

CHAPTER 389

LABOR AND INDUSTRY

HOUSE BILL 24-1220

BY REPRESENTATIVE(S) Daugherty, Amabile, Bird, Boesenecker, Brown, Clifford, Duran, Epps, Froelich, Garcia, Hamrick, Hernandez, Jodeh, Kipp, Lieder, Lindsay, Lindstedt, Lukens, Martinez, Marvin, Mauro, McCormick, McLachlan, Parenti, Rutinel, Sirota, Snyder, Story, Titone, Valdez, Vigil, Willford, Woodrow, Young, McCluskie;
also SENATOR(S) Marchman, Buckner, Cutter, Exum, Jaquez Lewis, Kolker, Michaelson Jenet, Priola, Sullivan.

AN ACT

CONCERNING DISABILITY BENEFITS FOR WORKERS' COMPENSATION INJURIES, AND, IN CONNECTION THEREWITH, ALLOWING A CLAIMANT TO REFUSE AN OFFER OF MODIFIED EMPLOYMENT UNDER CERTAIN CIRCUMSTANCES, ADDING THE LOSS OF AN EAR TO THE LIST OF WHOLE PERSON PERMANENT IMPAIRMENT BENEFITS, INCREASING THE TWO AGGREGATE LIMITS ON TEMPORARY AND PERMANENT INJURY BENEFITS AND REQUIRING THE DIRECTOR OF THE DIVISION OF WORKERS' COMPENSATION TO ADJUST THE LIMITS ANNUALLY, AND REQUIRING A WORKERS' COMPENSATION INSURER TO PAY BENEFITS TO A CLAIMANT BY DIRECT DEPOSIT UPON REQUEST BY THE CLAIMANT.

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

SECTION 1. In Colorado Revised Statutes, 8-42-105, **amend** (4)(b)(I); and **add** (4)(b)(I.5) as follows:

8-42-105. Temporary total disability - hearings. (4) (b) The claimant's refusal to accept an offer of modified employment under either of the following conditions does not constitute responsibility for termination:

(I) The offer of modified employment would require the claimant to travel a distance of greater than fifty miles one way more than the claimant's preinjury commute; ~~or~~

(I.5) THE OFFER OF MODIFIED EMPLOYMENT WOULD REQUIRE THE CLAIMANT TO DRIVE TO OR FROM THE PLACE OF EMPLOYMENT AND AN AUTHORIZED TREATING PHYSICIAN HAS RESTRICTED THE CLAIMANT FROM DRIVING; OR

SECTION 2. In Colorado Revised Statutes, 8-42-107, **amend** (8)(c.5) as follows:

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

8-42-107. Permanent partial disability benefits - schedule - medical impairment benefits - how determined. (8) **Medical impairment benefits - determination of MMI for scheduled and nonscheduled injuries.** (c.5) When an injury results in the total loss or total loss of use of an arm at the shoulder, a forearm at the elbow, a hand at the wrist, a leg at the hip or so near thereto as to preclude the use of an artificial limb, the loss of a leg at or above the knee where the stump remains sufficient to permit the use of an artificial limb, a foot at the ankle, an eye, AN EAR, or a combination of any such losses, the benefits for such loss shall be determined pursuant to this subsection (8), except as provided in subsection (7)(b)(IV) of this section.

SECTION 3. In Colorado Revised Statutes, **amend** 8-42-107.5 as follows:

8-42-107.5. Limit on temporary disability payments and permanent partial disability payments. (1) A claimant whose impairment rating is nineteen percent or less may not receive more than ~~seventy-five~~ ONE HUNDRED EIGHTY-FIVE thousand dollars from combined temporary disability payments and permanent partial disability payments. A claimant whose impairment rating is greater than nineteen percent may not receive more than ~~one~~ THREE hundred ~~fifty~~ thousand dollars from combined temporary disability payments and permanent partial disability payments.

(2) For the purposes of this section, any mental impairment rating shall be combined with the physical impairment rating to establish a claimant's impairment rating for determining the applicable cap. For injuries sustained on and after ~~January 1, 2012~~ JANUARY 1, 2025, the director shall adjust these limits on the amount of compensation for combined temporary disability payments and permanent partial disability payments on ~~July 1, 2011~~ JULY 1, 2025, and each July 1 thereafter, by the percentage of the adjustment made by the director to the state average weekly wage pursuant to section 8-47-106.

SECTION 4. In Colorado Revised Statutes, **add** 8-42-127 as follows:

8-42-127. Direct deposit. IF A CLAIMANT HAS VOLUNTARILY AUTHORIZED DIRECT DEPOSIT, THE INSURER OR SELF-INSURED EMPLOYER SHALL DEPOSIT ALL TEMPORARY DISABILITY BENEFITS AND PERMANENT DISABILITY BENEFITS DUE AND PAYABLE TO THE CLAIMANT UNDER THIS TITLE 8 IN AN ACCOUNT DESIGNATED BY THE CLAIMANT IN ANY BANK, SAVINGS AND LOAN ASSOCIATION, CREDIT UNION, OR OTHER FINANCIAL INSTITUTION AUTHORIZED BY THE UNITED STATES OR ONE OF THE SEVERAL STATES TO RECEIVE DEPOSITS IN THE UNITED STATES. THE CLAIMANT OR THE CLAIMANT'S ATTORNEY CAN WITHDRAW ANY DIRECT DEPOSIT AUTHORIZATION AT ANY TIME.

SECTION 5. Act subject to petition - effective date - applicability. (1) Except as specified in subsection (2) of this section, this act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed

pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2024 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) Section 8-42-107.5 (1) and (2), Colorado Revised Statutes, as amended in section 3 of this act, takes effect January 1, 2025.

(3) (a) Sections 1 and 4 of this act apply to claims in existence on or after the effective date of this act.

(b) Section 2 of this act applies to claims arising on or after the effective date of this act.

(c) Section 3 of this act applies to claims arising on or after January 1, 2025.

Approved: June 4, 2024