NOTE: This bill has been prepared for the signature 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 03-1372

BY REPRESENTATIVE(S) Cadman, Williams T., Briggs, May M., Rhodes, Rippy, White, Crane, Frangas, Hoppe, and Schultheis;
also SENATOR(S) Owen.

CONCERNING THE AUTHORITY OF THE COMMISSIONER OF INSURANCE TO REGULATE CERTAIN WORKERS' COMPENSATION INSURERS, AND, IN CONNECTION THEREWITH, DELETING CERTAIN EXEMPTIONS FOR PINNACOL ASSURANCE FROM OTHERWISE APPLICABLE PROVISIONS OF INSURANCE LAW AND PROHIBITING OTHER STATE GOVERNMENT INSTRUMENTALITIES FROM WRITING WORKERS' COMPENSATION INSURANCE IN COLORADO.

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

SECTION 1. 8-44-102, Colorado Revised Statutes, is amended to read:

8-44-102. Contract for insurance subject to workers' compensation act. Every contract for the insurance of compensation and benefits as provided in articles 40 to 47 of this title or against liability therefor shall be made subject to all the provisions of said articles, and all

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

provisions in such contract for insurance inconsistent with the provisions of said articles shall be void. Any contract of insurance issued under said articles by any insurance carrier, including stock and mutual corporations and Pinnacol Assurance, may include and cover any liability of the employer on account of personal injuries sustained by or death resulting therefrom to any employee as such. No insurance carrier ~~except Pinnacol Assurance,~~ shall write any policy of insurance covering the liability under said articles of any employer doing business within the state of Colorado except on a form that has been previously filed with and approved by the commissioner of insurance, nor shall there be attached to said policy or contract of insurance any endorsement, rider, letter, or other document affecting such contract unless the same has been filed with and the form thereof approved by the commissioner of insurance. The commissioner of insurance shall from time to time approve and prescribe a standard or universal form, as nearly as possible, for every contract or policy of insurance, endorsement, rider, letter, or other document affecting such contract for use in insuring the compensation provided for in said articles.

SECTION 2. 8-44-103, Colorado Revised Statutes, is amended to read:

8-44-103. Insurers to file system of rating - approval. Every insurance carrier authorized to transact business in this state ~~except Pinnacol Assurance, which~~ THAT insures employers against liability for compensation under the provisions of articles 40 to 47 of this title shall file with the commissioner of insurance its classification of risks, any premiums relating thereto, and any subsequent proposed classification of risks and premiums, together with all rates and any systems of rating.

SECTION 3. 8-44-104, Colorado Revised Statutes, is amended to read:

8-44-104. Cutting rates - rebates - penalty. Every insurance carrier ~~except Pinnacol Assurance,~~ that writes compensation insurance shall write insurance at the rates filed with the commissioner of insurance. The cutting of rates, rebating, or any other method whereby, directly or indirectly, any employer is given the benefit of or obtains a rate lower than that approved by the commissioner of insurance is prohibited. The commissioner of insurance may suspend the license of any insurance carrier, agent, or broker who violates any provision of this section. Also,

any insurance carrier, any employer, or any officer, agent, or employee thereof who violates any provision of this section is guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than one hundred dollars for each such violation.

SECTION 4. 8-45-111, Colorado Revised Statutes, is amended to read:

8-45-111. Portions of premiums paid carried to surplus. The board shall set aside such proportion as it may deem necessary of the earned premiums paid into the Pinnacol Assurance fund, as a contribution to the surplus of the fund. No later than January 1, 2001, the board shall submit a plan for approval by the commissioner of insurance for the attainment of a reasonable surplus as determined in accordance with section 10-3-201, C.R.S., or, such surplus as approved by the commissioner of insurance. ALL BUSINESS RECORDS RELATED TO SUCH PLAN SHALL BE DISCLOSED BY PINNACOL ASSURANCE TO THE SAME EXTENT AS SIMILAR RECORDS ARE DISCLOSED BY THE OTHER INSURANCE COMPANIES.

SECTION 5. Effective date - applicability. This act shall take effect July 1, 2003, and shall apply to acts occurring on or after said date.

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.

Lola Spradley SPEAKER OF THE HOUSE OF REPRESENTATIVES	John Andrews PRESIDENT OF THE SENATE
Judith Rodrigue CHIEF CLERK OF THE HOUSE OF REPRESENTATIVES	Mona Heustis SECRETARY OF THE SENATE

APPROVED_____

Bill Owens
GOVERNOR OF THE STATE OF COLORADO