

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 13-0209.01 Bart Miller x2173

HOUSE BILL 13-1025

HOUSE SPONSORSHIP

Swalm,

SENATE SPONSORSHIP

Jahn,

House Committees

Business, Labor, Economic, & Workforce Development

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING AN INCREASE IN THE AMOUNT OF THE AUTHORIZED**
102 **DEDUCTIBLE FOR WORKERS' COMPENSATION INSURANCE**
103 **POLICIES.**

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://www.leg.state.co.us/billsummaries>.)

Current workers' compensation law allows employers a deductible of up to \$5,000 in a workers' compensation policy. This bill increases the amount of the authorized deductible up to the amount of the workers' compensation insurance rate split point approved by the commissioner of

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

insurance.

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

2 **SECTION 1.** In Colorado Revised Statutes, 8-44-111, **amend** (1)
3 as follows:

4 **8-44-111. Workers' compensation insurance - deductibles -**
5 **definition.** (1) (a) Any employer may agree, as a condition of any
6 contract for the insurance of compensation and benefits as provided in
7 articles 40 to 47 of this title or against liability therefor, to pay an amount
8 not to exceed ~~five thousand dollars~~ THE SPLIT POINT APPROVED BY THE
9 COMMISSIONER OF INSURANCE per claim toward the total amount of any
10 claim payable under articles 40 to 47 of this title. The amount of premium
11 to be paid by an employer who agrees to pay such deductible shall be
12 reduced based upon such deductible in an amount determined by the
13 insurance carrier.

14 (b) AS USED IN THIS SUBSECTION (1), "SPLIT POINT" MEANS THE
15 AMOUNT OF LOSS APPROVED BY THE COMMISSIONER OF INSURANCE THAT
16 AN INSURER MAY APPLY AS THE PRIMARY LOSS IN A WORKERS'
17 COMPENSATION CLAIM. THE FULL AMOUNT OF PRIMARY LOSS COUNTS IN
18 EACH EMPLOYER'S EXPERIENCE MODIFICATION CALCULATION THAT
19 DETERMINES THE EMPLOYER'S PERCENTAGE CREDIT OR SURCHARGE ON
20 WORKERS' COMPENSATION COVERAGE. THE LOSS AMOUNT ABOVE THE
21 SPLIT POINT IS EXCESS LOSS AND CONSTITUTES PART OF EACH EMPLOYER'S
22 WORKERS' COMPENSATION INSURANCE RATE.

23 **SECTION 2. Effective date - applicability.** This act takes effect
24 upon passage and applies to workers' compensation insurance policies on
25 or after said date.

1 **SECTION 3. Safety clause.** The general assembly hereby finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, and safety.