



Colorado  
Legislative  
Council  
Staff

SB17-204

REVISED  
FISCAL NOTE

(replaces fiscal note dated March 14, 2017)

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**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

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**Drafting Number:** LLS 17-0902

**Date:** April 17, 2017

**Prime Sponsor(s):** Sen. Priola  
Rep. Lawrence

**Bill Status:** House SVMA

**Fiscal Analyst:** Anna Gerstle (303-866-4375)

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**BILL TOPIC:** IMPROPER DENIAL OF PROPERTY AND CASUALTY CLAIMS

### Summary of Legislation

Under current law, a first-party claimant is defined as an individual, corporation, association, partnership, or other legal entity asserting an entitlement to benefits owed directly to or on behalf of a person insured under the policy, including a public entity that has paid a claim for benefits due to an insurer's unreasonable delay or denial of a claim. A first-party claimant whose claim for payment of benefits has been unreasonably delayed or denied may sue to recover attorney fees, court costs, and two times the covered benefit.

The *reengrossed* bill modifies the definition of first-party claimant to exclude an additional insured added to the policy by endorsement and an individual, corporation, association, partnership, or other legal entity acting on behalf of an insured person, with exceptions for claims under health coverage plans. It also specifies that a first-party claimant includes the named insured or any person defined as an insured under the insurance policy.

For property and casualty causes of action and remedies, the remedy may not be assigned to another person by the first-party claimant or anyone acting on the first-party claimant's behalf.

### Assessment

The bill is assessed as having no fiscal impact, as it impacts claims, lawsuits, or transactions by private entities. It is not expected to impact the revenue, expenditures, or workload of the trial courts in the Judicial Department, or any other state agency or local government.

### Effective Date

The bill takes effect August 9, 2017, if the General Assembly adjourns on May 10, 2017, as scheduled, and no referendum petition is filed.

### State and Local Government Contacts

Judicial

Law

Regulatory Agencies

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