

**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. 24-0644.01 Richard Sweetman x4333

**HOUSE BILL 24-1108**

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**HOUSE SPONSORSHIP**

**McCluskie and Amabile,**

**SENATE SPONSORSHIP**

**Roberts,**

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**House Committees**

Business Affairs & Labor  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING A STUDY OF THE MARKET FOR PROPERTY AND CASUALTY**  
102              **INSURANCE POLICIES ISSUED TO CERTAIN ENTITIES IN**  
103              **COLORADO, AND, IN CONNECTION THEREWITH, MAKING AN**  
104              **APPROPRIATION.**

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**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 requires the commissioner of insurance (commissioner) to conduct a study concerning the market for property and casualty insurance policies issued by insurers to:

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 24, 2024

- Unit owners' associations (associations) of common interest communities; and
- Owners of hotels and lodging facilities (owners).

To the extent practicable, the study must include consideration of:

- Current market conditions, including certain data; and
- The implementation of measures and programs to ensure the long-term sustainability and availability of property and casualty insurance policies issued to associations and owners.

The commissioner may contract with a third party to conduct the study. The commissioner and any third party shall engage with and seek input from insurers, consumer groups, and other interested parties.

As part of the study, the commissioner shall collect specific data from insurers. Information submitted by an insurer is subject to public inspection only to the extent allowed under the "Colorado Open Records Act". The division of insurance and any third-party contractor may not disclose trade secrets or confidential or proprietary information.

The commissioner shall prepare a report summarizing the results of the study and, on or before January 1, 2026, submit the report to the joint budget committee, to the business affairs and labor committee of the house of representatives, and to the business, labor, and technology committee of the senate.

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

2           **SECTION 1.** In Colorado Revised Statutes, **add** 10-4-122 as  
3 follows:

4           **10-4-122. Market study - property and casualty insurance -**  
5 **associations of common interest communities and lodging facilities**  
6 **owners - definitions - report - repeal.** (1) AS USED IN THIS SECTION,  
7 UNLESS THE CONTEXT OTHERWISE REQUIRES:

8           (a) "ADMITTED INSURANCE" MEANS ANY PROPERTY AND  
9 CASUALTY INSURANCE WRITTEN BY AN INSURER THAT HOLDS A  
10 CERTIFICATE OF AUTHORITY TO CONDUCT THE BUSINESS OF INSURANCE IN  
11 COLORADO.

12           (b) "ASSOCIATION" MEANS A UNIT OWNERS' ASSOCIATION OF A  
13 COMMON INTEREST COMMUNITY, AS DEFINED IN SECTION 38-33.3-103 (3).

1 (c) "CAPTIVE INSURANCE COMPANY" HAS THE MEANING SET FORTH  
2 IN SECTION 10-6-103 (2).

3 (d) "COMMON INTEREST COMMUNITY" HAS THE MEANING SET  
4 FORTH IN SECTION 38-33.3-103 (8).

5 (e) "CONDOMINIUM UNIT" HAS THE MEANING SET FORTH IN  
6 SECTION 38-33-103 (1).

7 (f) "NONADMITTED INSURANCE" HAS THE MEANING SET FORTH IN  
8 SECTION 10-5-101.2 (10).

9 (g) "OWNER OF LODGING FACILITIES" OR "OWNER" MEANS A  
10 PERSON THAT POSSESSES AN OWNERSHIP INTEREST IN:

11 (I) A HOTEL, AS DEFINED IN SECTION 44-3-103 (21); OR

12 (II) A LODGING FACILITY.

13 (2) THE COMMISSIONER SHALL CONDUCT A STUDY OF THE MARKET  
14 FOR ADMITTED INSURANCE POLICIES ISSUED BY INSURERS TO  
15 ASSOCIATIONS AND TO OWNERS OF LODGING FACILITIES. TO THE EXTENT  
16 PRACTICABLE, THE STUDY MUST INCLUDE CONSIDERATION OF:

17 (a) CURRENT MARKET CONDITIONS, INCLUDING:

18 (I) THE AVAILABILITY OF COVERAGE, AS DIFFERENTIATED BY  
19 COUNTY OR ZIP CODE, IN THE MARKETS FOR ADMITTED INSURANCE AND  
20 NONADMITTED INSURANCE AND THROUGH SELF-INSURED MECHANISMS,  
21 INCLUDING CAPTIVE INSURANCE COMPANIES;

22 (II) THE AFFORDABILITY OF COVERAGE, AS DIFFERENTIATED BY  
23 PROPERTY VALUE AND BY COUNTY OR ZIP CODE; AND

24 (III) IDENTIFICATION OF AREAS OF COLORADO WITH PARTICULAR  
25 AVAILABILITY CONCERNS; ■

26 (b) RECOMMENDATIONS REGARDING POTENTIAL MEASURES AND  
27 PROGRAMS TO ENSURE THE LONG-TERM SUSTAINABILITY AND

1 AVAILABILITY OF PROPERTY AND CASUALTY INSURANCE POLICIES ISSUED  
2 TO ASSOCIATIONS AND OWNERS;

3 (c) WHETHER ANY CAPTIVE INSURANCE COMPANIES HAVE BEEN  
4 FORMED BY AN ASSOCIATION OR AN OWNER; AND

5 (d) WHETHER THE FORMATION OF A CAPTIVE INSURANCE COMPANY  
6 BY AN ASSOCIATION OR AN OWNER COULD IMPACT CURRENT MARKET  
7 CONDITIONS.

8 (3) (a) THE COMMISSIONER MAY CONTRACT WITH A THIRD PARTY  
9 TO CONDUCT THE STUDY REQUIRED IN SUBSECTION (2) OF THIS SECTION.  
10 THE COMMISSIONER IS NOT REQUIRED TO COMPLY WITH THE  
11 "PROCUREMENT CODE", ARTICLES 101 TO 112 OF TITLE 24, FOR PURPOSES  
12 OF THIS SUBSECTION (3); EXCEPT THAT THE COMMISSIONER SHALL USE A  
13 COMPETITIVE PROCESS PURSUANT TO THE "PROCUREMENT CODE" TO  
14 SELECT A THIRD PARTY TO CONDUCT THE STUDY.

15 (b) THE COMMISSIONER AND ANY THIRD PARTY CONDUCTING THE  
16 STUDY SHALL ENGAGE WITH AND SEEK INPUT FROM INSURERS, CONSUMER  
17 GROUPS, AND OTHER INTERESTED PARTIES.

18 (4) AS PART OF THE STUDY, THE COMMISSIONER MAY COLLECT  
19 DATA FROM EACH INSURER IN THE MARKETS FOR ADMITTED INSURANCE  
20 AND NONADMITTED INSURANCE, INCLUDING:

21 (a) THE NUMBER AND LOCATION OF EACH ASSOCIATION AND  
22 OWNER IN COLORADO FOR WHICH THE INSURER PROVIDES COVERAGE  
23 THROUGH A PROPERTY AND CASUALTY INSURANCE POLICY;

24 (b) THE CRITERIA USED BY THE INSURER TO UNDERWRITE  
25 PROPERTY AND CASUALTY INSURANCE POLICIES ISSUED TO ASSOCIATIONS  
26 AND OWNERS;

27 (c) COMBINED LOSS AND EXPENSE RATIOS INCURRED BY THE

1 INSURER FROM ISSUING PROPERTY AND CASUALTY INSURANCE POLICIES TO  
2 ASSOCIATIONS AND OWNERS; AND

3 (d) ANY OTHER DATA THE COMMISSIONER IDENTIFIES AS  
4 RELEVANT TO EVALUATING CURRENT MARKET CONDITIONS AND  
5 DEVELOPING PROPOSED AVAILABILITY AND AFFORDABILITY SOLUTIONS.

6 (5) INFORMATION SUBMITTED BY AN INSURER PURSUANT TO  
7 SUBSECTION (4) OF THIS SECTION IS SUBJECT TO PUBLIC INSPECTION ONLY  
8 TO THE EXTENT ALLOWED UNDER THE "COLORADO OPEN RECORDS ACT",  
9 PART 2 OF ARTICLE 72 OF TITLE 24. THE DIVISION AND ANY THIRD-PARTY  
10 CONTRACTOR SHALL NOT DISCLOSE TRADE SECRETS OR CONFIDENTIAL OR  
11 PROPRIETARY INFORMATION TO ANY PERSON THAT IS NOT AUTHORIZED TO  
12 ACCESS THE INFORMATION.

13 (6) THE COMMISSIONER SHALL PREPARE A REPORT SUMMARIZING  
14 THE RESULTS OF THE STUDY REQUIRED BY THIS SECTION. ON OR BEFORE  
15 JANUARY 1, 2026, THE COMMISSIONER SHALL SUBMIT THE REPORT TO THE  
16 JOINT BUDGET COMMITTEE, TO THE BUSINESS AFFAIRS AND LABOR  
17 COMMITTEE OF THE HOUSE OF REPRESENTATIVES, AND TO THE BUSINESS,  
18 LABOR, AND TECHNOLOGY COMMITTEE OF THE SENATE, OR ANY  
19 SUCCESSOR COMMITTEES. TO THE EXTENT FEASIBLE, THE COMMISSIONER  
20 MAY COLLECT DATA CONCERNING SELF-INSURED MECHANISMS, INCLUDING  
21 CAPTIVE INSURANCE COMPANIES, AND INCLUDE SUCH INFORMATION IN THE  
22 REPORT.

23 (7) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2026.

24 **SECTION 2. Appropriation.** For the 2024-25 state fiscal year,  
25 \$329,863 is appropriated to the department of regulatory agencies for use  
26 by the division of insurance. This appropriation is from the division of  
27 insurance cash fund created in section 10-1-103 (3)(a)(I), C.R.S., and is

1 based on an assumption that the division will require an additional 0.3  
2 FTE. To implement this act, the division may use this appropriation for  
3 personal services. Of the amount appropriated in this section, any amount  
4 up to \$300,000 not expended prior to July 1, 2025, is further appropriated  
5 to the division for the 2025-26 state fiscal year for the same purpose.

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