

Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 24-0622.01 Kristen Forrestal x4217

HOUSE BILL 24-1220

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HOUSE SPONSORSHIP

Daugherty,

SENATE SPONSORSHIP

Marchman,

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House Committees  
Business Affairs & Labor

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING DISABILITY BENEFITS FOR WORKERS' COMPENSATION  
102 INJURIES, AND, IN CONNECTION THEREWITH, ALLOWING A  
103 CLAIMANT TO REFUSE AN OFFER OF MODIFIED EMPLOYMENT  
104 UNDER CERTAIN CIRCUMSTANCES, ADDING THE LOSS OF AN EAR  
105 TO THE LIST OF WHOLE PERSON PERMANENT IMPAIRMENT  
106 BENEFITS, REPLACING THE TWO AGGREGATE LIMITS ON  
107 TEMPORARY AND PERMANENT INJURY BENEFITS WITH ONE LIMIT  
108 ADJUSTED ANNUALLY BY THE DIRECTOR OF THE DIVISION OF  
109 WORKERS' COMPENSATION, AND REQUIRING A WORKERS'  
110 COMPENSATION INSURER TO PAY BENEFITS TO A CLAIMANT BY  
111 DIRECT DEPOSIT UPON REQUEST BY THE CLAIMANT.

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Bill Summary

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.*

*(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 allows a claimant for workers' compensation benefits to refuse an offer of modified employment if the employment requires the claimant to drive to and from work and the treating physician has restricted the claimant from driving.

The bill adds the loss of an ear to the list of other body parts for which an injured worker can receive whole person permanent impairment benefits.

Current law limits the amount of money that a claimant for workers' compensation benefits may receive dependent on the claimant's impairment rating. The bill removes these limitations and replaces them with one limit of \$300,000, adjusted annually by the director of the division of workers' compensation.

The bill requires a workers' compensation insurer to pay benefits to a claimant by direct deposit upon request by the claimant.

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

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

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

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

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

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

3           **8-42-107. Permanent partial disability benefits - schedule -**  
4 **medical impairment benefits - how determined.** (7) (b) (III) Mental or  
5 emotional stress shall be compensated pursuant to section 8-41-301 (2)  
6 and shall not be combined with a scheduled or a nonscheduled injury.  
7 ~~except for the purposes of calculating a claimant's impairment rating to~~  
8 ~~determine the applicable cap for benefits pursuant to section 8-42-107.5.~~

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

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

20           **8-42-107.5. Limit on temporary disability payments and**  
21 **permanent partial disability payments.** (1) A claimant whose  
22 ~~impairment rating is nineteen percent or less~~ may not receive more than  
23 ~~seventy-five~~ THREE HUNDRED thousand dollars from combined temporary  
24 disability payments and permanent partial disability payments. ~~A claimant~~  
25 ~~whose impairment rating is greater than nineteen percent~~ may not receive  
26 ~~more than one hundred fifty thousand dollars from combined temporary~~  
27 ~~disability payments and permanent partial disability payments.~~

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

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

12           **8-42-127. Direct deposit.** IF A CLAIMANT HAS VOLUNTARILY  
13 AUTHORIZED DIRECT DEPOSIT, THE INSURER OR SELF-INSURED EMPLOYER  
14 SHALL DEPOSIT ALL TEMPORARY DISABILITY BENEFITS AND PERMANENT  
15 DISABILITY BENEFITS DUE AND PAYABLE TO THE CLAIMANT UNDER THIS  
16 TITLE 8 IN AN ACCOUNT DESIGNATED BY THE CLAIMANT IN ANY BANK,  
17 SAVINGS AND LOAN ASSOCIATION, CREDIT UNION, OR OTHER FINANCIAL  
18 INSTITUTION AUTHORIZED BY THE UNITED STATES OR ONE OF THE SEVERAL  
19 STATES TO RECEIVE DEPOSITS IN THE UNITED STATES. THE CLAIMANT OR  
20 THE CLAIMANT'S ATTORNEY CAN WITHDRAW ANY DIRECT DEPOSIT  
21 AUTHORIZATION AT ANY TIME.

22           **SECTION 5.** In Colorado Revised Statutes, 8-41-301, **repeal**  
23 (2)(b)(II) as follows:

24           **8-41-301. Conditions of recovery - definitions.**  
25 (2) (b) (II) ~~Nothing in this section limits the determination of the~~  
26 ~~percentage of impairment pursuant to section 8-42-107 (8) for the~~  
27 ~~purposes of establishing the applicable cap on benefits pursuant to section~~

1 ~~8-42-107.5.~~

2           **SECTION 6. Act subject to petition - effective date -**  
3 **applicability.** (1) Except as specified in subsection (2) of this section,  
4 this act takes effect at 12:01 a.m. on the day following the expiration of  
5 the ninety-day period after final adjournment of the general assembly;  
6 except that, if a referendum petition is filed pursuant to section 1 (3) of  
7 article V of the state constitution against this act or an item, section, or  
8 part of this act within such period, then the act, item, section, or part will  
9 not take effect unless approved by the people at the general election to be  
10 held in November 2024 and, in such case, will take effect on the date of  
11 the official declaration of the vote thereon by the governor.

12           (2) Section 8-41-301 (2)(b)(II), Colorado Revised Statutes, as  
13 amended in section 5 of this act; section 8-42-107 (7)(b)(III), Colorado  
14 Revised Statutes, as amended in section 2 of this act; and section  
15 8-42-107.5 (1) and (2), Colorado Revised Statutes, as amended in section  
16 3 of this act, take effect January 1, 2025.

17           (3) This act applies to claims arising on or after the applicable  
18 effective date of this act; except that section 8-42-107 (7)(b)(III),  
19 Colorado Revised Statutes, in section 2 of this act and sections 3 and 5 of  
20 this act apply to claims arising on or after January 1, 2025.