

Second Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0619.04 Christy Chase x2008

SENATE BILL 26-178

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SENATE SPONSORSHIP

Mullica and Jodeh,

HOUSE SPONSORSHIP

Brown and Gilchrist,

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Senate Committees  
Finance

House Committees

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A BILL FOR AN ACT

101 CONCERNING MEASURES TO ADDRESS THE AFFORDABILITY OF HEALTH  
102 INSURANCE.

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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 <http://leg.colorado.gov>.)*

Sections 1 through 8 of the bill modify the "Health Insurance Affordability Act" to:

- Authorize the Colorado health insurance affordability enterprise (enterprise) to impose a one-time supplemental assessment, allocated equally among health insurance companies that meet specified criteria;

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing law.  
Dashes through the words or numbers indicate deletions from existing law.

- Allow the enterprise to invest specified money in the health insurance affordability cash fund (cash fund) without regard to otherwise applicable requirements for such investments and to contract with private professional fund managers to advise on investment strategies;
- Modify the allocation of enterprise revenue among authorized purposes and allow the enterprise to reallocate unexpended amounts for specified purposes;
- Authorize a 25-year loan from the unclaimed property trust fund (trust fund) to the cash fund;
- Direct the health insurance affordability board, in recommending parameters for implementing subsidies for state-subsidized individual health coverage plans, to recommend coverage that prioritizes enrollment stability and customer predictability; when seeking input on its recommendations regarding plans, coverage, and the number of eligible slots, to enable feedback in at least English and Spanish and in other languages upon request; and to indicate how it incorporated such feedback into its final recommendations; and
- Direct the enterprise to conduct or contract a third party to conduct a study to evaluate the feasibility of restructuring the enterprise programs to increase health insurance affordability and maximize enrollment in health insurance plans.

**Section 9** directs the state treasurer to enter into a loan agreement with the enterprise authorizing an interest-bearing loan of \$100 million from the trust fund to the cash fund, with required full repayment of the loan no later than 25 years after the date of the loan.

**Sections 10 and 11** expand the tax credits for contributions to the Colorado health benefit exchange (exchange) to also allow tax credits for contributions to the enterprise and, of the \$9 million available for the tax credits, allocate \$5 million to qualified taxpayers that make contributions to the exchange and \$4 million to qualified taxpayers that make contributions to the enterprise.

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

2           **SECTION 1.** In Colorado Revised Statutes, 10-16-1202, **amend**  
 3 (2) as follows:

4           **10-16-1202. Legislative declaration.**

5           (2) The general assembly further finds and declares that,

1 consistent with the determination of the Colorado supreme court in  
2 *Nicholl v. E-470 Public Highway Authority*, 896 P.2d 859 (Colo. 1995),  
3 the power to impose taxes is inconsistent with enterprise status under  
4 section 20 of article X of the state constitution, and the health insurance  
5 affordability fees and special assessments, AS WELL AS THE  
6 SUPPLEMENTAL ASSESSMENT, charged and collected by the health  
7 insurance affordability enterprise are fees, not taxes, because the fees and  
8 assessments are imposed for the specific purpose of allowing the  
9 enterprise to defray the costs of providing the business services specified  
10 in section 10-16-1204 (1)(a) to the carriers, HEALTH INSURANCE  
11 COMPANIES, and hospitals that pay the fees and assessments and are  
12 collected at rates that are reasonably calculated based on the benefits  
13 received by those carriers, HEALTH INSURANCE COMPANIES, and hospitals.

14 **SECTION 2.** In Colorado Revised Statutes, 10-16-1203, **amend**  
15 (5); and **add** (6.5), (16), and (17) as follows:

16 **10-16-1203. Definitions.**

17 As used in this part 12, unless the context otherwise requires:

18 (5) "Fee" means the health insurance affordability fee established  
19 and assessed pursuant to ~~section 10-16-1205~~ SECTION 10-16-1205  
20 (1)(a)(I).

21 (6.5) "HEALTH INSURANCE COMPANY" MEANS AN INSURANCE  
22 COMPANY, INCLUDING A HEALTH MAINTENANCE ORGANIZATION, THAT  
23 OFFERS POLICIES OF SICKNESS AND ACCIDENT INSURANCE IN THE STATE  
24 AND THAT HAD OVER TWENTY THOUSAND COVERED LIVES IN THE STATE IN  
25 THE 2025 CALENDAR YEAR.

26 (16) "SUPPLEMENTAL ASSESSMENT" MEANS THE ONE-TIME  
27 SUPPLEMENTAL HEALTH INSURANCE AFFORDABILITY ASSESSMENT

1 ESTABLISHED AND ASSESSED PURSUANT TO SECTION 10-16-1205  
2 (1)(a)(III).

3 (17) "UNCLAIMED PROPERTY TRUST FUND" MEANS THE  
4 UNCLAIMED PROPERTY TRUST FUND CREATED IN SECTION 38-13-801 (1).

5 **SECTION 3.** In Colorado Revised Statutes, 10-16-1204, **amend**  
6 (1)(a) introductory portion, (1)(a)(I) introductory portion, (1)(a)(I)(F),  
7 (2)(f), (2)(g), and (3); and **add** (2)(b.5) and (2)(h) as follows:

8 **10-16-1204. Health insurance affordability enterprise -**  
9 **creation - powers and duties - assess and allocate enterprise fees and**  
10 **assessments.**

11 (1) (a) There is ~~hereby~~ created in the division the Colorado health  
12 insurance affordability enterprise. The enterprise is and operates as a  
13 government-owned business within the division for the purpose of  
14 assessing and collecting the health insurance affordability fee from  
15 carriers that offer health benefit plans in the state, THE SUPPLEMENTAL  
16 ASSESSMENT FROM HEALTH INSURANCE COMPANIES, and a special  
17 assessment on hospitals in the state and using and allocating the fee and  
18 ~~assessment~~ ASSESSMENTS for the purposes specified in this part 12 in  
19 order to:

20 (I) Provide the following business services to carriers that pay the  
21 fee AND TO HEALTH INSURANCE COMPANIES THAT PAY THE SUPPLEMENTAL  
22 ASSESSMENT:

23 (F) Creating a healthier risk pool for all carriers AND HEALTH  
24 INSURANCE COMPANIES by establishing a path for consistent coverage for  
25 individuals; and

26 (2) The enterprise's primary powers and duties are:

27 (b.5) TO ASSESS AND COLLECT THE SUPPLEMENTAL ASSESSMENT

1 SPECIFIED IN SECTION 10-16-1205 (1)(a)(III);

2 (f) To engage in outreach and related efforts to increase  
3 enrollment in health benefit plans across the state; ~~and~~

4 (g) To adopt and amend or repeal policies for the regulation of its  
5 affairs and the conduct of its business consistent with this part 12; AND

6 (h) (I) TO INVEST MONEY IN THE FUND WITHOUT REGARD TO THE  
7 LIMITATIONS SET FORTH IN SECTION 24-36-103, 24-75-601.1, OR  
8 24-75-603.

9 (II) FOR PURPOSES OF INVESTING THE MONEY IN THE FUND, THE  
10 ENTERPRISE MAY ENTER INTO CONTRACTS WITH PRIVATE PROFESSIONAL  
11 FUND MANAGERS TO PROVIDE EXPERTISE, TECHNICAL SUPPORT, AND  
12 ADVICE ON INVESTMENT MARKET CONDITIONS. IN SEEKING BIDS FOR SUCH  
13 CONTRACTS, THE ENTERPRISE SHALL EMPLOY STANDARD PUBLIC BIDDING  
14 PRACTICES, INCLUDING THE USE OF REQUESTS FOR INFORMATION,  
15 REQUESTS FOR PROPOSALS, OR ANY OTHER STANDARD VENDOR SELECTION  
16 PRACTICES DETERMINED BY THE ENTERPRISE TO BE BEST SUITED FOR  
17 SELECTING AN APPROPRIATE PRIVATE PROFESSIONAL FUND MANAGER.

18 (3) The enterprise ~~shall exercise~~ IS A **TYPE 2** ENTITY, AS DEFINED  
19 IN SECTION 24-1-105, AND EXERCISES its powers and ~~perform~~ PERFORMS  
20 its duties ~~as if the same were transferred to the division by a type 2~~  
21 ~~transfer, as defined in section 24-1-105~~ UNDER THE DIRECTION AND  
22 SUPERVISION OF THE COMMISSIONER.

23 **SECTION 4.** In Colorado Revised Statutes, 10-16-1205, **amend**  
24 (1)(b) introductory portion, (1)(b)(IV)(B), (2)(a), and (2)(d)(I)  
25 introductory portion; **repeal** (2)(e)(III); and **add** (1)(a)(III) and (2)(f) as  
26 follows:

27 **10-16-1205. Health insurance affordability fee - supplemental**

1 **assessment - special assessment on hospitals - allocation of revenues.**

2 (1) (a) (III) (A) NO EARLIER THAN JANUARY 1, 2027, THE  
3 ENTERPRISE SHALL ASSESS AND COLLECT FROM HEALTH INSURANCE  
4 COMPANIES A ONE-TIME SUPPLEMENTAL HEALTH INSURANCE  
5 AFFORDABILITY ASSESSMENT OF FORTY MILLION DOLLARS.

6 (B) THE ENTERPRISE SHALL DIVIDE AND ASSESS THE  
7 SUPPLEMENTAL ASSESSMENT EQUALLY AMONG HEALTH INSURANCE  
8 COMPANIES THAT ARE SUBJECT TO THE SUPPLEMENTAL ASSESSMENT. IN  
9 DETERMINING THE EQUAL SHARE OF THE SUPPLEMENTAL ASSESSMENT  
10 OWED BY EACH HEALTH INSURANCE COMPANY SUBJECT TO THE SPECIAL  
11 ASSESSMENT, A HEALTH INSURANCE COMPANY THAT OPERATES IN  
12 MULTIPLE MARKETS IN THE STATE UNDER MULTIPLE LICENSES OR  
13 MULTIPLE CARRIERS IS TREATED AS A SINGLE HEALTH INSURANCE  
14 COMPANY AND IS SUBJECT TO A SINGLE, EQUAL SHARE OF THE  
15 SUPPLEMENTAL ASSESSMENT.

16 (b) The enterprise shall use the fee, THE SUPPLEMENTAL  
17 ASSESSMENT, the special assessment on hospitals, and any other money  
18 available in the fund as follows, allocated in accordance with subsection  
19 (2) of this section:

20 (IV) To pay the actual administrative costs of the enterprise for  
21 implementing and administering this part 12, limited to three percent of  
22 the enterprise's revenues. Actual administrative costs include the  
23 following:

24 (B) The enterprise's actual costs related to implementing and  
25 maintaining the fee, SUPPLEMENTAL ASSESSMENT, and special assessment  
26 on hospitals, including personal services and operating expenses; and

27 (2) (a) The enterprise shall transmit the fees, SUPPLEMENTAL

1 ASSESSMENT, and special assessments collected pursuant to this section  
2 to the state treasurer for deposit in the ~~health insurance affordability cash~~  
3 ~~fund created in section 10-16-1206~~ and, except as provided in subsection  
4 (4) of this section, shall allocate the money in the fund in accordance with  
5 this subsection (2).

6 (d) (I) Except as provided in subsections (2)(d)(IV) and (2)(e) of  
7 this section, the enterprise shall allocate the revenues collected in 2023  
8 ~~and each year thereafter~~ THROUGH 2026, and any other money deposited  
9 in the fund in 2023 ~~and each year thereafter~~ THROUGH 2026, in the  
10 following amounts and order of priority:

11 (e) (III) ~~This subsection (2)(e) takes effect on January 1, 2026,~~  
12 ~~only if the condition specified in section 10-16-1209 (1) occurs.~~

13 (f) (I) THE ENTERPRISE SHALL ALLOCATE AT LEAST THE  
14 FOLLOWING REVENUES ASSESSED FOR THE 2027 CALENDAR YEAR AND FOR  
15 EACH CALENDAR YEAR THEREAFTER, AND ANY OTHER MONEY DEPOSITED  
16 IN THE FUND IN 2027 AND EACH YEAR THEREAFTER, AS FOLLOWS:

17 (A) FIRST, AT LEAST TWENTY PERCENT FOR SUBSIDIES FOR  
18 STATE-SUBSIDIZED INDIVIDUAL HEALTH COVERAGE PLANS PURCHASED BY  
19 QUALIFIED INDIVIDUALS;

20 (B) SECOND, AT LEAST FIFTY PERCENT TO THE REINSURANCE  
21 PROGRAM CASH FUND;

22 (C) THIRD, AT LEAST TWENTY-FIVE PERCENT TO REDUCE THE  
23 COSTS OF INDIVIDUAL HEALTH BENEFIT PLANS FOR INDIVIDUALS WHO  
24 PURCHASE AN INDIVIDUAL HEALTH BENEFIT PLAN ON THE EXCHANGE;

25 (D) FOURTH, UP TO THREE PERCENT FOR ACTUAL ADMINISTRATIVE  
26 COSTS AS SET FORTH IN SUBSECTION (1)(b)(IV) OF THIS SECTION; AND

27 (E) FIFTH, THE ACTUAL COSTS OF ENSURING COMPLIANCE WITH

1 THE FEDERAL HYDE AMENDMENT OR A SIMILAR AMENDMENT.

2 (II) THE ENTERPRISE SHALL ALLOCATE ANY AMOUNT OF REVENUES  
3 REMAINING AFTER ALLOCATING REVENUES PURSUANT TO SUBSECTION  
4 (2)(f)(I) OF THIS SECTION TO MEET THE FOLLOWING OBJECTIVES:

5 (A) TO AT LEAST MAINTAIN A STATEWIDE AVERAGE PREMIUM  
6 REDUCTION IN THE REINSURANCE PROGRAM AT THE SAME LEVEL AS  
7 ACHIEVED FOR THE 2026 CALENDAR YEAR, PROVIDE PREMIUM ASSISTANCE  
8 FOR INDIVIDUALS WHO PURCHASE INSURANCE ON THE EXCHANGE AT THE  
9 SAME LEVEL OF PREMIUM ASSISTANCE PROVIDED IN THE 2026 CALENDAR  
10 YEAR, AND PROVIDE COVERAGE FOR QUALIFIED INDIVIDUALS AT THE  
11 ENROLLMENT LEVEL ACHIEVED IN THE 2026 CALENDAR YEAR; AND

12 (B) TO SUPPORT ADDITIONAL AFFORDABILITY EFFORTS TO  
13 MAINTAIN OR INCREASE COVERAGE IN THE INDIVIDUAL MARKET.

14 (III) IN ANY CALENDAR YEAR, AFTER MAKING THE ALLOCATIONS  
15 SPECIFIED IN SUBSECTIONS (2)(f)(I) AND (2)(f)(II) OF THIS SECTION, IF  
16 THERE IS MONEY REMAINING IN THE FUND ON AUGUST 1 OF THAT  
17 CALENDAR YEAR, THE ENTERPRISE MAY REALLOCATE ANY AMOUNT OF THE  
18 REVENUES COLLECTED AND ALLOCATED PURSUANT TO SUBSECTION  
19 (2)(f)(I) OR (2)(f)(II) OF THIS SECTION THAT HAVE NOT BEEN EXPENDED  
20 ON OR BEFORE AUGUST 1 OF THAT CALENDAR YEAR FOR ANY OTHER  
21 PURPOSE SPECIFIED IN SUBSECTION (2)(f)(I) OR (2)(f)(II) OF THIS SECTION  
22 EXCEPT THE ADMINISTRATIVE COSTS DESCRIBED IN SUBSECTION  
23 (2)(f)(I)(D) OF THIS SECTION.

24 **SECTION 5.** In Colorado Revised Statutes, 10-16-1206, **amend**  
25 (1)(h) and (1)(i); and **add** (1)(j), (1)(k), and (6) as follows:

26 **10-16-1206. Health insurance affordability cash fund -**  
27 **creation - repeal.**

1 (1) There is created in the state treasury the health insurance  
2 affordability cash fund. The fund consists of:

3 (h) Gifts, grants, or donations received from private or public  
4 sources; and

5 (i) ~~Any other money that may be appropriated or transferred to the~~  
6 ~~fund.~~ THE SUPPLEMENTAL ASSESSMENT COLLECTED FROM HEALTH  
7 INSURANCE COMPANIES PURSUANT TO SECTION 10-16-1205 (1)(a)(III);

8 (j) MONEY CREDITED TO THE FUND AS A LOAN FROM THE  
9 UNCLAIMED PROPERTY TRUST FUND PURSUANT TO SUBSECTION (6) OF THIS  
10 SECTION AND SECTION 38-13-801 (7); AND

11 (k) ANY OTHER MONEY THAT MAY BE APPROPRIATED OR  
12 TRANSFERRED TO THE FUND.

13 (6) (a) MONEY CREDITED TO THE FUND PURSUANT TO SECTION  
14 38-13-801 (7) IS A LOAN FROM THE UNCLAIMED PROPERTY TRUST FUND TO  
15 THE FUND. THE ENTERPRISE MAY ACCEPT AND EXPEND THE MONEY SO  
16 CREDITED IN ACCORDANCE WITH THIS PART 12 AND SHALL REPAY THE  
17 LOAN IN ACCORDANCE WITH SECTION 38-13-801 (7).

18 (b) A LOAN MADE FROM THE UNCLAIMED PROPERTY TRUST FUND  
19 TO A SEPARATE FUND IN THE ENTERPRISE:

20 (I) IS AN INTERFUND LOAN ACCORDING TO GOVERNMENTAL  
21 ACCOUNTING STANDARDS BOARD CODIFICATION 1800.102, MEANING  
22 THAT THE LOAN IS NOT CLASSIFIED AS REVENUE AND IS BOOKED AS AN  
23 INTERFUND RECEIVABLE OR PAYABLE; AND

24 (II) IS NEITHER A GRANT, AS DEFINED IN SECTION 24-77-102 (7)(a),  
25 SINCE IT IS REQUIRED TO BE REPAID, NOR STATE FISCAL YEAR SPENDING,  
26 AS DEFINED IN SECTION 24-77-102 (17), NOR STATE REVENUES, AS  
27 DEFINED IN SECTION 24-77-103.6 (6)(c), AND DOES NOT COUNT AGAINST

1 EITHER THE STATE FISCAL YEAR SPENDING LIMIT IMPOSED BY SECTION 20  
2 OF ARTICLE X OF THE STATE CONSTITUTION OR THE EXCESS STATE  
3 REVENUES CAP, AS DEFINED IN SECTION 24-77-103.6 (6)(b)(I)(G).

4 (c) LOAN LIABILITIES THAT ARE RECORDED IN THE FUND BUT THAT  
5 ARE NOT REQUIRED TO BE PAID IN THE CURRENT STATE FISCAL YEAR SHALL  
6 NOT BE CONSIDERED WHEN CALCULATING SUFFICIENT STATUTORY FUND  
7 BALANCE FOR PURPOSES OF SECTION 24-75-109.

8 **SECTION 6.** In Colorado Revised Statutes, 10-16-1207, **amend**  
9 (4)(c)(I), (4.5), and (7)(a)(III); and **add** (4)(c.5)(I.5) as follows:

10 **10-16-1207. Health insurance affordability board - creation -**  
11 **membership - powers and duties - subject to open meetings and**  
12 **public records laws - annual report - commissioner rules.**

13 (4) The board is authorized to:

14 (c) Recommend, for approval and establishment by the  
15 commissioner by rule:

16 (I) The timing and methodology for assessing and collecting the  
17 fee, SUPPLEMENTAL ASSESSMENT, and special assessment, subject to  
18 section 10-16-1205 (1)(a);

19 (c.5) Further recommend, for approval and establishment by the  
20 commissioner by rule, additional parameters for implementing the  
21 subsidies for state-subsidized individual health coverage plans authorized  
22 by this part 12, including that the coverage required pursuant to  
23 state-subsidized individual health coverage plans must:

24 (I.5) PRIORITIZE ENROLLMENT STABILITY AND CUSTOMER  
25 PREDICTABILITY;

26 (4.5) Prior to making any final recommendation pursuant to  
27 subsection (4) of this section regarding plans, coverage, and the number

1 of eligible slots, the board shall seek input and recommendations from  
2 individuals directly affected by programs funded by the enterprise and  
3 shall discuss any input and recommendations received at a board meeting  
4 held in accordance with subsection (6) of this section. The board shall  
5 TAKE REASONABLE STEPS TO provide opportunities for individuals to  
6 provide input and recommendations in AT LEAST English and Spanish  
7 AND, TO THE EXTENT PRACTICABLE AND UPON A REQUEST SUBMITTED AT  
8 LEAST SEVEN DAYS IN ADVANCE OF THE TIME FOR PROVIDING INPUT AND  
9 RECOMMENDATIONS, IN OTHER LANGUAGES. THE BOARD SHALL ALSO  
10 INDICATE HOW INPUT AND RECOMMENDATIONS FROM INDIVIDUALS  
11 DIRECTLY AFFECTED BY ENTERPRISE PROGRAMS WERE INCORPORATED  
12 INTO ANY FINAL RECOMMENDATIONS MADE PURSUANT TO SUBSECTION (4)  
13 OF THIS SECTION.

14 (7) (a) By February 15, 2026, and by every February 15 thereafter,  
15 the board shall prepare a report detailing:

16 (III) The share of the total revenue that was received from the fee  
17 AND, FOR THE REPORT PREPARED FOR 2028, FROM THE SUPPLEMENTAL  
18 ASSESSMENT;

19 **SECTION 7.** In Colorado Revised Statutes, 10-16-1211, **amend**  
20 (1)(b)(I)(G); and **add** (1)(b)(I)(I) and (1)(b)(I)(J) as follows:

21 **10-16-1211. Performance audit of the enterprise - repeal.**

22 (1) By December 31, 2027, the state auditor shall complete a  
23 performance audit of the enterprise. In conducting the audit, the state  
24 auditor shall:

25 (b) Specify, for each year since the creation of the enterprise:

26 (I) The annual revenue deposited in the fund from:

27 (G) Interest and income derived from the deposit and investment

1 of money in the fund; and

2 (I) THE SUPPLEMENTAL ASSESSMENT COLLECTED FROM HEALTH  
3 INSURANCE COMPANIES PURSUANT TO SECTION 10-16-1205 (1)(a)(III);  
4 AND

5 (J) MONEY ALLOCATED TO THE FUND AS A LOAN FROM THE  
6 UNCLAIMED PROPERTY TRUST FUND PURSUANT TO SECTIONS 10-16-1206  
7 (6) AND 38-13-801 (7);

8 **SECTION 8.** In Colorado Revised Statutes, **add** 10-16-1212 as  
9 follows:

10 **10-16-1212. Study concerning optimization of health insurance**  
11 **affordability programs - repeal.**

12 (1) THE ENTERPRISE SHALL CONDUCT OR CONTRACT WITH A THIRD  
13 PARTY TO CONDUCT A STUDY, TO BE COMPLETED NO LATER THAN JULY 1,  
14 2027, TO:

15 (a) EVALUATE THE FEASIBILITY OF RESTRUCTURING THE  
16 ENTERPRISE PROGRAMS TO INCREASE AFFORDABILITY AND MAXIMIZE  
17 ENROLLMENT, INCLUDING THE POTENTIAL CREATION OF A BASIC HEALTH  
18 PROGRAM PURSUANT TO SECTION 1331 OF THE FEDERAL ACT, 42 U.S.C.  
19 SEC. 18051; AND

20 (b) EVALUATE OR EXPLORE ANY OTHER RELATED ISSUES.

21 (2) WITHIN THIRTY DAYS AFTER THE STUDY IS COMPLETED, THE  
22 ENTERPRISE SHALL SUBMIT THE RESULTS OF THE STUDY TO THE HEALTH  
23 AND HUMAN SERVICES COMMITTEES OF THE SENATE AND THE HOUSE OF  
24 REPRESENTATIVES, OR THEIR SUCCESSOR COMMITTEES.

25 (3) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2028.

26 **SECTION 9.** In Colorado Revised Statutes, 38-13-801, **amend**  
27 (1)(b); and **add** (2)(g) and (7) as follows:

1           **38-13-801. Unclaimed property trust fund - creation -**  
2           **payments - interest - appropriations - records - rules - definition.**

3           (1) (b) Except as provided in subsections (2), (3), and (3.5), AND  
4           (7) of this section, the principal of the trust fund shall not be expended  
5           except to pay claims made pursuant to this article 13. Money constituting  
6           the principal of the trust fund is not fiscal year spending of the state for  
7           purposes of section 20 of article X of the state constitution and is not  
8           subject to appropriation by the general assembly.

9           (2) (g) PRINCIPAL CREDITED, AS REQUIRED BY SUBSECTION (7) OF  
10          THIS SECTION, AS A LOAN TO THE HEALTH INSURANCE AFFORDABILITY  
11          CASH FUND CREATED IN SECTION 10-16-1206 DOES NOT CONSTITUTE  
12          FISCAL YEAR SPENDING OF THE STATE FOR PURPOSES OF SECTION 20 OF  
13          ARTICLE X OF THE STATE CONSTITUTION.

14          (7) (a) (I) AFTER RESERVING THE AMOUNTS DESCRIBED IN  
15          SUBSECTION (3)(b) OF THIS SECTION AND TRANSMITTING THE MONEY  
16          NECESSARY FOR THE PURPOSES DESCRIBED IN SUBSECTION (3)(a) OF THIS  
17          SECTION, ON AUGUST 15, 2026, THE STATE TREASURER SHALL EXECUTE A  
18          LOAN AGREEMENT WITH THE COLORADO HEALTH INSURANCE  
19          AFFORDABILITY ENTERPRISE. THE LOAN AGREEMENT MUST REQUIRE THE  
20          STATE TREASURER TO MAKE A LOAN IN THE AMOUNT OF ONE HUNDRED  
21          MILLION DOLLARS FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE  
22          ENTERPRISE, SUBJECT TO THE REQUIREMENTS OF THIS SUBSECTION (7), TO  
23          FACILITATE THE ENTERPRISE'S ABILITY TO FUND ENTERPRISE PROGRAMS AS  
24          SPECIFIED IN PART 12 OF ARTICLE 16 OF TITLE 10.

25          (II) THE LOAN AGREEMENT MUST SPECIFY:

26          (A) THE TERM OF THE LOAN, WHICH MUST NOT EXCEED  
27          TWENTY-FIVE YEARS; AND

1 (B) THE REPAYMENT PLAN, INCLUDING THE DATE BY WHICH THE  
2 ENTERPRISE MUST BEGIN MAKING PAYMENTS ON THE LOAN AND A  
3 REQUIREMENT THAT THE ENTERPRISE MAKE ANNUAL PAYMENTS ON THE  
4 LOAN FROM ITS REVENUE BEFORE MAKING ANY OTHER ALLOCATION OF ITS  
5 REVENUE FOR PURPOSES SPECIFIED IN PART 12 OF ARTICLE 16 OF TITLE 10.

6 (III) THE LOAN BEARS INTEREST AT A RATE NEGOTIATED BETWEEN  
7 THE STATE TREASURER AND THE COMMISSIONER OF INSURANCE, ON  
8 BEHALF OF THE ENTERPRISE, BUT THE INTEREST RATE MUST NOT EXCEED  
9 THE INTEREST RATE THAT WOULD BE GRANTED TO AN ENTITY THAT HAS AT  
10 LEAST AN "AA" CREDIT RATING, OR ITS EQUIVALENT, FROM A NATIONALLY  
11 RECOGNIZED CREDIT RATING ORGANIZATION.

12 (b) THE STATE TREASURER SHALL EXECUTE THE LOAN AGREEMENT  
13 DESCRIBED IN SUBSECTION (7)(a) OF THIS SECTION AFTER THE STATE  
14 TREASURER CERTIFIES THAT:

15 (I) THE LOAN WILL NOT IMPAIR THE UNCLAIMED PROPERTY TRUST  
16 FUND'S ABILITY TO PAY CLAIMS; AND

17 (II) THE LOAN AGREEMENT DETAILS REPAYMENT TERMS.

18 (c) UPON EXECUTION OF THE LOAN AGREEMENT, THE STATE  
19 TREASURER SHALL CREDIT ONE HUNDRED MILLION DOLLARS FROM THE  
20 UNCLAIMED PROPERTY TRUST FUND TO THE HEALTH INSURANCE  
21 AFFORDABILITY CASH FUND CREATED IN SECTION 10-16-1206 AS A LOAN  
22 IN ACCORDANCE WITH THIS SUBSECTION (7).

23 (d) (I) THE ENTERPRISE SHALL MAKE PAYMENTS TO THE STATE  
24 TREASURER IN REPAYMENT OF THE LOAN IN ACCORDANCE WITH THE  
25 TERMS OF THE LOAN AGREEMENT. ANY REMAINING OUTSTANDING  
26 PRINCIPAL AND ACCRUED INTEREST IS DUE AND PAYABLE IN FULL BY THE  
27 ENTERPRISE AT MATURITY.

1 (II) THE STATE TREASURER SHALL CREDIT PAYMENTS ON THE LOAN  
2 TO THE UNCLAIMED PROPERTY TRUST FUND.

3 (e) THE MAXIMUM TERM OF THE LOAN IS TWENTY-FIVE YEARS  
4 AFTER THE DATE THE LOAN PROCEEDS ARE CREDITED TO THE HEALTH  
5 INSURANCE AFFORDABILITY CASH FUND. THE ENTERPRISE MAY MAKE  
6 PRINCIPAL REPAYMENTS TO THE STATE TREASURER AT ANY TIME WITHOUT  
7 PENALTY.

8 (f) THE ENTERPRISE SHALL PAY ANY REMAINING OUTSTANDING  
9 PRINCIPAL AND ACCRUED INTEREST IN FULL TO THE STATE TREASURER NO  
10 LATER THAN AUGUST 15, 2051; EXCEPT THAT, IF THE ENTERPRISE IS  
11 ELIMINATED BEFORE THE DATE THE LOAN MATURES, THE ENTERPRISE  
12 SHALL PAY IN FULL THE REMAINING OUTSTANDING PRINCIPAL AND  
13 ACCRUED INTEREST OWED ON THE LOAN BEFORE THE ENTERPRISE IS  
14 DISSOLVED.

15 (g) AS USED IN THIS SUBSECTION (7), "COLORADO HEALTH  
16 INSURANCE AFFORDABILITY ENTERPRISE" OR "ENTERPRISE" MEANS THE  
17 COLORADO HEALTH INSURANCE AFFORDABILITY ENTERPRISE CREATED IN  
18 SECTION 10-16-1204.

19 **SECTION 10.** In Colorado Revised Statutes, 10-22-103, **add**  
20 (2.5) and (6.7) as follows:

21 **10-22-103. Definitions.**

22 As used in this article 22, unless the context otherwise requires:

23 (2.5) "ENTERPRISE" MEANS THE COLORADO HEALTH INSURANCE  
24 AFFORDABILITY ENTERPRISE CREATED IN SECTION 10-16-1204.

25 (6.7) "HIA BOARD" MEANS THE HEALTH INSURANCE  
26 AFFORDABILITY BOARD CREATED IN SECTION 10-16-1207.

27 **SECTION 11.** In Colorado Revised Statutes, 10-22-110, **amend**

1 (1)(a), (3)(a), (4)(a), (4)(b), (4)(c)(I) introductory portion, (4)(c)(II),  
2 (5)(a), and (5)(b)(II); and **add** (3.5), (4)(d), and (6) as follows:

3 **10-22-110. Tax credit for contributions to the exchange or**  
4 **enterprise - allocation notice - rules - repeal.**

5 (1) (a) (I) For the tax year 2013 ~~and each tax year thereafter~~  
6 THROUGH THE TAX YEAR 2026, a credit against the tax imposed by  
7 sections 10-3-209 and 10-6-128 is allowed to any insurance company that  
8 becomes a qualified taxpayer by making a contribution to the exchange  
9 pursuant to this section.

10 (II) FOR THE TAX YEAR 2027 AND EACH TAX YEAR THEREAFTER,  
11 A CREDIT AGAINST THE TAX IMPOSED BY SECTIONS 10-3-209 AND 10-6-128  
12 IS ALLOWED TO ANY INSURANCE COMPANY THAT BECOMES A QUALIFIED  
13 TAXPAYER BY MAKING A CONTRIBUTION TO THE EXCHANGE OR TO THE  
14 ENTERPRISE PURSUANT TO THIS SECTION.

15 (3) (a) FOR EACH TAX YEAR THROUGH THE TAX YEAR 2026, subject  
16 to subsection (4)(c) of this section, an insurance company shall become  
17 a qualified taxpayer if all of the following conditions are met:

18 (I) The insurance company declares with its quarterly tax payment  
19 due on or about July 31 in the manner prescribed by the commissioner its  
20 intent to contribute to the exchange on or before October 31 an amount  
21 of money equal to the premium taxes paid by the company pursuant to the  
22 July 31 tax payment or a lesser amount as specified by the commissioner  
23 if required pursuant to ~~paragraph (b) of subsection (4)~~ SUBSECTION (4)(b)  
24 of this section;

25 (II) The total amount of the tax credits granted by the  
26 commissioner does not exceed five million dollars; except that, on and  
27 after September 1, 2022, through ~~August 31, 2028~~ AUGUST 31, 2027, the

1 total amount of the tax credits does not exceed nine million dollars; and

2 (III) The insurance company receives an allocation notice from  
3 the commissioner and the insurance company makes the contribution to  
4 the exchange as specified in the allocation notice on or before October 31.

5 (3.5) (a) FOR THE TAX YEAR 2027 AND EACH TAX YEAR  
6 THEREAFTER, SUBJECT TO SUBSECTION (4)(d) OF THIS SECTION, AN  
7 INSURANCE COMPANY SHALL BECOME A QUALIFIED TAXPAYER IF ALL OF  
8 THE FOLLOWING CONDITIONS ARE MET:

9 (I) THE INSURANCE COMPANY DECLARES WITH ITS QUARTERLY TAX  
10 PAYMENT DUE ON OR ABOUT JULY 31 IN THE MANNER PRESCRIBED BY THE  
11 COMMISSIONER ITS INTENT TO CONTRIBUTE TO THE EXCHANGE OR TO THE  
12 ENTERPRISE ON OR BEFORE OCTOBER 31 AN AMOUNT OF MONEY EQUAL TO  
13 THE PREMIUM TAXES PAID BY THE COMPANY PURSUANT TO THE JULY 31  
14 TAX PAYMENT OR A LESSER AMOUNT AS SPECIFIED BY THE COMMISSIONER  
15 IF REQUIRED PURSUANT TO SUBSECTION (4)(b) OF THIS SECTION;

16 (II) THE AGGREGATE TOTAL AMOUNT OF THE TAX CREDITS  
17 GRANTED BY THE COMMISSIONER DOES NOT EXCEED NINE MILLION  
18 DOLLARS, ALLOCATED AS FOLLOWS:

19 (A) FIVE MILLION DOLLARS FOR TAX CREDITS FOR QUALIFIED  
20 TAXPAYERS THAT CONTRIBUTE TO THE EXCHANGE; AND

21 (B) FOUR MILLION DOLLARS FOR TAX CREDITS FOR QUALIFIED  
22 TAXPAYERS THAT CONTRIBUTE TO THE ENTERPRISE; AND

23 (III) THE INSURANCE COMPANY:

24 (A) RECEIVES AN ALLOCATION NOTICE FROM THE COMMISSIONER;

25 AND

26 (B) MAKES THE CONTRIBUTION, AS SPECIFIED IN THE ALLOCATION  
27 NOTICE, TO THE EXCHANGE OR ENTERPRISE, AS APPLICABLE, ON OR BEFORE

1       OCTOBER 31.

2           (b)   SUBJECT TO SUBSECTION (4)(d) OF THIS SECTION, AN  
3       INSURANCE COMPANY THAT BECOMES A QUALIFIED TAXPAYER MAY CLAIM  
4       THE TAX CREDIT ON ONE OR MORE SUBSEQUENT QUARTERLY OR ANNUAL  
5       TAX PAYMENTS BEGINNING ON OR ABOUT OCTOBER 31.

6           (c)   WHEN IT RECEIVES A CONTRIBUTION PURSUANT TO THIS  
7       SECTION, THE BOARD OR HIA BOARD, AS APPLICABLE, SHALL PROMPTLY  
8       NOTIFY THE COMMISSIONER OF THE AMOUNT AND DATE OF THE  
9       CONTRIBUTION AND THE NAME OF THE CONTRIBUTOR.

10          (4) (a) Subject to ~~paragraph (c) of this subsection (4)~~ SUBSECTION  
11       (4)(c) OR (4)(d) OF THIS SECTION, AS APPLICABLE, by September 30 of  
12       each year, the commissioner shall:

13           (I)   Send an allocation notice to each insurance company whose  
14       declaration of intent to contribute to the exchange OR TO THE ENTERPRISE,  
15       AS APPLICABLE, has been accepted pursuant to this subsection (4). The  
16       allocation notice shall specify the amount of tax credits allocated to the  
17       insurance company and the amount of cash the insurance company must  
18       contribute to the exchange by October 31, which amounts shall be  
19       identical and not exceed the amount of premium taxes paid by the  
20       insurance company in its quarterly tax payment due on or about July 31.

21           (II) Post on the division's website whether the full amount of tax  
22       credits authorized to be allocated each year has been allocated.

23           (b) (I) Subject to subsection (4)(c) OR **(4)(d)** of this section, AS  
24       APPLICABLE, the commissioner shall allocate no more than the following  
25       total amounts of premium tax credits per year:

26           (A) Before September 1, 2022, a total of five million dollars;

27           (B) On and after September 1, 2022, through ~~August 31, 2028~~

1 AUGUST 31, 2027, a total of nine million dollars; and

2 (C) On and after ~~September 1, 2028~~ SEPTEMBER 1, 2027, a total  
3 of five million dollars FOR TAX CREDITS FOR QUALIFIED TAXPAYERS THAT  
4 CONTRIBUTE TO THE EXCHANGE AND A TOTAL OF FOUR MILLION DOLLARS  
5 FOR TAX CREDITS FOR QUALIFIED TAXPAYERS THAT CONTRIBUTE TO THE  
6 ENTERPRISE.

7 (II) (A) FOR EACH TAX YEAR THROUGH THE TAX YEAR 2026,  
8 except as provided in subsection (4)(b)(III) of this section, the  
9 commissioner shall allocate to an insurance company that has declared its  
10 intent to contribute to the exchange pursuant to this section tax credits in  
11 an amount equal to the amount of premium taxes paid by the insurance  
12 company in its quarterly tax payment due on or about July 31 in the order  
13 in which the division receives such quarterly tax payments until the full  
14 amount of credits available pursuant to this section has been allocated.

15 (B) FOR THE TAX YEAR 2027 AND EACH TAX YEAR THEREAFTER,  
16 EXCEPT AS PROVIDED IN SUBSECTION (4)(b)(III) OF THIS SECTION, THE  
17 COMMISSIONER SHALL ALLOCATE TO AN INSURANCE COMPANY THAT HAS  
18 DECLARED ITS INTENT TO CONTRIBUTE TO THE EXCHANGE OR TO THE  
19 ENTERPRISE PURSUANT TO THIS SECTION TAX CREDITS IN AN AMOUNT  
20 EQUAL TO THE AMOUNT OF PREMIUM TAXES PAID BY THE INSURANCE  
21 COMPANY IN ITS QUARTERLY TAX PAYMENT DUE ON OR ABOUT JULY 31 IN  
22 THE ORDER IN WHICH THE DIVISION RECEIVES SUCH QUARTERLY TAX  
23 PAYMENTS UNTIL THE FULL AMOUNT OF CREDITS AVAILABLE, AS SPECIFIED  
24 IN SUBSECTION (4)(b)(I)(C) OF THIS SECTION, HAS BEEN ALLOCATED.

25 (III) (A) If the amount of premium taxes or the sum of all the  
26 premium taxes filed by all the insurance companies on any one day would  
27 exceed, singly or in the aggregate, the annual maximum aggregate amount

1 of tax credits available under SUBSECTION (3.5)(a)(II)(A) OF this section  
2 FOR QUALIFIED TAXPAYERS THAT CONTRIBUTE TO THE EXCHANGE, the  
3 commissioner shall reduce the allocation to the insurance company whose  
4 contribution first exceeds the annual maximum aggregate to the amount  
5 needed to satisfy the annual maximum aggregate SPECIFIED IN  
6 SUBSECTION (3.5)(a)(II)(A) OF THIS SECTION. If the commissioner is  
7 unable to determine the order of receipt of tax payments on that day, the  
8 commissioner shall allocate the tax credits to the company or among the  
9 companies on a pro rata basis based on the ratio such company's quarterly  
10 tax payment bears to the total amount of all such companies' quarterly tax  
11 payments until the full amount of credits available pursuant to  
12 SUBSECTION (3.5)(a)(II)(A) OF this section has been allocated.

13 (B) IF THE AMOUNT OF PREMIUM TAXES OR THE SUM OF ALL THE  
14 PREMIUM TAXES FILED BY ALL THE INSURANCE COMPANIES ON ANY ONE  
15 DAY WOULD EXCEED, SINGLY OR IN THE AGGREGATE, THE ANNUAL  
16 MAXIMUM AGGREGATE AMOUNT OF TAX CREDITS AVAILABLE UNDER  
17 SUBSECTION (3.5)(a)(II)(B) OF THIS SECTION FOR QUALIFIED TAXPAYERS  
18 THAT CONTRIBUTE TO THE ENTERPRISE, THE COMMISSIONER SHALL  
19 REDUCE THE ALLOCATION TO THE INSURANCE COMPANY WHOSE  
20 CONTRIBUTION FIRST EXCEEDS THE ANNUAL MAXIMUM AGGREGATE TO  
21 THE AMOUNT NEEDED TO SATISFY THE ANNUAL MAXIMUM AGGREGATE  
22 SPECIFIED IN SUBSECTION (3.5)(a)(II)(B) OF THIS SECTION. IF THE  
23 COMMISSIONER IS UNABLE TO DETERMINE THE ORDER OF RECEIPT OF TAX  
24 PAYMENTS ON THAT DAY, THE COMMISSIONER SHALL ALLOCATE THE TAX  
25 CREDITS TO THE COMPANY OR AMONG THE COMPANIES ON A PRO RATA  
26 BASIS BASED ON THE RATIO SUCH COMPANY'S QUARTERLY TAX PAYMENT  
27 BEARS TO THE TOTAL AMOUNT OF ALL SUCH COMPANIES' QUARTERLY TAX

1 PAYMENTS UNTIL THE FULL AMOUNT OF CREDITS AVAILABLE PURSUANT TO  
2 SUBSECTION (3.5)(a)(II)(B) OF THIS SECTION HAS BEEN ALLOCATED.

3 (c) (I) FOR EACH TAX YEAR THROUGH THE TAX YEAR 2026, the  
4 commissioner shall allow insurance companies to declare their intent to  
5 contribute to the exchange pursuant to this section on the insurance  
6 companies' quarterly tax payments due on or about October 31 and shall  
7 send such companies allocation notices by February 1 if:

8 (II) An insurance company that declares its intent to contribute to  
9 the exchange pursuant to this ~~paragraph (c)~~ SUBSECTION (4)(c) shall make  
10 the contribution to the exchange as specified in the allocation notice on  
11 or before March 1 and may claim the tax credit on one or more  
12 subsequent quarterly or annual tax payments due on or about March 1.

13 (d) (I) FOR THE TAX YEAR 2027 AND EACH TAX YEAR THEREAFTER,  
14 THE COMMISSIONER SHALL ALLOW INSURANCE COMPANIES TO DECLARE  
15 THEIR INTENT TO CONTRIBUTE TO THE EXCHANGE OR TO THE ENTERPRISE  
16 PURSUANT TO THIS SECTION ON THE INSURANCE COMPANIES' QUARTERLY  
17 TAX PAYMENTS DUE ON OR ABOUT OCTOBER 31 AND SHALL SEND SUCH  
18 COMPANIES ALLOCATION NOTICES BY FEBRUARY 1 IF:

19 (A) THE FULL AMOUNT OF TAX CREDITS AVAILABLE IN ANY ONE  
20 YEAR HAS NOT BEEN FULLY ALLOCATED BY THE COMMISSIONER PURSUANT  
21 TO STATEMENTS OF INTENT FILED WITH INSURANCE COMPANIES'  
22 QUARTERLY TAX PAYMENTS DUE ON OR ABOUT JULY 31; OR

23 (B) THE TOTAL AMOUNT OF TAX CREDITS HAS BEEN CLAIMED, BUT  
24 ONE OR MORE INSURANCE COMPANIES FAILED TO TIMELY MAKE A  
25 CONTRIBUTION TO THE EXCHANGE OR TO THE ENTERPRISE, AS APPLICABLE.

26 (II) AN INSURANCE COMPANY THAT DECLARES ITS INTENT TO  
27 CONTRIBUTE TO THE EXCHANGE OR TO THE ENTERPRISE PURSUANT TO THIS

1 SUBSECTION (4)(d) SHALL MAKE THE CONTRIBUTION TO THE EXCHANGE OR  
2 TO THE ENTERPRISE, AS APPLICABLE, AS SPECIFIED IN THE ALLOCATION  
3 NOTICE ON OR BEFORE MARCH 1 AND MAY CLAIM THE TAX CREDIT ON ONE  
4 OR MORE SUBSEQUENT QUARTERLY OR ANNUAL TAX PAYMENTS DUE ON OR  
5 ABOUT MARCH 1.

6 (5) The board shall use money contributed to the exchange as  
7 follows:

8 (a) The amount of contributions from insurers to which the first  
9 five million dollars of tax credits is allocated pursuant to subsection (4)(b)  
10 of this section and the interest derived from the deposit and investment of  
11 the money, to operate and sustain the exchange and to build reserves;  
12 except that, on and after ~~September 1, 2028~~ SEPTEMBER 1, 2027, the total  
13 amount of contributions and interest derived from the deposit and  
14 investment of the money shall be used for the purposes specified in this  
15 subsection (5)(a).

16 (b) (II) This subsection (5)(b) is repealed, effective ~~December 31,~~  
17 ~~2028~~ DECEMBER 31, 2027.

18 (6) THE HIA BOARD SHALL USE THE MONEY CONTRIBUTED TO THE  
19 ENTERPRISE AS SPECIFIED IN SECTION 10-16-1207 (4)(e).

20 **SECTION 12. Safety clause.** The general assembly finds,  
21 determines, and declares that this act is necessary for the immediate  
22 preservation of the public peace, health, or safety or for appropriations for  
23 the support and maintenance of the departments of the state and state  
24 institutions.