

CHAPTER 16

INSURANCE

HOUSE BILL 16-1025

BY REPRESENTATIVE(S) Arndt, Nordberg, Kraft-Tharp, Rosenthal, Williams;
also SENATOR(S) Tate, Newell, Baumgardner, Cooke, Crowder, Heath, Hodge, Holbert, Kefalas, Scott, Woods.

AN ACT

CONCERNING STATUTORY RECOGNITION THAT AN INSURANCE POLICY MAY BE SUBJECT TO RENEWAL BY AN ADMITTED INSURER WITHIN THE SAME INSURANCE GROUP AS THE INSURER THAT ISSUED THE INSURANCE POLICY.

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

SECTION 1. In Colorado Revised Statutes, 10-4-601, **amend** (11) as follows:

10-4-601. Definitions. As used in this part 6, unless the context otherwise requires:

(11) "Renewal" or "to renew" means the issuance and delivery by an insurer of a policy replacing at the end of the policy period a policy previously issued and delivered by the same insurer OR BY AN ADMITTED COMPANY WITHIN THE SAME INSURANCE GROUP, or the issuance and delivery of a certificate or notice extending the term of the policy beyond its policy period or term; but any policy with a policy period or term of less than six months shall, for the purpose of this part 6, be considered as if written for a policy period or term of six months; and any policy written for a term longer than one year, or any policy with no fixed expiration date, shall, for the purpose of this part 6, be considered as if written for successive policy periods or terms of one year, and such policy may be terminated at the expiration of any annual period upon giving twenty days' notice of cancellation prior to such anniversary date, and such cancellation shall not be subject to any other provisions of this part 6.

SECTION 2. Act subject to petition - effective date - applicability. (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a referendum petition is

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

filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2016 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to the renewal of property and casualty insurance policies on or after the applicable effective date of this act.

Approved: March 16, 2016