

CHAPTER 12

GOVERNMENT - STATE

SENATE BILL 05-172

BY SENATOR(S) Tapia, Keller, and Owen;
also REPRESENTATIVE(S) Plant, Buescher, and Hall.

AN ACT

CONCERNING LIMITATIONS ON THE EXPENDITURE OF MONEYS IN THE GROUP BENEFIT PLANS RESERVE FUND.

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

SECTION 1. 24-50-613 (1), (2), and (3), Colorado Revised Statutes, are amended to read:

24-50-613. Group benefit plans reserve fund. (1) There is hereby established the group benefit plans reserve fund. The state treasurer shall be ex officio treasurer of this fund, and the state treasurer's general bond to the state shall cover all liabilities for acts as treasurer of the fund. The director shall remit to the treasurer for deposit in the group benefit plans reserve fund all payments received by the director for group benefit plans premium costs from employees and the state as employer. The director shall also remit to the treasurer for deposit in the group benefit plans reserve fund any payments received by the director from the carriers of group benefit plans. Such payments shall not be included in the general revenues of the state of Colorado and SHALL NOT BE GENERAL ASSETS OF THE STATE. At the end of the fiscal year, any unexpended funds shall not revert to the general fund but shall be held by the state treasurer in custodial capacity, to be used subject to direction from the director.

(2) (a) Expenditures shall be made from the group benefit plans reserve fund, upon certification by the director, for the payment to the carriers of premiums, claims costs, and other administrative fees and costs associated with the group benefit plans.

(b) IN THE EVENT THAT THE DIRECTOR ENTERS INTO CONTRACTS OR RENEWALS FOR GROUP BENEFIT PLANS THAT ARE SELF-FUNDED, THE MONEYS IN THE GROUP BENEFIT PLANS RESERVE FUND SHALL BE EXPENDED ONLY FOR PREMIUMS, CLAIMS COSTS, OTHER ADMINISTRATIVE FEES AND COSTS ASSOCIATED WITH THE GROUP BENEFIT

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

PLANS, AND FOR THE PURPOSES OF SUBSECTION (3) OF THIS SECTION. THE MONEYS IN THE GROUP BENEFIT PLANS RESERVE FUND SHALL NOT BE APPROPRIATED BY THE GENERAL ASSEMBLY OR EXPENDED BY THE DIRECTOR FOR ANY OTHER PURPOSE.

(3) A premium stabilization reserve ~~fund~~ ACCOUNT shall be established within the group benefit plans reserve fund the purpose of which is to offset unexpected year-end deficits and extraordinary fluctuations in annual premiums. THE MONEYS IN THE ACCOUNT SHALL NOT BE INCLUDED IN THE GENERAL REVENUES OF THE STATE AND SHALL NOT BE GENERAL ASSETS OF THE STATE. THE MONEYS IN THE ACCOUNT SHALL BE EXPENDED FOR PURPOSES OF SUCH FUND AND SHALL NOT BE APPROPRIATED BY THE GENERAL ASSEMBLY OR EXPENDED BY THE DIRECTOR FOR ANY OTHER PURPOSE.

SECTION 2. Effective date. This act shall take effect July 1, 2005.

SECTION 3. 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: March 18, 2005