

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 24-0622.01 Kristen Forrestal x4217

HOUSE BILL 24-1220

HOUSE SPONSORSHIP

Daugherty,

SENATE SPONSORSHIP

Marchman,

House Committees

Business Affairs & Labor
Appropriations

Senate Committees

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, INCREASING THE TWO AGGREGATE LIMITS ON**
107 **TEMPORARY AND PERMANENT INJURY BENEFITS AND REQUIRING**
108 **THE DIRECTOR OF THE DIVISION OF WORKERS' COMPENSATION**
109 **TO ADJUST THE LIMITS ANNUALLY, AND REQUIRING A WORKERS'**
110 **COMPENSATION INSURER TO PAY BENEFITS TO A CLAIMANT BY**
111 **DIRECT DEPOSIT UPON REQUEST BY THE CLAIMANT.**

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.

HOUSE
Amended 2nd Reading
April 10, 2024

(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.

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 (8)(c.5) as follows:

3 **8-42-107. Permanent partial disability benefits - schedule -**
4 **medical impairment benefits - how determined. (8) Medical**
5 **impairment benefits - determination of MMI for scheduled and**
6 **nonscheduled injuries.** (c.5) When an injury results in the total loss or
7 total loss of use of an arm at the shoulder, a forearm at the elbow, a hand
8 at the wrist, a leg at the hip or so near thereto as to preclude the use of an
9 artificial limb, the loss of a leg at or above the knee where the stump
10 remains sufficient to permit the use of an artificial limb, a foot at the
11 ankle, an eye, AN EAR, or a combination of any such losses, the benefits
12 for such loss shall be determined pursuant to this subsection (8), except as
13 provided in subsection (7)(b)(IV) of this section.

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


16 **8-42-107.5. Limit on temporary disability payments and**
17 **permanent partial disability payments. (1) A claimant whose**
18 **impairment rating is nineteen percent or less may not receive more than**
19 **~~seventy-five~~ ONE HUNDRED EIGHTY-FIVE thousand dollars from combined**
20 **temporary disability payments and permanent partial disability payments.**
21 **A claimant whose impairment rating is greater than nineteen percent may**
22 **not receive more than ~~one~~ THREE hundred ~~fifty~~ thousand dollars from**
23 **combined temporary disability payments and permanent partial disability**
24 **payments.**

25 (2) For the purposes of this section, any mental impairment rating
26 shall be combined with the physical impairment rating to establish a
27 claimant's impairment rating for determining the applicable cap. For

1 injuries sustained on and after ~~January 1, 2012~~ JANUARY 1, 2025, the
2 director shall adjust **these limits** on the amount of compensation for
3 combined temporary disability payments and permanent partial disability
4 payments on ~~July 1, 2011~~ JULY 1, 2025, and each July 1 thereafter, by the
5 percentage of the adjustment made by the director to the state average
6 weekly wage pursuant to section 8-47-106.

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

9 **8-42-127. Direct deposit.** IF A CLAIMANT HAS VOLUNTARILY
10 AUTHORIZED DIRECT DEPOSIT, THE INSURER OR SELF-INSURED EMPLOYER
11 SHALL DEPOSIT ALL TEMPORARY DISABILITY BENEFITS AND PERMANENT
12 DISABILITY BENEFITS DUE AND PAYABLE TO THE CLAIMANT UNDER THIS
13 TITLE 8 IN AN ACCOUNT DESIGNATED BY THE CLAIMANT IN ANY BANK,
14 SAVINGS AND LOAN ASSOCIATION, CREDIT UNION, OR OTHER FINANCIAL
15 INSTITUTION AUTHORIZED BY THE UNITED STATES OR ONE OF THE SEVERAL
16 STATES TO RECEIVE DEPOSITS IN THE UNITED STATES. THE CLAIMANT OR
17 THE CLAIMANT'S ATTORNEY CAN WITHDRAW ANY DIRECT DEPOSIT
18 AUTHORIZATION AT ANY TIME.

19 
20 **SECTION 5. Act subject to petition - effective date -**
21 **applicability.** (1) Except as specified in subsection (2) of this section,
22 this act takes effect at 12:01 a.m. on the day following the expiration of
23 the ninety-day period after final adjournment of the general assembly;
24 except that, if a referendum petition is filed pursuant to section 1 (3) of
25 article V of the state constitution against this act or an item, section, or
26 part of this act within such period, then the act, item, section, or part will
27 not take effect unless approved by the people at the general election to be

1 held in November 2024 and, in such case, will take effect on the date of
2 the official declaration of the vote thereon by the governor.

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

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

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

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