

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 22-0122.01 Kristen Forrestal x4217

SENATE BILL 22-094

SENATE SPONSORSHIP

Coram and Gonzales,

HOUSE SPONSORSHIP

(None),

Senate Committees

Business, Labor, & Technology

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE LIABILITY OF A PROPERTY AND CASUALTY INSURER**
102 **FOR COSTS INCURRED BY A FIRST-PARTY CLAIMANT TO**
103 **SUBSTANTIATE A CLAIM UNDER A PROPERTY AND CASUALTY**
104 **INSURANCE POLICY.**

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>.)

The bill entitles a first-party claimant in a property and casualty insurance claim to reimbursement for the reasonable costs incurred to substantiate the claim if the claim was denied, in whole or in part, by the

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

insurer and the first-party claimant then obtains a payment for a claim that was wholly denied or a payment in excess of any initial payment for a claim that was partially denied.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 10-4-122 as
3 follows:

4 **10-4-122. Insurer liability for costs of claim - definition.** (1) IF
5 AN INSURER INITIALLY DENIES A FIRST-PARTY CLAIMANT'S PROPERTY AND
6 CASUALTY INSURANCE CLAIM, IN WHOLE OR IN PART, AND THE
7 FIRST-PARTY CLAIMANT OBTAINS A PAYMENT FOR A CLAIM THAT WAS
8 WHOLLY DENIED OR A PAYMENT FOR A CLAIM THAT WAS PARTIALLY
9 DENIED IN EXCESS OF AN INITIAL PAYMENT MADE BY THE INSURER, THE
10 FIRST-PARTY CLAIMANT IS ENTITLED TO REIMBURSEMENT FROM THE
11 INSURER FOR THE REASONABLE COSTS INCURRED TO SUBSTANTIATE THE
12 CLAIM.

13 (2) AS USED IN THIS SECTION, "FIRST-PARTY CLAIMANT" HAS THE
14 SAME MEANING AS SET FORTH IN SECTION 10-3-1115.

15 **SECTION 2. Effective date - applicability.** This act takes effect
16 July 1, 2022, and applies to claims filed on or after said date.

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