

CHAPTER 255

**INSURANCE**

SENATE BILL 99-224

BY SENATORS Blickensderfer, Powers, Owen, and Feeley;  
also REPRESENTATIVES George and Scott.

**AN ACT**

CONCERNING THE REPEAL OF SECTION 10-16-324 (4) (e) (I) (H), COLORADO REVISED STATUTES,  
RELATING TO THE OWNERSHIP LIMITATION FOR CONVERTED NONPROFIT HOSPITAL,  
MEDICAL-SURGICAL, AND HEALTH SERVICE CORPORATIONS.

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

**SECTION 1. Repeal.** 10-16-324 (4) (e) (I) (H), Colorado Revised Statutes, is repealed as follows:

**10-16-324. Conversion of corporation to a stock insurance company.** (4) The plan shall set forth with specificity the terms and conditions of the proposed conversion and shall do all of the following:

(e) (I) Specify a reasonable treatment for the benefit of the citizens of the state of Colorado of the value of the corporation on all of the following terms that must be approved by the commissioner:

~~(H) For a period of three years following the conversion, no entity or person (other than a qualifying entity or the corporation or holding company that owns the corporation) together with its affiliates may own more than ten percent of the combined voting power of the corporation or holding company that owns the corporation. The provisions of this sub-subparagraph (H) shall continue to apply even though the corporation shall no longer be subject to this article.~~

**SECTION 2. 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 29, 1999

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