



**Colorado  
Legislative  
Council  
Staff**

**SB16-198**

**FINAL  
FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 16-1250  
**Prime Sponsor(s):** Sen. Holbert  
Rep. Kraft-Tharp

**Date:** July 25, 2016  
**Bill Status:** Signed into Law  
**Fiscal Analyst:** Kerry White (303-866-3469)

**BILL TOPIC:** WORKERS' COMPENSATION INSURANCE FORMS CERTIFIED FILED WITH THE DIVISION OF INSURANCE

<b>Fiscal Impact Summary</b>	<b>FY 2015-2016</b> <i>(current year)</i>	<b>FY 2016-2017</b>	<b>FY 2017-2018</b>
<b>State Revenue</b>			
<b>State Expenditures</b>	Minimal workload increases and reductions.		
<b>Appropriation Required:</b> None.			
<b>Future Year Impacts:</b> Ongoing minimal workload increases and reductions.			

**Summary of Legislation**

This bill adds advisory organizations and rating organizations to the list of entities required to comply with current law regarding submission of policy forms, which may include any endorsement, rider, letter, notice, or other document affecting an insurance policy or contract. These materials are to be submitted to the Commissioner of Insurance in the Division of Insurance (DOI) within the Department of Regulatory Agencies via an annual report due by July 1 of each year. The annual report must include certification that the documents are, to the best of an officer's knowledge, in compliance with Colorado law.

If a workers' compensation carrier uses forms, without modification, prepared by an advisory or a rating organization, the carrier is required to notify the DOI that it adopted the annual report filed by the advisory or rating organization and does not have to submit its own certification.

Every carrier, advisory organization, and rating organization must also submit a list of any new or revised policy forms as may be requested by the DOI at least 31 days prior to their use. Unless a carrier notifies the DOI otherwise, policy forms submitted on behalf of a member of an advisory or rating organization are deemed to be automatically adopted by the carrier without modification.

**State Expenditures**

Overall, this bill is expected to affect workload in the DOI by a minimal amount. It increases workload for the DOI to accept annual reports from advisory and rating organizations, but may reduce workload as a result of not having to examine and investigate carriers that adopt forms promulgated by those organizations. No adjustments in appropriations are expected for the DOI.

**Effective Date**

The bill was signed into law by the Governor and took effect on June 8, 2016.

**State and Local Government Contacts**

Information Technology

Labor

Regulatory Agencies