Second Regular Session Seventy-third General Assembly STATE OF COLORADO

INTRODUCED

LLS NO. 22-0543.01 Jennifer Berman x3286

HOUSE BILL 22-1161

HOUSE SPONSORSHIP

Pico, Bradfield, Holtorf, Soper, Van Beber, Will

SENATE SPONSORSHIP

(None), Hisey, Kirkmeyer, Woodward

House Committees

Senate Committees

State, Civic, Military, & Veterans Affairs

	A BILL FOR AN ACT
101	CONCERNING A REQUIREMENT THAT CERTAIN STATEWIDE
102	COMMISSIONERS BE ELECTED AT A GENERAL ELECTION, AND, IN
103	CONNECTION THEREWITH, REQUIRING THE ELECTION OF THE
104	COMMISSIONER OF INSURANCE, THE COMMISSIONERS OF THE
105	AIR QUALITY CONTROL COMMISSION, THE VOTING
106	COMMISSIONERS OF THE OIL AND GAS CONSERVATION
107	COMMISSION, AND THE COMMISSIONERS OF THE PUBLIC
108	UTILITIES COMMISSION AND REQUIRING THAT ELECTED
109	COMMISSIONERS OF THE AIR QUALITY CONTROL COMMISSION
110	AND PUBLIC UTILITIES COMMISSION COMMIT TO PRIORITIZING
111	ENERGY RELIABILITY AND REDUCING CONSUMER COSTS AS PART
112	OF THEIR OATHS OF OFFICE UPON ELECTION.

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 http://leg.colorado.gov.)

Section 1 of the bill requires the election of the commissioner of insurance. Sections 6 and 7 make conforming amendments.

Section 2 repeals and reenacts existing statutes requiring the governor to appoint members of the air quality control commission to require the election of all commissioners.

Section 3 requires the election of the voting members of the oil and gas conservation commission.

Section 4 requires the election of all members of the public utilities commission, and **section 5** makes conforming amendments.

Sections 2 through 5 become effective on January 1, 2024. Because the Colorado constitution requires the appointment of the commissioner of insurance, sections 1, 6, and 7 only become effective on January 1, 2024, if, based on the passage of a concurrent resolution and a vote of the people, the governor declares a vote at a general election to change the Colorado constitution to require the election of the commissioner of insurance.

Sections 2 and 4 also require that an elected commissioner's oath of office include a commitment to prioritizing energy reliability and reducing consumer costs above all other considerations in making decisions as a commissioner.

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

2 **SECTION 1.** In Colorado Revised Statutes, 10-1-104, **amend** (1);

3 and add (1.5) as follows:

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10-1-104. Commissioner of insurance - election - other employees - repeal. (1) (a) The commissioner of insurance is the head of the division of insurance.

(b) (I) SUBJECT TO SUBSECTION (1.5) OF THIS SECTION, the commissioner shall be appointed by, and serve at the pleasure of, the governor, subject to confirmation of the appointment by the senate

1	pursuant to section 23 of article IV of the state constitution. The
2	commissioner shall be a person well versed in insurance and an elector of
3	the state of Colorado and shall have no pecuniary interest in any
4	insurance company or agency directly or indirectly, other than as a
5	policyholder.
6	(II) This subsection (1)(b) is repealed, effective February
7	1, 2025.
8	(1.5) (a) On and after January 1, 2024, the commissioner
9	SHALL BE ELECTED AT A GENERAL ELECTION AND SHALL SERVE A
10	FOUR-YEAR TERM. UPON REELECTION, THE COMMISSIONER MAY SERVE
11	ADDITIONAL FOUR-YEAR TERMS. TO QUALIFY FOR ELECTION, THE
12	COMMISSIONER MUST BE A QUALIFIED ELECTOR OF THE STATE OF
13	Colorado.
14	(b) If the commissioner has not sought reelection after
15	COMPLETING THE COMMISSIONER'S TERM OR HAS BEEN DEFEATED IN THE
16	GENERAL ELECTION, THE COMMISSIONER MAY CONTINUE TO SERVE UNTIL
17	THE PERSON ELECTED TO SERVE AS THE COMMISSIONER HAS TAKEN THE
18	OATH OF OFFICE PURSUANT TO SECTION 24-12-101 AND CAN BEGIN
19	SERVING.
20	SECTION 2. In Colorado Revised Statutes, repeal and reenact,
21	with amendments, 25-7-104 as follows:
22	25-7-104. Air quality control commission - created - election
23	of commissioners - repeal. (1) (a) There is hereby created in the
24	DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT THE AIR QUALITY
25	CONTROL COMMISSION. THE COMMISSION CONSISTS OF NINE VOTING
26	COMMISSIONERS WHO SHALL BE ELECTED AT A GENERAL ELECTION. TO
27	QUALIFY FOR ELECTION, A COMMISSIONER MUST BE A QUALIFIED ELECTOR

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- OF THE STATE. EACH COMMISSIONER, BEFORE ENTERING UPON THE DUTIES
 OF THE OFFICE, SHALL TAKE AN OATH OF OFFICE IN ACCORDANCE WITH
 SECTION 24-12-101. AN ELECTED COMMISSIONER'S OATH OF OFFICE MUST
 INCLUDE A COMMITMENT TO PRIORITIZING ENERGY RELIABILITY AND
 REDUCING CONSUMER COSTS ABOVE ALL OTHER CONSIDERATIONS IN
 MAKING DECISIONS AS A COMMISSIONER.
- 7 (b) COMMISSIONERS SERVE THREE-YEAR TERMS AND MUST SEEK
 8 REELECTION TO SERVE ADDITIONAL THREE-YEAR TERMS. A COMMISSIONER
 9 WHO HAS NOT SOUGHT REELECTION AFTER COMPLETING THE
 10 COMMISSIONER'S TERM OR WHO HAS BEEN DEFEATED IN THE GENERAL
 11 ELECTION MAY CONTINUE TO SERVE UNTIL THE PERSON ELECTED TO SERVE
 12 IN THE COMMISSIONER'S SEAT HAS TAKEN THE OATH OF OFFICE PURSUANT
 13 TO SUBSECTION (1)(a) OF THIS SECTION AND CAN BEGIN SERVING.
 - (c) (I) A PREVIOUSLY APPOINTED COMMISSIONER WHO HAS NOT SOUGHT ELECTION IN 2024 OR WHO HAS BEEN DEFEATED IN THE 2024 GENERAL ELECTION MAY CONTINUE TO SERVE UNTIL THE COMPLETION OF THE COMMISSIONER'S TERM, AND THE PERSON ELECTED TO SERVE IN THE COMMISSIONER'S SEAT SHALL THEN TAKE THE OATH OF OFFICE PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION AND COMMENCE SERVING.

- 20 (II) This subsection (1)(c) is repealed, effective September 21 1, 2027.
 - (2) EACH COMMISSIONER NOT OTHERWISE IN FULL-TIME EMPLOYMENT OF THE STATE RECEIVES A PER DIEM OF FORTY DOLLARS FOR EACH DAY ACTUALLY AND NECESSARILY SPENT IN THE DISCHARGE OF OFFICIAL DUTIES, BUT NOT TO EXCEED ONE THOUSAND TWO HUNDRED EIGHTY-FOUR DOLLARS IN ANY ONE YEAR. EACH COMMISSIONER RECEIVES TRAVELING AND OTHER NECESSARY EXPENSES ACTUALLY INCURRED IN

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1	THE PERFORMANCE OF OFFICIAL DUTIES.
2	(3) EACH YEAR, THE COMMISSION SHALL SELECT FROM ITS
3	MEMBERSHIP A CHAIR, VICE-CHAIR, AND SECRETARY. THE SECRETARY OF
4	THE COMMISSION SHALL KEEP A RECORD OF THE COMMISSION'S
5	PROCEEDINGS. THE COMMISSION SHALL HOLD REGULAR PUBLIC MONTHLY
6	MEETINGS AND MAY HOLD SPECIAL MEETINGS ON THE CALL OF THE CHAIR
7	OR, IF THE CHAIR IS UNAVAILABLE, ON THE CALL OF THE VICE-CHAIR, AT
8	SUCH OTHER TIMES AS THE CHAIR OR VICE-CHAIR DEEMS NECESSARY. THE
9	SECRETARY SHALL PROVIDE WRITTEN NOTICE OF THE TIME AND PLACE OF
10	ANY MEETING TO EACH COMMISSIONER AT LEAST FIVE DAYS BEFORE THE
11	MEETING.
12	(4) Two-thirds of the membership of the commission
13	CONSTITUTES A QUORUM. A MATTER BEFORE THE COMMISSION REQUIRES
14	A MAJORITY VOTE OF THE COMMISSIONERS FOR THE COMMISSION TO MAKE
15	A DETERMINATION ON THE MATTER.
16	(5) A COMMISSIONER SHALL DISCLOSE TO THE COMMISSION IN A
17	PUBLIC MEETING ANY POTENTIAL CONFLICTS OF INTEREST EXISTING AT THE
18	TIME OF THE COMMISSIONER'S ELECTION OR THAT ARISE DURING THE
19	COMMISSIONER'S TERM.
20	SECTION 3. In Colorado Revised Statutes, 34-60-104.3, repeal
21	(2) and (5); and add (2.5) as follows:
22	34-60-104.3. Oil and gas conservation commission - election of
23	commissioners - report - publication - repeal. (2) (a) The commission
24	consists of seven members, five of whom shall be appointed by the
25	governor with the consent of the senate. The executive director of the

department of natural resources and the executive director of the

department of public health and environment, or the executive directors'

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designees, are ex officio nonvoting members. A majority of the voting commissioners constitutes a quorum for the transaction of its business.

- (b) Each appointed commissioner must be a qualified elector of this state. Each appointed commissioner, before entering upon the duties of office, shall take the constitutional oath of office. Excluding the executive directors from consideration, no more than three members of the commission may be members of the same political party. To the extent possible, consistent with this subsection (2), the members shall be appointed taking into account the need for geographical representation of areas of the state with high levels of current or anticipated oil and gas activity or employment. The appointed members of the commission shall devote their entire time to the duties of their offices to the exclusion of any other employment and are entitled to receive compensation as designated by law.
- (c) One appointed member must be an individual with substantial experience in the oil and gas industry; one appointed member must have substantial expertise in planning or land use; one appointed member must have formal training or substantial experience in environmental protection, wildlife protection, or reclamation; one appointed member must have professional experience demonstrating an ability to contribute to the commission's body of expertise that will aid the commission in making sound, balanced decisions; and one appointed member must have formal training or substantial experience in public health.
- (d) No person may be appointed to serve on the commission or hold the office of commissioner if the person has a conflict of interest with oil and gas development in Colorado. Examples of conflicts of interest include being registered as a lobbyist at the local or state levels,

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serving in the general assembly within the prior three years, or serving in an official capacity with an entity that educates or advocates for or against oil and gas activity. This subsection (2)(d) shall be construed reasonably with the objective of disqualifying from the commission any person who might have an immediate conflict of interest or who may not be able to make balanced decisions about oil and gas regulation in Colorado. A person who has worked with or for an energy or environmental entity need not be disqualified if the person's experience shows subject matter knowledge coupled with an ability to render informed, thorough, and balanced decision-making.

- (e) Members of the commission shall be appointed for terms of four years each; except that the initial terms of two members are two years. The governor shall designate one member of the commission as chair of the commission. The chair shall delegate roles and responsibilities to commissioners and the director. The governor may at any time remove any appointed member of the commission, and by appointment the governor shall fill any vacancy on the commission. In case one or more vacancies occur on the same day, the governor shall designate the order of filling vacancies.
- (2.5) (a) (I) (A) THE COMMISSION CONSISTS OF SEVEN COMMISSIONERS, FIVE OF WHOM ARE VOTING COMMISSIONERS WHO SHALL BE ELECTED AT A GENERAL ELECTION. EACH VOTING COMMISSIONER, BEFORE COMMENCING THE DUTIES OF THE OFFICE, SHALL TAKE AN OATH OF OFFICE IN ACCORDANCE WITH SECTION 24-12-101. A MAJORITY OF THE VOTING COMMISSIONERS CONSTITUTES A QUORUM FOR THE TRANSACTION OF THE COMMISSION'S BUSINESS.
 - (B) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF NATURAL

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1	RESOURCES AND THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF
2	PUBLIC HEALTH AND ENVIRONMENT, OR THE EXECUTIVE DIRECTORS'
3	DESIGNEES, ARE EX OFFICIO, NONVOTING COMMISSIONERS.
4	(C) TO QUALIFY FOR ELECTION AS A VOTING COMMISSIONER, A
5	PERSON MUST BE A QUALIFIED ELECTOR OF THE STATE.
6	(D) A COMMISSIONER SHALL DISCLOSE TO THE COMMISSION IN A
7	PUBLIC MEETING ANY POTENTIAL CONFLICTS OF INTEREST THAT ARISE
8	DURING THE COMMISSIONER'S TERM.
9	(II) VOTING COMMISSIONERS SERVE FOUR-YEAR TERMS AND MUST
10	SEEK REELECTION TO SERVE ADDITIONAL FOUR-YEAR TERMS. A VOTING
11	COMMISSIONER WHO HAS NOT SOUGHT REELECTION AFTER COMPLETING
12	THE COMMISSIONER'S TERM OR WHO HAS BEEN DEFEATED IN THE GENERAL
13	ELECTION MAY CONTINUE TO SERVE UNTIL THE PERSON ELECTED TO SERVE
14	IN THE COMMISSIONER'S SEAT HAS TAKEN THE OATH OF OFFICE PURSUANT
15	TO SUBSECTION $(2.5)(a)(I)(A)$ of this section and can begin serving.
16	(III) (A) A PREVIOUSLY APPOINTED VOTING COMMISSIONER WHO
17	has not sought election in $2024\mathrm{or}$ who has been defeated in the
18	2024 GENERAL ELECTION MAY CONTINUE TO SERVE UNTIL THE
19	COMPLETION OF THE COMMISSIONER'S TERM, AND THE PERSON ELECTED TO
20	SERVE IN THE COMMISSIONER'S SEAT SHALL THEN TAKE THE OATH OF
21	OFFICE PURSUANT TO SUBSECTION $(2.5)(a)(I)(A)$ of this section and
22	COMMENCE SERVING.
23	(B) This subsection (2.5)(a)(III) is repealed, effective
24	SEPTEMBER 1, 2027.
25	(b) The voting commissioners shall devote their entire
26	TIME TO THE DUTIES OF THEIR OFFICES TO THE EXCLUSION OF ANY OTHER
27	EMPLOYMENT AND ARE ENTITLED TO RECEIVE COMPENSATION AS

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1	DESIGNATED BY LAW.
2	(c) THE VOTING COMMISSIONERS SHALL DESIGNATE ONE VOTING
3	COMMISSIONER TO SERVE AS CHAIR OF THE COMMISSION. THE CHAIR
4	SHALL DELEGATE ROLES AND RESPONSIBILITIES TO THE COMMISSIONERS
5	AND THE DIRECTOR.
6	(5) This section takes effect on the earlier of July 1, 2020, or the
7	date on which all rules required to be adopted by section 34-60-106
8	(2.5)(a), (11)(c), and (19) have become effective. The director shall notify
9	the revisor of statutes in writing of the date on which the condition
10	specified in this subsection (5) has occurred by e-mailing the notice to
11	revisorofstatutes.ga@state.co.us.
12	SECTION 4. In Colorado Revised Statutes, 40-2-101, repeal (1)
13	and (2); and add (2.5) as follows:
14	40-2-101. Creation - term - subject to termination - repeal -
15	repeal of part. (1) A public utilities commission is hereby created,
16	which shall be known as the public utilities commission of the state of
17	Colorado, to consist of three members who shall be appointed by the
18	governor with the consent of the senate. Persons holding office on July
19	1, 1993, shall continue to serve in such office, but the term of one of these
20	persons shall expire on the Monday preceding the second Tuesday of
21	January, 1995, of another, the Monday preceding the second Tuesday of
22	January, 1996, and of the third, the Monday preceding the second
23	Tuesday of January, 1997, all as the governor shall designate; except that
24	such designation shall not result in the extension of the term of any
25	member to more than four years' duration. Thereafter, appointments shall

(2) No more than two members of the public utilities commission

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be made for terms of four years.

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shall be affiliated with the same political party, and any appointment to fill a vacancy shall be for the unexpired term. Each commissioner shall be a qualified elector of this state. The governor shall designate one member of the commission as chair of the commission. The commissioners shall devote their entire time to the duties of their office to the exclusion of any other employment and shall receive such compensation as is designated by law. A majority of the commission shall constitute a quorum for the transaction of its business.

(2.5) (a) (I) A PUBLIC UTILITIES COMMISSION IS HEREBY CREATED AS THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO. THE COMMISSION CONSISTS OF THREE COMMISSIONERS ELECTED AT A GENERAL ELECTION. TO QUALIFY FOR ELECTION, A COMMISSIONER MUST BE A QUALIFIED ELECTOR OF THIS STATE. ELECTED COMMISSIONERS SERVE FOR TERMS OF FOUR YEARS AND MUST SEEK REELECTION TO SERVE ADDITIONAL FOUR-YEAR TERMS. AN ELECTED COMMISSIONER'S OATH OF OFFICE PURSUANT TO SECTION 40-2-102 (1) MUST INCLUDE A COMMITMENT TO PRIORITIZING ENERGY RELIABILITY AND REDUCING CONSUMER COSTS ABOVE ALL OTHER CONSIDERATIONS IN MAKING DECISIONS AS A COMMISSIONER.

(II) A COMMISSIONER WHO HAS NOT SOUGHT REELECTION AFTER COMPLETING THE COMMISSIONER'S TERM OR WHO HAS BEEN DEFEATED IN THE GENERAL ELECTION MAY CONTINUE TO SERVE UNTIL THE PERSON ELECTED TO SERVE IN THE COMMISSIONER'S SEAT HAS TAKEN THE OATH OF OFFICE PURSUANT TO SECTION 40-2-102 (1) AND CAN BEGIN SERVING.

(III) (A) A PREVIOUSLY APPOINTED COMMISSIONER WHO HAS NOT SOUGHT ELECTION IN 2024 OR WHO HAS BEEN DEFEATED IN THE 2024 GENERAL ELECTION MAY CONTINUE TO SERVE UNTIL THE COMPLETION OF

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1	THE COMMISSIONER'S TERM, AND THE PERSON ELECTED TO SERVE IN THE
2	COMMISSIONER'S SEAT SHALL THEN TAKE THE OATH OF OFFICE PURSUANT
3	TO SECTION 40-2-102 (1) AND COMMENCE SERVING.
4	(B) This subsection (2.5)(a)(III) is repealed, effective
5	SEPTEMBER 1, 2027.
6	(b) THE COMMISSIONERS SHALL DESIGNATE ONE COMMISSIONER AS
7	CHAIR OF THE COMMISSION. THE COMMISSIONERS SHALL DEVOTE THEIR
8	ENTIRE TIME TO THE DUTIES OF THEIR OFFICE TO THE EXCLUSION OF ANY
9	OTHER EMPLOYMENT AND SHALL RECEIVE SUCH COMPENSATION AS IS
10	DESIGNATED BY LAW. A MAJORITY OF THE COMMISSION CONSTITUTES A
11	QUORUM FOR THE TRANSACTION OF ITS BUSINESS.
12	(c) A COMMISSIONER SHALL DISCLOSE TO THE COMMISSION IN A
13	PUBLIC MEETING ANY POTENTIAL CONFLICTS OF INTEREST THAT ARISE
14	DURING THE COMMISSIONER'S TERM.
15	SECTION 5. In Colorado Revised Statutes, amend 40-2-102 as
16	follows:
17	40-2-102. Oath - qualifications. (1) Each commissioner, before
18	entering upon the duties of his office, shall take the constitutional oath of
19	office. No
20	(2) A person in the employ of EMPLOYED BY or holding any
21	official OFFICE IN relation to any corporation or person which said
22	corporation or person THAT is subject in whole or in part to regulation by
23	the commission and no OR A person owning stocks or bonds of any such
24	corporation or who is in any manner pecuniarily interested therein shall
25	be appointed to or hold the office of commissioner or IN ANY SUCH
26	CORPORATION IS NOT ELIGIBLE TO be appointed or employed by the
27	commission; but, if any such A person becomes the owner of such stocks

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1	or bonds or becomes pecuniarily interested in such corporation otherwise
2	than voluntarily, he THE PERSON shall divest himself of such ownership
3	or interest within six months. failing to do so, his office or employment
4	shall become vacant If A PERSON FAILS TO DIVEST OF SUCH OWNERSHIP OR
5	INTEREST AFTER SIX MONTHS, THE PERSON'S EMPLOYMENT WITH THE
6	COMMISSION CEASES.
7	SECTION 6. In Colorado Revised Statutes, 8-14.5-103, amend
8	the introductory portion and (3.5) as follows:
9	8-14.5-103. Definitions. As used in this article ARTICLE 14.5,
10	unless the context otherwise requires:
11	(3.5) "Commissioner" means the insurance commissioner,
12	appointed ELECTED pursuant to section 10-1-104. C.R.S.
13	SECTION 7. In Colorado Revised Statutes, 11-59-110, amend
14	(1)(f) as follows:
15	11-59-110. Exemptions from registration. (1) Subject to the
16	requirements of subsection (2) of this section, the following issues of
17	bonds by a district are exempted from all of the provisions of sections
18	11-59-104 and 11-59-106:
19	(f) Any issue of bonds insured as to the payment of the principal
20	and interest on the debt by a policy of insurance issued by an insurance
21	company authorized to do business as an insurance company in this state
22	and authorized for such risk by the insurance commissioner appointed
23	ELECTED pursuant to section 10-1-104; C.R.S.;
24	SECTION 8. Act subject to petition - effective date. Except as
25	otherwise provided in subsection (2) of this section, this act takes effect
26	January 1, 2024; except that, if a referendum petition is filed pursuant to
27	section 1 (3) of article V of the state constitution against this act or an

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- item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, 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 2022 and, in such case, will take effect January 1, 2024.
- 6 (2) Sections 1, 6, and 7 of this act take effect only if, at the
 7 November 2022 statewide election, a majority of voters approve the ballot
 8 issue referred in accordance with House Concurrent Resolution 22-___.
 9 If the voters approve the ballot issue, then sections 1, 6, and 7 of this act
 10 take effect January 1, 2024.

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