



Dora
Department of Regulatory Agencies



**Consumer protection
is our mission**

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Legislative Fact Sheet

HB09-1256 Interstate Sales of Insurance Representative Acree and Senator Mitchell

DORA & the Division of Insurance OPPOSE HB09-1256

The Colorado Division of Insurance believes in providing consumers many choices when they are purchasing insurance, but consumer choice doesn't necessarily equal consumer protection. While some consumer protections are provided in HB 1256, the bill negates many of the bipartisan efforts developed over the years to protect Colorado consumers.

- Developing multi-state agreements will be difficult to promote to other states. Each state will need its legislature, governor and insurance commissioner to "buy-in" to this concept that involves relinquishing regulatory authority to, or taking regulatory authority from, another state.
- Introducing this type of new insurance market appeals to industry representatives who could expand their markets to "prospective buyer" states. The **carrier** picks the state that regulates its products. The state with the least regulation would be a popular "primary state."
- Colorado consumers would need to have some awareness of the primary state's insurance statutes, which could vary significantly from Colorado's insurance statutes.
- HB1256 increases bureaucratic entanglements for Colorado consumers. The legal ramifications and costs to monitor and maintain this system will be extensive.
- HB1256 will be difficult for consumers to navigate when they want quick responses to their questions and complaints.

The Colorado Division of Insurance wants to actively participate in finding solutions to the health care crisis. However, we also must continue to view these insurance issues through the lens of a Colorado consumer.