

Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

**REENGROSSED**

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

LLS NO. 24-0592.03 Caroline Martin x5902

**SENATE BILL 24-149**

**SENATE SPONSORSHIP**

**Hinrichsen,** Cutter, Exum, Kolker, Michaelson Jenet, Sullivan

**HOUSE SPONSORSHIP**

**Brown,**

**Senate Committees**

Business, Labor, & Technology  
Appropriations

**House Committees**

**A BILL FOR AN ACT**

101 **CONCERNING WORKERS' COMPENSATION INSURANCE FOR STATE**  
102 **EMPLOYEES.**

**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 removes the state's ability to elect self-insurance as a means of maintaining the state employee workers' compensation account, while leaving intact the state's ability to procure commercial workers' compensation insurance to maintain the account.

The bill prohibits the state, when communicating with or reaching an agreement with a state employee about a workers' compensation claim,

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.*

SENATE  
3rd Reading Unamended  
April 24, 2024

SENATE  
Amended 2nd Reading  
April 23, 2024

from suggesting or requiring that the state employee resign from state employment or refrain from seeking or obtaining employment with the state in the future or that any other restrictions be placed on the state employee's ability to work for the state and voids any provision of a contract related to such a claim that imposes such a restriction.

---

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

2           **SECTION 1.** In Colorado Revised Statutes, 24-30-1510.7, \_\_\_\_\_  
3 **add (6), (7), (8), (9), (10) and (11) as follows:**

4           **24-30-1510.7. Workers' compensation for state employees -**  
5 **state employees' workers' compensation settlement agreements -**

6 **definition. (6) WHEN COMMUNICATING WITH OR REACHING AN**  
7 **AGREEMENT \_\_\_\_\_ WITH A STATE EMPLOYEE ABOUT A WORKERS'**  
8 **COMPENSATION CLAIM, THE STATE SHALL NEITHER SUGGEST NOR REQUIRE:**

9           (a) THAT THE STATE EMPLOYEE RESIGN FROM STATE  
10 EMPLOYMENT;

11           (b) THAT THE STATE EMPLOYEE REFRAIN FROM SEEKING OR  
12 OBTAINING EMPLOYMENT WITH THE STATE IN THE FUTURE; OR

13           (c) THAT ANY OTHER RESTRICTIONS BE PLACED ON THE STATE  
14 EMPLOYEE'S ABILITY TO WORK FOR THE STATE.

15           (7) A PROVISION OF AN AGREEMENT, CONTRACT, OR  
16 ARRANGEMENT THAT VIOLATES SUBSECTION (6) OF THIS SECTION IS VOID  
17 AND UNENFORCEABLE, BUT ALL OTHER PROVISIONS OF SUCH AN  
18 AGREEMENT, CONTRACT, OR ARRANGEMENT REMAIN ENFORCEABLE  
19 UNLESS OTHERWISE PROHIBITED BY LAW.

20           (8) AS USED IN THIS SECTION, "STATE EMPLOYEE" MEANS AN  
21 INDIVIDUAL WHO CURRENTLY IS OR WAS IN THE PAST EMPLOYED BY THE  
22 STATE, WHETHER OR NOT THE INDIVIDUAL IS UNDER THE STATE  
23 PERSONNEL SYSTEM OR EXEMPT FROM THE STATE PERSONNEL SYSTEM.

1           (9) PURSUANT TO THE LEGISLATIVE INTENT TO EXPLORE THE  
2           AVAILABILITY OF INSURANCE POLICIES AS DECLARED IN SECTION  
3           24-30-1501 (1), IF THE STATE ELECTS TO SELF-INSURE WORKERS'  
4           COMPENSATION CLAIMS, THE DEPARTMENT OF PERSONNEL SHALL SEND OR  
5           CAUSE TO BE SENT A REQUEST FOR INTEREST TO PINNACOL ASSURANCE  
6           AND AT LEAST FIVE OTHER INSURANCE COMPANIES THAT PROVIDE  
7           WORKERS' COMPENSATION INSURANCE IN COLORADO; EXCEPT THAT THE  
8           DEPARTMENT OF PERSONNEL SHALL NOT SEND A REQUEST FOR INTEREST  
9           TO PINNACOL ASSURANCE MORE THAN ONCE EVERY THREE YEARS. THE  
10          DEPARTMENT SHALL SEND THE REQUESTS FOR INTEREST IN ACCORDANCE  
11          WITH THIS SECTION IN 2026 AND AT LEAST ONCE EVERY THREE YEARS  
12          THEREAFTER. EACH REQUEST FOR INTEREST MUST REQUEST THE  
13          FOLLOWING INFORMATION FROM EACH RESPONDING INSURANCE COMPANY  
14          FOR THE FOLLOWING CALENDAR YEAR:

15               (a) AN ESTIMATE OF THE TOTAL COST TO THE STATE TO PURCHASE  
16               WORKERS' COMPENSATION INSURANCE;

17               (b) THE COMPANY'S ABILITY TO PROVIDE WORKERS'  
18               COMPENSATION INSURANCE THAT WOULD COVER ALL STATE EMPLOYEES;

19               AND

20               (c) A DETAILED DESCRIPTION OF THE WORKERS' COMPENSATION  
21               COVERAGE THAT THE COMPANY WOULD PROVIDE.

22           (10) FOR EACH REQUEST FOR INTEREST OBTAINED PURSUANT TO  
23           SUBSECTION (9) OF THIS SECTION, THE DEPARTMENT OF PERSONNEL SHALL  
24           PREPARE AND SUBMIT A REPORT TO THE GENERAL ASSEMBLY NO LATER  
25           THAN DECEMBER 10 OF EACH YEAR. EACH REPORT MUST SPECIFY:

26               (a) THE NAME OF THE RESPONDING INSURANCE COMPANY, UNLESS  
27               THE DEPARTMENT RECEIVED ONLY ONE RESPONSE IN WHICH CASE THE

1 NAME OF THE SOLE RESPONDING INSURANCE COMPANY WILL BE REDACTED  
2 FROM THE REPORT;

3 (b) THE TOTAL COST ESTIMATED BY THE RESPONDING INSURANCE  
4 COMPANY TO PROVIDE WORKERS' COMPENSATION INSURANCE COVERAGE  
5 TO THE STATE;

6 (c) WHETHER PURCHASING WORKERS' COMPENSATION INSURANCE  
7 FROM THE RESPONDING INSURANCE COMPANY WOULD REQUIRE THE STATE  
8 TO CONTRACT WITH A THIRD-PARTY ADMINISTRATOR, AND WHAT THE  
9 ADDITIONAL COST TO THE STATE WOULD BE, IF ANY;

10 (d) A DETAILED DESCRIPTION OF THE WORKERS' COMPENSATION  
11 COVERAGE THAT THE RESPONDING INSURANCE COMPANY WOULD PROVIDE;

12 (e) THE COSTS ASSOCIATED WITH THE SELF-INSURANCE SELECTED  
13 BY THE STATE FOR THE CURRENT CALENDAR YEAR, INCLUDING A  
14 BREAKDOWN OF THAT COST WHICH MUST INCLUDE, BUT IS NOT LIMITED TO,  
15 INDEMNITY BENEFITS, MEDICAL BENEFITS, COSTS PAID TO THIRD PARTY  
16 ADMINISTRATORS AND AN IDENTIFICATION OF THOSE THIRD PARTY  
17 ADMINISTRATORS, ACTUARIAL COSTS, PREMIUMS PAID FOR OUT OF STATE  
18 INSURANCE, EACH STATE DEPARTMENT'S COSTS, ACTUAL OR ESTIMATED  
19 COSTS OF LITIGATION, AND OTHER PERMITS, FEES, PAYMENTS AND  
20 EXPENDITURES RELATED TO THE STATE'S SELF-INSURANCE OF WORKERS'  
21 COMPENSATION CLAIMS; AND

22 (f) WHETHER THE STATE'S COSTS RELATED TO SELF-INSURANCE OF  
23 WORKERS' COMPENSATION CLAIMS INCREASED OR DECREASED COMPARED  
24 TO THE PREVIOUS CALENDAR YEAR.

25 (11) IN ADDITION TO THE REPORT REQUIREMENTS SPECIFIED IN  
26 SUBSECTION (10) OF THIS SECTION, THE FIRST REPORT MUST SPECIFY, OVER  
27 THE PREVIOUS THREE YEARS, TO WHICH INSURANCE COMPANIES THE STATE

1 SENT REQUESTS OF INTEREST, THE TOTAL NUMBER OF INSURANCE  
2 COMPANIES THAT RESPONDED TO THE REQUESTS, AND THE ESTIMATED  
3 COST REPORTED IN EACH RECEIVED RESPONSE, IF ANY.

4 **SECTION 2.** In Colorado Revised Statutes, 8-43-204, **add** (9) as  
5 follows:

6 **8-43-204. Settlements - rules.** (9) IN ACCORDANCE WITH SECTION  
7 24-30-1510.7 (6), IF THE STATE ENTERS INTO A SETTLEMENT AGREEMENT  
8 WITH A STATE EMPLOYEE PURSUANT TO SUBSECTION (1) OF THIS SECTION,  
9 THE STATE SHALL NEITHER SUGGEST NOR REQUIRE:

10 (a) THAT THE STATE EMPLOYEE RESIGN FROM STATE  
11 EMPLOYMENT;

12 (b) THAT THE STATE EMPLOYEE REFRAIN FROM SEEKING OR  
13 OBTAINING EMPLOYMENT WITH THE STATE IN THE FUTURE; OR

14 (c) THAT ANY OTHER RESTRICTIONS BE PLACED ON THE STATE  
15 EMPLOYEE'S ABILITY TO WORK FOR THE STATE.

16 == ==

17 **SECTION 3. Safety clause.** The general assembly finds,  
18 determines, and declares that this act is necessary for the immediate  
19 preservation of the public peace, health, or safety or for appropriations for  
20 the support and maintenance of the departments of the state and state  
21 institutions.