# Second Regular Session Seventy-fourth General Assembly STATE OF COLORADO

# REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction

LLS NO. 24-0959.01 Josh Schultz x5486

**SENATE BILL 24-155** 

#### SENATE SPONSORSHIP

Winter F., Cutter, Danielson, Ginal, Jaquez Lewis, Liston, Michaelson Jenet, Priola, Sullivan

#### **HOUSE SPONSORSHIP**

Marvin,

Senate Committees
Business, Labor, & Technology

101

102

**House Committees** 

### A BILL FOR AN ACT

CONCERNING ENSURING ACCURATE PAYMENT OF FAMILY AND MEDICAL LEAVE BENEFITS.

## **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 <a href="http://leg.colorado.gov">http://leg.colorado.gov</a>.)

The bill specifies that a judgment for a debt for overpayment of paid family and medical leave benefits is eligible to be assigned, released, or commuted and is not exempt from claims of creditors or from levy, execution, and attachment or other remedy or recovery or collection of a debt. The bill adds family and medical leave benefits to the list of exceptions for which workers' compensation benefits may be assigned,

SENATE 3rd Reading Unamended March 5, 2024

SENATE 2nd Reading Unamended March 1, 2024 levied, or attached.

The bill also allows the division of family and medical leave insurance (division) in the department of labor and employment to obtain reimbursement from a workers' compensation insurer if an employee received both family and medical leave benefits and temporary indemnity benefits for the same absence and allows the insurer to offset benefits in the amount reimbursed. The division may access records regarding compensability and benefit payments of workers' compensation claims for the purpose of coordinating family and medical leave benefits.

The department of revenue may provide the division with tax information and may enter into an agreement with the division providing for payment of the costs related to supplying the information and providing for periodic updating of the information supplied.

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

2 SECTION 1. In Colorado Revised Statutes, 8-42-124, amend (1)

and (6); and **add** (9) as follows:

**8-42-124.** Assignability and exemption of claims - payment to employers - when. (1) Except for amounts due under court-ordered support or for a judgment for a debt for fraudulently obtained public assistance, fraudulently obtained overpayments of public assistance, or excess public assistance paid for which the recipient was ineligible, OR OVERPAYMENT OF PAID FAMILY AND MEDICAL LEAVE BENEFITS PAID PURSUANT TO ARTICLE 13.3 OF THIS TITLE 8, claims for compensation or benefits due, or any proceeds thereof, under articles 40 to 47 of this title TITLE 8 shall not be assigned, released, or commuted except as provided in said articles ARTICLES 40 TO 47 OF THIS TITLE 8 and shall be ARE exempt from all claims of creditors and from levy, execution, and attachment or other remedy or recovery or collection of a debt, which exemption may not be waived.

(6) Nothing in this section shall be construed to limit in any way

LIMITS the right of any employee to full payment of any award which

-2-

THAT may be granted to said THE employee for permanent partial or permanent total disability under the provisions of articles 40 to 47 of this title TITLE 8; except that benefits for permanent total disability and permanent partial disability shall be ARE subject to wage assignment or income assignment as wages pursuant to section 14-14-102 (9), C.R.S., and subject to garnishment as earnings pursuant to section 13-54.5-101 (2)(b), <del>C.R.S.,</del> and subject to administrative lien and attachment pursuant to section 26-13-122 C.R.S., for purposes of enforcement of court-ordered child support. and BENEFITS FOR PERMANENT TOTAL DISABILITY AND PERMANENT PARTIAL DISABILITY ARE ALSO subject to garnishment as earnings pursuant to sections 13-54-104 (1)(b)(IV) and 13-54.5-101 (2)(d) C.R.S., for purposes of enforcement of a judgment for a debt for fraudulently obtained public assistance, fraudulently obtained overpayments of public assistance, or excess public assistance paid for which the recipient was ineligible, OR OVERPAYMENT OF PAID FAMILY AND MEDICAL LEAVE BENEFITS PAID PURSUANT TO ARTICLE 13.3 OF THIS TITLE 8. (9) (a) UPON RECEIVING NOTICE OF A LIEN FROM THE FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM, CREATED PURSUANT TO SECTION 8-13.3-516, DUE TO PAYMENT OF FAMILY AND MEDICAL LEAVE BENEFITS PURSUANT TO ARTICLE 13.3 OF THIS TITLE 8, SO LONG AS SUCH NOTICE IS PROVIDED PRIOR TO THE PAYMENT OF WORKERS' COMPENSATION TEMPORARY TOTAL DISABILITY OR TEMPORARY PARTIAL DISABILITY BENEFITS IN AN ADMITTED CLAIM, AN INSURER OR A SELF-INSURED

EMPLOYER SHALL REIMBURSE THE FAMILY AND MEDICAL LEAVE

INSURANCE PROGRAM FOR CONCURRENTLY PAID OR DUE FAMILY AND

MEDICAL LEAVE BENEFITS AND ADMITTED COMPENSATION BY DIVERTING

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

-3-

2	PARTIAL DISABILITY TO THE FAMILY AND MEDICAL LEAVE INSURANCE
3	PROGRAM, IN ACCORDANCE WITH SECTION 8-13.3-513 (2), NOT TO EXCEED
4	ONE HUNDRED PERCENT OF ONGOING WORKERS' COMPENSATION
5	TEMPORARY TOTAL DISABILITY OR TEMPORARY PARTIAL DISABILITY
6	BENEFITS.
7	(b) This subsection (9) applies only if the family and
8	MEDICAL LEAVE AND WORKERS' COMPENSATION BENEFITS ARE FOR THE
9	SAME INJURY OR OCCUPATIONAL ILLNESS NEXUS.
10	SECTION 2. In Colorado Revised Statutes, 8-47-203, amend (1)
11	introductory portion and (1)(c)(I) as follows:
12	8-47-203. Access to files, records, and orders - definition.
13	(1) Notwithstanding the provisions of section 8-47-202, the filing of a
14	claim for compensation is deemed to be a limited waiver of the
15	doctor-patient privilege to persons who are necessary to resolve the claim.
16	The release of mental health records pursuant to this section must comply
17	with section 8-47-203.2. Access to claim files maintained by the division
18	will be ARE permitted only as follows:
19	(c) (I) (A) The director may permit access to other governmental
20	entities only as required for the performance of their official duties and
21	only if those official duties relate to enforcement of provisions of articles
22	40 to 47 of this title; except that the department of revenue may access
23	results of any inquiry made by the division to determine whether an
24	employer has any liability pursuant to articles 22 to 29 of title 39, C.R.S.
25	TITLE 8. As used in this subparagraph (I) SUBSECTION (1)(c)(I),
26	"enforcement" includes duties of governmental entities involved in the
27	administration of the provisions of articles 40 to 47 of this title TITLE 8 or

UNPAID BENEFITS FOR TEMPORARY TOTAL DISABILITY OR TEMPORARY

1

-4- 155

1 if such duties relate to the enforcement of child support under section 2 26-13-122. C.R.S. This provision SUBSECTION (1)(c)(I)(A) is not intended 3 to restrict the rights of persons otherwise provided for in articles 40 to 47 4 of this title TITLE 8 to inspect and copy files. 5 (B) NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE 8, 6 THE DEPARTMENT OF REVENUE MAY ACCESS RESULTS OF AN INQUIRY 7 MADE BY THE DIVISION TO DETERMINE WHETHER AN EMPLOYER HAS 8 LIABILITY PURSUANT TO ARTICLES 22 TO 29 OF TITLE 39. 9 (C) NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE 8, 10 THE DIVISION OF FAMILY AND MEDICAL LEAVE INSURANCE MAY ACCESS 11 RECORDS REGARDING COMPENSABILITY AND BENEFIT PAYMENTS OF 12 WORKERS' COMPENSATION CLAIMS FOR THE PURPOSES OF COORDINATING 13 THE BENEFITS OF AND OTHERWISE ENFORCING ARTICLE 13.3 OF THIS TITLE 14 8. 15 **SECTION 3.** In Colorado Revised Statutes, 39-21-113, add (34) 16 as follows: 17 39-21-113. Reports and returns - rule - repeal. 18 (34) NOTWITHSTANDING THIS SECTION, THE EXECUTIVE DIRECTOR OF THE 19 DEPARTMENT OF REVENUE MAY PROVIDE THE DIVISION OF FAMILY AND 20 MEDICAL LEAVE INSURANCE, CREATED IN SECTION 8-13.3-508 (1), WITH 21 INFORMATION OBTAINED PURSUANT TO THIS SECTION AND MAY ENTER 22 INTO AN AGREEMENT WITH THE DIVISION OF FAMILY AND MEDICAL LEAVE 23 INSURANCE PROVIDING FOR PAYMENT OF THE COSTS INCURRED IN 24 CONNECTION WITH SUPPLYING THE INFORMATION AND PROVIDING FOR 25 PERIODIC UPDATING OF THE INFORMATION SUPPLIED. INFORMATION 26 SUPPLIED TO THE DIVISION OF FAMILY AND MEDICAL LEAVE INSURANCE

PURSUANT TO THIS SUBSECTION (34) IS SUBJECT TO THE RULES OF

27

-5- 155

1 CONFIDENTIALITY SET FORTH IN SECTION 8-13.3-516 (5) TO THE SAME 2 EXTENT AS INFORMATION SUPPLIED BY AN INDIVIDUAL OR EMPLOYER TO 3 THE DIVISION OF FAMILY AND MEDICAL LEAVE INSURANCE. ALL 4 EMPLOYEES OF THE DIVISION OF FAMILY AND MEDICAL LEAVE INSURANCE 5 ARE SUBJECT TO THE LIMITATIONS SET FORTH IN SUBSECTION (4) OF THIS 6 SECTION AND THE PENALTIES SPECIFIED IN SUBSECTION (6) OF THIS 7 SECTION. 8 **SECTION 4.** Act subject to petition - effective date. This act 9 takes effect at 12:01 a.m. on the day following the expiration of the 10 ninety-day period after final adjournment of the general assembly; except 11 that, if a referendum petition is filed pursuant to section 1 (3) of article V 12 of the state constitution against this act or an item, section, or part of this 13 act within such period, then the act, item, section, or part will not take 14 effect unless approved by the people at the general election to be held in 15 November 2024 and, in such case, will take effect on the date of the 16 official declaration of the vote thereon by the governor.

-6- 155