

CHAPTER 15

INSURANCE

SENATE BILL 10-049

BY SENATOR(S) Sandoval, Bacon, Hudak, Steadman, Tochtrop, Boyd, Carroll M., Johnston, Penry, Romer, Tapia;
also REPRESENTATIVE(S) Benefield, Frangas, Hulinghorst, Labuda, Stephens.

AN ACT

CONCERNING THE LIABILITY LIMITS APPLICABLE TO THE LIFE AND HEALTH INSURANCE PROTECTION ASSOCIATION, AND, IN CONNECTION THEREWITH, INCREASING THE LIABILITY LIMITS FOR ANNUITY BENEFITS, STRUCTURED SETTLEMENT ANNUITIES, AND LONG-TERM CARE BENEFITS.

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

SECTION 1. 10-20-104 (3) (b) (I) (C), (3) (b) (I) (D), and (3) (b) (II), Colorado Revised Statutes, are amended, and the said 10-20-104 (3) (b) (I) is further amended BY THE ADDITION OF A NEW SUB-SUBPARAGRAPH, to read:

10-20-104. Coverage and limitations - coordination of benefits. (3) The benefits for which the association may become liable shall not exceed the lesser of:

(b) (I) With respect to any one life, regardless of the number of policies or contracts with that insurer:

(C) ~~One~~ TWO hundred FIFTY thousand dollars in the present value of annuity benefits, including net cash surrender and net cash withdrawal values; ~~or~~

(D) With respect to each payee of a structured settlement annuity, ~~one~~ TWO hundred FIFTY thousand dollars in present value annuity benefits, in the aggregate, including net cash surrender and net cash withdrawal values; OR

(E) THREE HUNDRED THOUSAND DOLLARS FOR LONG-TERM CARE BENEFITS.

(II) The association shall not be liable to expend more than three hundred thousand dollars, in the aggregate, with respect to any one life under sub-subparagraphs (A) to ~~(D)~~ (E) of subparagraph (I) of this paragraph (b); except that, with respect to benefits for basic hospital, medical and surgical, and major

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

medical insurance under sub-subparagraph (B) of subparagraph (I) of this paragraph (b), the aggregate liability of the association shall not exceed five hundred thousand dollars with respect to any one individual.

SECTION 2. Applicability. This act shall apply to coverages and contracts of member insurers that are declared insolvent on or after the effective date of this act.

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

Approved: March 5, 2010