

CHAPTER 320

INSURANCE

HOUSE BILL 24-1440

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also SENATOR(S) Gonzales, Buckner, Cutter, Exum, Ginal, Jaquez Lewis, Kolker, Michaelson Jenet, Priola.

AN ACT**CONCERNING REQUIREMENTS FOR PROPERTY AND CASUALTY INSURERS OFFERING INSURANCE POLICIES IN THE STATE TO PROVIDE CERTAIN DOCUMENTS TO THEIR INSURED.**

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

SECTION 1. In Colorado Revised Statutes, **add** 10-4-123 as follows:

10-4-123. Policy summary of major provisions - choice of language - penalty for insurer noncompliance - rules - definitions. (1) (a) (I) ON OR AFTER JANUARY 1, 2026, AN INSURER THAT ISSUES INSURANCE POLICIES IN THIS STATE SHALL PROVIDE A SUMMARY DOCUMENT IN SPANISH AND THAT SATISFIES THE REQUIREMENTS OF SUBSECTION (1)(a)(II) OF THIS SECTION TO:

(A) THE NAMED INSURED UNDER AN INSURANCE POLICY ISSUED IN THIS STATE, IF THE NAMED INSURED COMPLETED AND RETURNED TO THE INSURER THE LANGUAGE SELECTION FORM IN ACCORDANCE WITH SUBSECTION (2)(c) OF THIS SECTION; OR

(B) ALL NAMED INSURED UNDER INSURANCE POLICIES ISSUED IN THIS STATE IN ACCORDANCE WITH SUBSECTION (2)(d) OF THIS SECTION.

(II) THE SUMMARY DOCUMENT REQUIRED BY THIS SUBSECTION (1) MUST:

(A) PROVIDE A GENERAL EXPLANATION OF THE COVERAGES AND EXCLUSIONS UNDER THE INSURANCE POLICY, CONSISTENT WITH THE REQUIREMENTS OF SECTION 10-4-111;

(B) INCLUDE THE COVERAGES SELECTED BY THE NAMED INSURED UNDER THE INSURANCE POLICY;

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(C) INCLUDE ANY MANDATORY COVERAGES REJECTED BY THE NAMED INSURED PURSUANT TO SECTION 10-4-609 OR 10-4-635 AND ANY EXCLUSIONS SELECTED BY THE NAMED INSURED PURSUANT TO SECTION 10-4-630; AND

(D) BE IN THE FORM PRESCRIBED BY, AND IN A WRITTEN OR ELECTRONIC FORMAT AS DETERMINED BY, THE COMMISSIONER BY RULE.

(III) BY DECEMBER 31, 2024, THE COMMISSIONER, BY RULE, SHALL CREATE AND APPROVE A SUMMARY DOCUMENT FORM, INCLUDING SPECIFYING THE FORMAT, FOR INSURERS TO USE TO COMPLY WITH THIS SUBSECTION (1).

(b) WITH REGARD TO A SUMMARY DOCUMENT THAT AN INSURER PROVIDES TO THE NAMED INSURED:

(I) THE SUMMARY DOCUMENT IS FOR INFORMATIONAL PURPOSES ONLY;

(II) THE ACTUAL TERMS OF THE NAMED INSURED'S INSURANCE POLICY PREVAIL OVER THE INFORMATION PROVIDED IN THE SUMMARY DOCUMENT;

(III) IN THE CASE OF A DISPUTE, THE INSURANCE POLICY IS CONTROLLING, AND A COURT SHALL RELY ON THE ENGLISH-LANGUAGE VERSION OF THE INSURANCE POLICY TO RESOLVE THE DISPUTE;

(IV) THE INFORMATION IN THE SUMMARY DOCUMENT DOES NOT CREATE RIGHTS OR OBLIGATIONS ON THE PART OF THE INSURER, THE NAMED INSURED, THE PRODUCER, OR THE STATE; AND

(V) THE SUMMARY DOCUMENT IS NOT INTENDED TO BE A SUBSTITUTE FOR THE ACTUAL INSURANCE POLICY WRITTEN IN ENGLISH.

(2)(a) EXCEPT AS PROVIDED IN SUBSECTION (2)(d) OF THIS SECTION, AN INSURER THAT ISSUES INSURANCE POLICIES IN THIS STATE ON OR AFTER JANUARY 1, 2026, SHALL:

(I) OFFER AN APPLICANT FOR A NEW OR RENEWAL INSURANCE POLICY A FORM TO SELECT THE SUMMARY DOCUMENT DESCRIBED IN SUBSECTION (1) OF THIS SECTION; AND

(II) PROVIDE THE LANGUAGE SELECTION FORM IN ENGLISH AND SPANISH.

(b) FOR NEW INSURANCE POLICIES ISSUED ON OR AFTER JANUARY 1, 2026, THE INSURER SHALL PROVIDE THE LANGUAGE SELECTION FORM DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION TO THE APPLICANT AT THE TIME OF APPLICATION FOR THE INSURANCE POLICY. FOR RENEWAL INSURANCE POLICIES, THE INSURER SHALL OFFER THE LANGUAGE SELECTION FORM ONCE, AT THE FIRST RENEWAL OF THE INSURANCE POLICY THAT ARISES ON OR AFTER JANUARY 1, 2026; EXCEPT THAT, IF THE INSURER PREVIOUSLY OFFERED THE LANGUAGE SELECTION FORM TO THE NAMED INSURED AT THE TIME OF APPLICATION FOR A NEW INSURANCE POLICY, THE INSURER IS NOT REQUIRED TO OFFER THE LANGUAGE SELECTION FORM AT THE TIME OF RENEWAL OF THAT INSURANCE POLICY.

(c) IF THE APPLICANT FOR A NEW OR RENEWAL INSURANCE POLICY RETURNS THE LANGUAGE SELECTION FORM DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION TO THE INSURER, THE INSURER SHALL PROVIDE THE SUMMARY DOCUMENT DESCRIBED IN SUBSECTION (1) OF THIS SECTION UPON ISSUANCE OF THE INITIAL INSURANCE POLICY AND AT EVERY RENEWAL OF THE INSURANCE POLICY. IF THE APPLICANT DOES NOT RETURN THE LANGUAGE SELECTION FORM TO THE INSURER WITHIN SIXTY DAYS AFTER THE INSURER SENDS THE LANGUAGE SELECTION FORM, THE INSURER IS NOT REQUIRED TO PROVIDE THE SUMMARY DOCUMENT DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

(d) INSTEAD OF OFFERING AN APPLICANT FOR A NEW OR RENEWAL INSURANCE POLICY A LANGUAGE SELECTION FORM PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION, AN INSURER MAY COMPLY WITH THIS SECTION BY PROVIDING ALL NAMED INSUREDS UNDER ITS INSURANCE POLICIES ISSUED IN THIS STATE THE SUMMARY DOCUMENT DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

(e) BY DECEMBER 31, 2024, THE COMMISSIONER, BY RULE, SHALL CREATE AND APPROVE A LANGUAGE SELECTION FORM, IN ENGLISH AND IN SPANISH, FOR INSURERS TO USE TO COMPLY WITH THIS SUBSECTION (2).

(3) (a) ON AND AFTER JANUARY 1, 2026, IF AN INSURER FAILS TO COMPLY WITH THE REQUIREMENTS OF THIS SECTION, ANY WRITTEN REJECTIONS OF MANDATORY COVERAGES PURSUANT TO SECTION 10-4-609 OR 10-4-635 OR EXCLUSIONS PURSUANT TO SECTION 10-4-630 ARE VOIDABLE AT THE NAMED INSURED'S ELECTION. IF THE NAMED INSURED ELECTS TO VOID THE COVERAGE REJECTION OR EXCLUSION:

(I) THE NAMED INSURED MAY RECOVER REASONABLE ATTORNEY FEES AND COURT COSTS INCURRED IN REINSTATING OR REWRITING THE COVERAGE; AND

(II) THE INSURER SHALL NOT REQUIRE THE NAMED INSURED TO PAY ANY PREMIUM DURING THE POLICY PERIOD APPLICABLE FOR THE REINSTATED OR REWRITTEN COVERAGE.

(b) IF THE NAMED INSURED DOES NOT REJECT COVERAGE IN FUTURE POLICY PERIODS, THE INSURER MAY CHARGE A PREMIUM FOR THE COVERAGE IN FUTURE POLICY PERIODS.

(4) AS USED IN THIS SECTION:

(a) "INSURANCE POLICY" MEANS A PERSONAL AUTOMOBILE POLICY OF INSURANCE.

(b) "PRODUCER" HAS THE SAME MEANING AS "INSURANCE PRODUCER" AS SET FORTH IN SECTION 10-2-103 (6).

SECTION 2. In Colorado Revised Statutes, 10-1-133, **amend** (2)(a) as follows:

10-1-133. Consumer insurance council - creation - advisory body - appointment of members - meetings - repeal. (2) (a) The council consists of at least six and not more than fifteen members appointed by the commissioner, all of whom must represent consumer organizations or be consumers who are not

engaged, directly or indirectly, in the insurance industry or any other industry, business, or profession that might present a conflict of interest, as determined by the commissioner, AND ONE OF WHOM MUST BE A CONSUMER WHOSE FIRST LANGUAGE IS NOT ENGLISH. To the greatest extent possible, the council must reflect the geographic and demographic diversity of the state. Insurance producers, insurance industry representatives, actively practicing health-care providers, and any other individuals who may have a conflict of interest, as determined by the commissioner, are not eligible for membership on the council.

SECTION 3. In Colorado Revised Statutes, 10-1-136, **add** (3.5) as follows:

10-1-136. Insurance policies - language other than English - increasing access for non-English-speaking consumers - definitions. (3.5) THE COMMISSIONER SHALL USE COUNCILS ESTABLISHED WITHIN THE DIVISION, INCLUDING THE PRODUCER ADVISORY COUNCIL AND ANY OTHER COUNCILS ESTABLISHED BY THE COMMISSIONER, TO ENGAGE WITH BILINGUAL INSURANCE PRODUCERS TO DISCUSS THE INSURANCE MARKET FOR NON-ENGLISH-SPEAKING CONSUMERS, INCLUDING WAYS TO INCREASE ACCESS TO INSURANCE PRODUCTS AND SERVICES FOR NON-ENGLISH-SPEAKING CONSUMERS.

SECTION 4. In Colorado Revised Statutes, **repeal** 10-3-1119.

SECTION 5. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Approved: May 31, 2024