



## Legislative Council Staff

*Nonpartisan Services for Colorado's Legislature*

# FISCAL NOTE

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<b>Drafting Number:</b>	LLS 18-0874	<b>Date:</b>	February 26, 2018
<b>Prime Sponsors:</b>	Sen. Smallwood Rep. Kraft-Tharp	<b>Bill Status:</b>	Senate Business
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**Bill Topic:** SIMILAR COVERAGE INDEPENDENT COMMERCIAL VEHICLES

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<b>Summary of Fiscal Impact:</b>	<input type="checkbox"/> State Revenue <input checked="" type="checkbox"/> State Expenditure <input type="checkbox"/> State Transfer	<input type="checkbox"/> TABOR Refund <input type="checkbox"/> Local Government <input type="checkbox"/> Statutory Public Entity
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This bill allows commercial truckers to carry private occupational accident insurance instead of workers' compensation insurance. It will increase state workload on an ongoing basis.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** The fiscal note reflects the introduced bill.

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### Summary of Legislation

This bill requires an independent contractor or sole proprietor who operates a commercial truck (with a gross vehicle weight rating of at least 16,001 pounds and used in commerce on public highways), to have either workers' compensation insurance or a private occupational accident insurance policy providing similar coverage. The bill specifies what qualifies as occupational accident insurance. The director of the Division of Workers' Compensation in the Colorado Department of Labor and Employment (CDLE) is required to establish rules related to insurance election notification requirements, and the independent operator must provide proof of coverage to the Division of Workers' Compensation in CDLE and the Division of Insurance in the Colorado Department of Regulatory Agencies (DORA).

### State Expenditures

This bill will increase workloads in CDLE and DORA, as discussed below.

**CDLE.** Assuming that the Division of Workers' Compensation is not required to review filed notices or take any other action, the division will accomplish the rulemaking required under the bill during the course of normal business and no change in appropriations is required.

**DORA.** The Division of Insurance will have an indeterminate impact. The bill creates a new form of insurance product in state law without authorizing the Division of Insurance in DORA to promulgate related rules. It is unclear if the division will have the authority to regulate this product like other insurance products.

**Effective Date**

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

**State and Local Government Contacts**

Labor and Employment  
Regulatory Agencies

Law  
Revenue