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HOUSE BILL 13-1262

BY REPRESENTATIVE(S) Young, DelGrosso, Nordberg, Williams,
Exum, Labuda, Priola, Rankin, Schafer;
also SENATOR(S) Baumgardner, Cadman, Jahn, Tochtrop.

CONCERNING SECONDARY AGENCIES UNDER THE "FRAUDULENT CLAIMS
AND ARSON REPORTING ACT".

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

SECTION 1. In Colorado Revised Statutes, 10-4-1002, **add** (6) as follows:

10-4-1002. Definitions. As used in this part 10, unless the context otherwise requires:

(6) "SECONDARY AGENCY" MEANS ANY FOR-PROFIT OR NONPROFIT ORGANIZATION FUNDED DIRECTLY OR INDIRECTLY BY INSURERS THAT ENGAGES IN THE GATHERING AND DISSEMINATION OF INFORMATION CONCERNING INSURANCE FRAUD AND THAT HAS AN ESTABLISHED PROCESS IN PLACE TO AFFIRMATIVELY FORWARD INFORMATION TO AN AUTHORIZED AGENCY FOR FURTHER INVESTIGATION AND PROSECUTION. THE COMMISSIONER, BY RULE, SHALL DESIGNATE WHICH ORGANIZATIONS ARE SECONDARY AGENCIES.

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

SECTION 2. In Colorado Revised Statutes, 10-4-1003, **amend** (1) (a), (1) (c) introductory portion, (4), (5), and (6) as follows:

10-4-1003. Disclosure of information. (1) (a) When any person or insurer has reason to believe that a fire loss may have been caused by other than accidental means or that any insurance claim may be fraudulent, then such person may, and such insurer shall, notify an authorized agency OR A SECONDARY AGENCY.

(c) No insurer, ~~or~~ authorized agency, OR SECONDARY AGENCY shall intentionally refuse to release any relevant information concerning a possible nonaccidental fire loss or fraudulent insurance act, upon request, to:

(4) Any authorized agency OR SECONDARY AGENCY provided with relevant information or evidence pursuant to subsection (1) or (2) of this section may release such information to any other authorized agency, INSURER, OR SECONDARY AGENCY.

(5) Any insurer providing information to an authorized OR SECONDARY agency or agencies pursuant to subsection (1) or (2) of this section may, in writing, request such agency to release to such insurer specific, relevant information or evidence relating to the fire loss or other claim under investigation. Such agency may, in its sole discretion, and with such restrictions as such agency deems appropriate, release such information to such insurer.

(6) Any authorized agency OR SECONDARY AGENCY receiving a notice or other information pursuant to this part 10 may release such notice or other information to other ~~law enforcement agencies~~ AUTHORIZED AGENCIES, INSURERS, OR SECONDARY AGENCIES.

SECTION 3. In Colorado Revised Statutes, 10-4-1004, **amend** (1) as follows:

10-4-1004. Evidence - confidential. (1) Any authorized agency, SECONDARY AGENCY, or insurer which receives any information furnished pursuant to this part 10 shall hold the information in confidence except as provided in section 10-4-1003 (4) or until such time as its release is required

pursuant to a civil or criminal proceeding.

SECTION 4. Act subject to petition - effective date. 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 7, 2013, if adjournment sine die is on May 8, 2013); except that, if a referendum petition is 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 2014 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Mark Ferrandino
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

John P. Morse
PRESIDENT OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED _____

John W. Hickenlooper
GOVERNOR OF THE STATE OF COLORADO