

CHAPTER 188

**INSURANCE**

**HOUSE BILL 95-1284**

BY REPRESENTATIVES Allen, Dean, and Lyle;  
also SENATORS Thiebaut, Casey, Pascoe, and Rupert.

**AN ACT**

**CONCERNING A LIMITATION ON THE ABILITY OF INSURERS TO LIMIT THEIR LIABILITY FOR PROFESSIONAL MALPRACTICE CLAIMS IN WHICH THERE IS AN ALLEGATION OR PROOF OF SEXUAL MISCONDUCT.**

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

**SECTION 1.** Part 1 of article 4 of title 10, Colorado Revised Statutes, 1994 Repl. Vol., is amended BY THE ADDITION OF A NEW SECTION to read:

**10-4-110.3. Exclusions where claim involves sexual misconduct - void.** (1) NO INSURER, IN A POLICY OF PROFESSIONAL MALPRACTICE INSURANCE, SHALL ATTEMPT TO NULLIFY OR LIMIT ITS STATED LIABILITY WITH REGARD TO CLAIMS NOT RELATING TO SEXUAL MISCONDUCT IN CASES WHERE:

(a) THERE IS AN ALLEGATION OR PROOF OF A CLAIM OF SEXUAL MISCONDUCT BY THE INSURED; AND

(b) THE POLICY REQUIRES AGGREGATION OF ALL DAMAGES UNDER THE LIABILITY LIMIT FOR SEXUAL MISCONDUCT.

(2) ANY POLICY PROVISION THAT VIOLATES SUBSECTION (1) OF THIS SECTION IS HEREBY DECLARED CONTRARY TO PUBLIC POLICY AND IS VOID AND UNENFORCEABLE.

(3) THIS SECTION SHALL NOT APPLY TO NONADMITTED INSURERS APPROVED PURSUANT TO ARTICLE 5 OF THIS TITLE.

**SECTION 2. No appropriation.** The general assembly has determined that this act can be implemented within existing appropriations, and therefore no separate appropriation of state moneys is necessary to carry out the purposes of this act.

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

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

Approved: May 24, 1995