

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.



HOUSE BILL 17-1293

BY REPRESENTATIVE(S) Melton, Herod, Lebsock, Michaelson Jenet, Salazar, Gray, Hooton;
also SENATOR(S) Todd, Aguilar, Court, Martinez Humenik, Merrifield, Moreno, Williams A.

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

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

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

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

(b) (I) EXCEPT AS PROVIDED IN SUBSECTION (5)(b)(II) OF THIS

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

SECTION, A LOCAL GOVERNMENT OFFICIAL IS NOT REQUIRED TO PROVIDE OR FILE A DISCLOSURE OR OTHERWISE COMPLY WITH THE REQUIREMENTS OF SUBSECTION (3) OF THIS SECTION UNLESS THE LOCAL GOVERNMENT OFFICIAL HAS A FINANCIAL INTEREST IN, OR THE LOCAL GOVERNMENT OFFICIAL OR AN IMMEDIATE FAMILY MEMBER RECEIVES SERVICES FROM, THE NONPROFIT ENTITY INDEPENDENT OF THE OFFICIAL'S MEMBERSHIP ON THE BOARD OF DIRECTORS OF THE NONPROFIT ENTITY.

(II) A LOCAL GOVERNMENT OFFICIAL WHO SERVES ON THE BOARD OF DIRECTORS OF A NONPROFIT ENTITY SHALL PUBLICLY ANNOUNCE HIS OR HER RELATIONSHIP WITH THE NONPROFIT ENTITY BEFORE VOTING ON A MATTER THAT PROVIDES A DIRECT AND SUBSTANTIAL ECONOMIC BENEFIT TO THE NONPROFIT ENTITY.

SECTION 2. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless

approved by the people at the general election to be held in November 2018 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Crisanta Duran
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Kevin J. Grantham
PRESIDENT OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Effie Ameen
SECRETARY OF
THE SENATE

APPROVED _____

John W. Hickenlooper
GOVERNOR OF THE STATE OF COLORADO