT THE DEPARTMENT CAN VERIFY THE AMOUNT OF MONEY TO WHICH EACH MUNICIPALITY AND DISTRICT IS ENTITLED BEFORE THE DEPARTMENT TRANSFERS FUNDS TO THE MUNICIPALITIES AND DISTRICTS EACH YEAR.

(b) THE DEPARTMENT OF LOCAL AFFAIRS SHALL WORK WITH THE JOINT BUDGET COMMITTEE TO DEVELOP A PROCEDURE THAT ALLOWS ANY MUNICIPALITY OR DISTRICT TO APPLY FOR A LATE DISBURSEMENT OF MONEYS IN THE EVENT THAT SUCH MUNICIPALITY OR DISTRICT MADE A GOOD FAITH EFFORT, BUT WAS UNABLE TO COMPLY WITH THE APPLICATION PROCEDURE CREATED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (3) DUE TO A DELAY IN PREPARING A FINANCIAL STATEMENT OR COMPLETING A REQUIRED AUDIT OR ACTUARIAL STUDY.

(4) (a) THE DEPARTMENT OF LOCAL AFFAIRS, AFTER CONSULTATION WITH THE ADVISORY COMMITTEE ESTABLISHED IN SUBSECTION (6) OF THIS SECTION, MAY IMPOSE A NONREFUNDABLE APPLICATION FEE IN AN AMOUNT TO BE DETERMINED BY THE DEPARTMENT ON ANY MUNICIPALITY OR DISTRICT THAT APPLIES TO THE DEPARTMENT FOR STATE ASSISTANCE MONEYS DISTRIBUTED PURSUANT TO THIS SECTION. THE APPLICATION FEE MAY BE ON A SLIDING SCALE BASED ON THE AMOUNT OF STATE ASSISTANCE MONEYS DISTRIBUTED TO EACH FUND PURSUANT TO THIS SECTION IN THE PREVIOUS YEAR.

(b) ALL REVENUE COLLECTED BY THE DEPARTMENT OF LOCAL AFFAIRS FROM THE FEE IMPOSED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (4) SHALL BE TRANSMITTED TO THE STATE TREASURER WHO SHALL CREDIT THE REVENUE TO THE

VOLUNTEER FIRE DEPARTMENT APPLICATION FUND, WHICH FUND IS HEREBY CREATED IN THE STATE TREASURY. THE MONEYS IN THE FUND SHALL BE CONTINUOUSLY APPROPRIATED TO THE DEPARTMENT FOR THE PURPOSE OF COVERING THE DIRECT COSTS OF ADMINISTERING THE DISTRIBUTION OF THE STATE CONTRIBUTION MONEYS PURSUANT TO THIS SECTION.

(5) THE DEPARTMENT OF LOCAL AFFAIRS SHALL HAVE THE AUTHORITY TO CONTRACT WITH ANY ENTITY FOR THE PURPOSE OF COMPLYING WITH THE REQUIREMENTS OF THIS SECTION.

(6) (a) THERE IS HEREBY ESTABLISHED A VOLUNTEER FIREFIGHTER ADVISORY COMMITTEE. THE DEPARTMENT OF LOCAL AFFAIRS SHALL CONSULT WITH THE COMMITTEE IN THE PERFORMANCE OF ITS DUTIES IN CONNECTION WITH THE DISTRIBUTION OF STATE CONTRIBUTION MONEYS TO MUNICIPAL AND DISTRICT VOLUNTEER FIREFIGHTER PENSION FUNDS PURSUANT TO THIS SECTION AND TO THE DEATH AND DISABILITY INSURANCE POLICY FOR VOLUNTEER FIREFIGHTERS PURSUANT TO SECTION 31-30-1134. THE MEMBERS OF THE ADVISORY COMMITTEE SHALL NOT RECEIVE COMPENSATION OR REIMBURSEMENT FROM THE STATE OR THE DEPARTMENT FOR EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES. THE COMMITTEE SHALL CONSIST OF FIVE MEMBERS THAT THE EXECUTIVE DIRECTOR OF THE DEPARTMENT SHALL APPOINT AS FOLLOWS: THREE MEMBERS SHALL BE MEMBERS OF A BOARD, ONE MEMBER SHALL BE AN ACTIVE VOLUNTEER FIREFIGHTER, AND ONE MEMBER SHALL BE A REPRESENTATIVE OF A MUNICIPALITY OR DISTRICT THAT HAS VOLUNTEER FIREFIGHTERS.

(b) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE JULY 1, 2014. PRIOR TO THE REPEAL OF THIS SUBSECTION (6), THE ADVISORY COMMITTEE SHALL BE REVIEWED AS PROVIDED FOR IN SECTION 2-3-1203, C.R.S.

SECTION 3. Part 11 of article 30 of title 31, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

31-30-1134. Statewide accidental death and disability insurance policy - department of local affairs. (1) BEGINNING ON JULY 1, 2004, THE DEPARTMENT OF LOCAL AFFAIRS SHALL PROVIDE FOR AND DETERMINE THE COST OF A STATEWIDE ACCIDENTAL DEATH AND DISABILITY INSURANCE POLICY TO COVER ALL VOLUNTEER FIREFIGHTERS SERVING IN VOLUNTEER OR PAID AND VOLUNTEER FIRE DEPARTMENTS, THE INSURANCE TO BE APPLICABLE ONLY WHEN SERVING AS A VOLUNTEER FIREFIGHTER. THE POLICY SHALL BE PAID FOR AS PROVIDED IN SECTION 31-30-1112 (2) (h) (II) FROM PROCEEDS OF THE TAX IMPOSED BY SECTION 10-3-209, C.R.S.

(2) THE DEPARTMENT OF LOCAL AFFAIRS SHALL SET THE AMOUNT OF COVERAGE TO BE PROVIDED FOR EACH VOLUNTEER FIREFIGHTER, TAKE COMPETITIVE BIDS FOR THE POLICY FROM INSURERS, AND MAKE SUCH RULES AS MAY BE NECESSARY TO PROVIDE FOR THE POLICY.

(3) THE DEPARTMENT OF LOCAL AFFAIRS SHALL SECURE AN ACCIDENTAL DEATH AND DISABILITY INSURANCE POLICY THAT OFFERS THE BEST BENEFITS AVAILABLE FOR THE AMOUNT OF MONEYS TRANSFERRED TO THE DEPARTMENT PURSUANT TO SECTION 31-30-1112 (2) (h) (II).

(4) THE INSURER SHALL HAVE SOLE POWER TO DETERMINE DISABILITY FOR VOLUNTEER FIREFIGHTERS UNDER THE POLICY PROVIDED BY THIS SECTION.

(5) THE DEPARTMENT OF LOCAL AFFAIRS SHALL HAVE THE AUTHORITY TO CONTRACT WITH ANY ENTITY FOR THE PURPOSE OF COMPLYING WITH THE REQUIREMENTS OF THIS SECTION.

SECTION 4. 31-31-202 (4), Colorado Revised Statutes, is amended to read:

31-31-202. Powers and duties of the board. (4) (a) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (d) OF THIS SUBSECTION (4), the board shall provide for and determine the cost of a statewide accidental death and disability insurance policy to cover all volunteer firefighters serving in volunteer or paid and volunteer fire departments, the insurance to be applicable only when serving as a volunteer firefighter. The policy shall be paid for as provided in ~~section 31-30-1112 (2) (h)~~ SECTION 31-30-1112 (2) (h) (I) from proceeds of the tax imposed by section 10-3-209, C.R.S.

(b) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (d) OF THIS SUBSECTION (4), the board shall set the amount of coverage to be provided for each volunteer firefighter, take competitive bids for the policy from insurers, and make such rules as may be necessary to provide for the policy.

(c) The insurer shall have sole power to determine disability for volunteer firefighters under the policy provided by this subsection (4).

(d) ON AND AFTER JULY 1, 2004, THE RESPONSIBILITY TO PROVIDE A STATEWIDE ACCIDENTAL DEATH AND DISABILITY INSURANCE POLICY TO COVER ALL VOLUNTEER FIREFIGHTERS SERVING IN VOLUNTEER OR PAID AND VOLUNTEER FIRE DEPARTMENTS SHALL BE THE RESPONSIBILITY OF THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SECTION 31-30-1134.

SECTION 5. Effective date. This act shall take effect July 1, 2004.

SECTION 6. 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: May 27, 2004