

HB1219\_L.001

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Health & Insurance.

HB20-1219 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and  
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, **amend** 12-210-115  
4 as follows:

5 **12-210-115. Repeal of article - review of functions.** This article  
6 210 is repealed, effective September 1, ~~2020~~ 2031. Before the repeal, the  
7 licensing and supervisory functions of the director are scheduled for  
8 review in accordance with section 24-34-104.

9 **SECTION 2.** In Colorado Revised Statutes, 24-34-104, **repeal**  
10 (19)(a)(V); and **add** (32) as follows:

11 **24-34-104. General assembly review of regulatory agencies**  
12 **and functions for repeal, continuation, or reestablishment - legislative**  
13 **declaration - repeal.** (19) (a) The following agencies, functions, or both,  
14 are scheduled for repeal on September 1, 2020:

15 ~~(V) The licensing of audiologists by the division of professions~~  
16 ~~and occupations in accordance with article 210 of title 12;~~

17 (32) (a) THE FOLLOWING AGENCIES, FUNCTIONS, OR BOTH, ARE  
18 SCHEDULED FOR REPEAL ON SEPTEMBER 1, 2031:

19 (I) THE LICENSING OF AUDIOLOGISTS BY THE DIVISION OF  
20 PROFESSIONS AND OCCUPATIONS IN ACCORDANCE WITH ARTICLE 210 OF  
21 TITLE 12.

22 (b) THIS SUBSECTION (32) IS REPEALED, EFFECTIVE SEPTEMBER 1,  
23 2033.

24 \_\_\_\_\_  
25 **SECTION 3.** In Colorado Revised Statutes, 6-1-701, **amend**  
26 (2)(a)(III), (2)(c), and (2)(e)(III)(B) as follows:

27 **6-1-701. Dispensing hearing aids - deceptive trade practices -**  
28 **definitions.** (2) In addition to any other deceptive trade practices under  
29 section 6-1-105, a dispenser engages in a deceptive trade practice when  
30 the dispenser:

31 (a) Fails to deliver to each person to whom the dispenser  
32 dispenses a hearing aid a receipt that:

33 (III) Bears, in no smaller type than the largest used in the body of  
34 the receipt, a provision indicating that dispensers who are licensed  
35 ~~certified, or registered~~ by the department of regulatory agencies are  
36 regulated by the division of professions and occupations in the  
37 department of regulatory agencies; AND

38 (c) ~~(f) Fails to receive from a licensed physician, before~~  
39 ~~dispensing, fitting, or selling a hearing aid to any person, a written~~

1 prescription or recommendation, issued within the previous six months;  
 2 that specifies that the person is a candidate for a hearing aid; except that  
 3 any person eighteen years of age or older who objects to medical  
 4 evaluation on the basis of religious or personal beliefs may waive the  
 5 requirement by delivering to the dispenser a written waiver;

6 (H) Dispenses, adjusts, provides training or teaching in regard to,  
 7 or otherwise services surgically implanted hearing devices unless the  
 8 dispenser is an audiologist or physician;

9 (e) Fails to provide a minimum thirty-day rescission period with  
 10 the following terms:

11 (III) (B) The written contract or receipt provided to the buyer must  
 12 also contain a statement, in print size no smaller than ten-point type, that  
 13 the sale is void and unenforceable if the hearing aid being purchased is  
 14 not delivered to the consumer within thirty days after the date the written  
 15 contract is signed or the receipt is issued, whichever occurs later. The  
 16 written contract or receipt must also include the dispenser's license  
 17 certification, or registration number, if the dispenser is required to be  
 18 licensed certified or registered by the state, and a statement that the  
 19 dispenser will promptly refund all ~~moneys~~ MONEY paid for the purchase  
 20 of a hearing aid if it is not delivered to the consumer within the thirty-day  
 21 period. The buyer cannot waive this requirement, and any attempt to  
 22 waive it is void.

23 **SECTION 4.** In Colorado Revised Statutes, 12-210-108, **amend**  
 24 (2)(q), (2)(t), and (2)(u); and **add** (2)(v) as follows:

25 **12-210-108. Disciplinary actions - grounds for discipline.**

26 (2) The following acts constitute grounds for discipline:

27 (q) ~~Having an alcohol use disorder, as defined in section~~  
 28 ~~27-81-102, or a substance use disorder, as defined in section 27-82-102,~~  
 29 ~~or~~ Excessively or habitually using or abusing alcohol or habit-forming  
 30 drugs or habitually using a controlled substance, as defined in section  
 31 18-18-102 (5), or other drugs or substances having similar effects; except  
 32 that the director has the discretion not to discipline the licensee if ~~he or~~  
 33 ~~she~~ THE LICENSEE is participating in good faith in an alcohol or substance  
 34 use disorder treatment program approved by the director;

35 (t) Failing to respond in an honest, materially responsive, and  
 36 timely manner to a complaint lodged against the licensee; ~~and~~

37 (u) In any court of competent jurisdiction, being convicted of,  
 38 pleading guilty or nolo contendere to, or receiving a deferred sentence for  
 39 a felony or a crime involving fraud, deception, false pretense, theft,  
 40 misrepresentation, false advertising, or dishonest dealing; AND

41 (v) FAILING TO NOTIFY THE DIRECTOR, IN WRITING AND WITHIN  
 42 THIRTY DAYS AFTER A JUDGMENT OR SETTLEMENT IS ENTERED, OF A FINAL  
 43 JUDGMENT BY A COURT OF COMPETENT JURISDICTION AGAINST THE  
 44 LICENSEE INVOLVING MALPRACTICE OF AUDIOLOGY OR A SETTLEMENT BY  
 45 THE LICENSEE IN RESPONSE TO CHARGES OR ALLEGATIONS OF

1 MALPRACTICE OF AUDIOLOGY AND, IN THE CASE OF A JUDGMENT, FAILING  
2 TO INCLUDE IN THE NOTICE THE NAME OF THE COURT, THE CASE NUMBER,  
3 AND THE NAMES OF ALL PARTIES TO THE ACTION.

4 **SECTION 5.** In Colorado Revised Statutes, **add** 10-1-125.7 as  
5 follows:

6 **10-1-125.7. Reporting of malpractice claims against**  
7 **audiologists.** (1) EACH INSURANCE COMPANY LICENSED TO DO BUSINESS  
8 IN THIS STATE AND ENGAGED IN THE WRITING OF MALPRACTICE INSURANCE  
9 FOR AUDIOLOGISTS SHALL SEND TO THE DIRECTOR OF THE DIVISION OF  
10 PROFESSIONS AND OCCUPATIONS IN THE DEPARTMENT OF REGULATORY  
11 AGENCIES, IN THE FORM PRESCRIBED BY THE COMMISSIONER,  
12 INFORMATION RELATING TO EACH MALPRACTICE CLAIM AGAINST A  
13 LICENSED AUDIOLOGIST THAT IS SETTLED OR IN WHICH JUDGMENT IS  
14 RENDERED AGAINST THE INSURED.

15 (2) THE INFORMATION MUST INCLUDE INFORMATION DEEMED  
16 NECESSARY BY THE DIRECTOR OF THE DIVISION OF PROFESSIONS AND  
17 OCCUPATIONS IN THE DEPARTMENT OF REGULATORY AGENCIES TO  
18 CONDUCT A FURTHER INVESTIGATION AND HEARING.

19 **SECTION 6.** In Colorado Revised Statutes, 12-20-408, **amend**  
20 (2)(e); and **repeal** (2)(f) as follows:

21 **12-20-408. Judicial review.** (2) A district court of competent  
22 jurisdiction has initial jurisdiction to review all final actions and orders  
23 of a regulator that are subject to judicial review and shall conduct the  
24 judicial review proceedings in accordance with section 24-4-106 (3) for  
25 the following:

26 (e) Article 200 of this title 12 concerning acupuncturists; AND

27 (f) ~~Article 210 of this title 12 concerning audiologists; and~~

28 **SECTION 7.** In Colorado Revised Statutes, **add** part 2 to article  
29 210 of title 12 as follows:

## 30 PART 2

### 31 DECEPTIVE TRADE PRACTICES

32 **12-210-201. Definitions.** AS USED IN THIS PART 2, UNLESS THE  
33 CONTEXT OTHERWISE REQUIRES:

34 (1) "DISPENSER" MEANS A PERSON LICENSED IN THE PRACTICE OF  
35 AUDIOLOGY PURSUANT TO PART 1 OF THIS ARTICLE 210 WHO DISPENSES  
36 HEARING AIDS.

37 **12-210-202. Dispensing hearing aids - deceptive trade**  
38 **practices.** (1) IN ADDITION TO ANY OTHER DECEPTIVE TRADE PRACTICES  
39 UNDER SECTION 6-1-105, A DISPENSER ENGAGES IN A DECEPTIVE TRADE  
40 PRACTICE WHEN THE DISPENSER:

41 (a) FAILS TO DELIVER TO EACH PERSON TO WHOM THE DISPENSER  
42 DISPENSES A HEARING AID A RECEIPT THAT:

43 (I) BEARS THE BUSINESS ADDRESS OF THE DISPENSER, TOGETHER  
44 WITH SPECIFICATIONS AS TO THE MAKE AND SERIAL NUMBER OF THE  
45 HEARING AID FURNISHED AND THE FULL TERMS OF THE SALE CLEARLY

1 STATED. IF THE DISPENSER DISPENSES A HEARING AID THAT IS NOT NEW,  
2 THE DISPENSER SHALL CLEARLY MARK ON THE HEARING AID CONTAINER  
3 AND THE RECEIPT THE TERM "USED" OR "RECONDITIONED", WHICHEVER IS  
4 APPLICABLE, WITHIN THE TERMS OF THE GUARANTEE, IF ANY.

5 (II) BEARS, IN NO SMALLER TYPE THAN THE LARGEST USED IN THE  
6 BODY OF THE RECEIPT, IN SUBSTANCE, A PROVISION THAT THE BUYER HAS  
7 BEEN ADVISED AT THE OUTSET OF THE BUYER'S RELATIONSHIP WITH THE  
8 DISPENSER THAT ANY EXAMINATION OR REPRESENTATION MADE BY A  
9 DISPENSER IN CONNECTION WITH THE PRACTICE OF DISPENSING, FITTING,  
10 OR DEALING IN HEARING AIDS IS NOT AN EXAMINATION, DIAGNOSIS, OR  
11 PRESCRIPTION BY A PERSON LICENSED TO PRACTICE MEDICINE IN THIS  
12 STATE AND, THEREFORE, MUST NOT BE REGARDED AS MEDICAL OPINION OR  
13 ADVICE;

14 (III) BEARS, IN NO SMALLER TYPE THAN THE LARGEST USED IN THE  
15 BODY OF THE RECEIPT, A PROVISION INDICATING THAT DISPENSERS WHO  
16 ARE LICENSED BY THE DEPARTMENT ARE REGULATED BY THE DIVISION;  
17 AND

18 (IV) BEARS A PROVISION LABELED "WARRANTY" IN WHICH THE  
19 EXACT WARRANTY TERMS AND PERIODS AVAILABLE FROM THE  
20 MANUFACTURER ARE DOCUMENTED, OR INCLUDES AN ORIGINAL OR  
21 PHOTOCOPY OF THE ORIGINAL MANUFACTURER'S WARRANTY WITH THE  
22 RECEIPT;

23 (b) DISPENSES A HEARING AID TO A CHILD UNDER EIGHTEEN YEARS  
24 OF AGE WITHOUT RECEIVING DOCUMENTATION THAT THE CHILD HAS BEEN  
25 EXAMINED BY A LICENSED PHYSICIAN AND AN AUDIOLOGIST WITHIN SIX  
26 MONTHS PRIOR TO THE FITTING;

27 (c) DISPENSES, ADJUSTS, PROVIDES TRAINING OR TEACHING IN  
28 REGARD TO, OR OTHERWISE SERVICES SURGICALLY IMPLANTED HEARING  
29 DEVICES UNLESS THE DISPENSER IS AN AUDIOLOGIST OR PHYSICIAN;

30 (d) FAILS TO RECOMMEND IN WRITING, PRIOR TO FITTING OR  
31 DISPENSING A HEARING AID, THAT THE BEST INTERESTS OF THE  
32 PROSPECTIVE USER WOULD BE SERVED BY CONSULTING A LICENSED  
33 PHYSICIAN SPECIALIZING IN DISEASES OF THE EAR, OR ANY LICENSED  
34 PHYSICIAN, IF ANY OF THE FOLLOWING CONDITIONS EXIST:

35 (I) VISIBLE CONGENITAL OR TRAUMATIC DEFORMITY OF THE EAR;

36 (II) ACTIVE DRAINAGE OF THE EAR, OR A HISTORY OF DRAINAGE OF  
37 THE EAR WITHIN THE PREVIOUS NINETY DAYS;

38 (III) HISTORY OF SUDDEN OR RAPIDLY PROGRESSIVE HEARING  
39 LOSS;

40 (IV) ACUTE OR CHRONIC DIZZINESS;

41 (V) UNILATERAL HEARING LOSS OF SUDDEN ONSET WITHIN THE  
42 PREVIOUS NINETY DAYS;

43 (VI) AUDIOMETRIC AIR-BONE GAP EQUAL TO OR GREATER THAN  
44 FIFTEEN DECIBELS AT 500 HERTZ (Hz), 1,000 Hz, AND 2,000 Hz;

45 (VII) VISIBLE EVIDENCE OF SIGNIFICANT CERUMEN

1 ACCUMULATION ON, OR A FOREIGN BODY IN, THE EAR CANAL; OR  
2 (VIII) PAIN OR DISCOMFORT IN THE EAR;  
3 (e) FAILS TO PROVIDE A MINIMUM THIRTY-DAY RESCISSION PERIOD  
4 WITH THE FOLLOWING TERMS:

5 (I) THE BUYER HAS THE RIGHT TO CANCEL THE PURCHASE FOR ANY  
6 REASON BEFORE THE EXPIRATION OF THE RESCISSION PERIOD BY GIVING OR  
7 MAILING WRITTEN NOTICE OF CANCELLATION TO THE DISPENSER AND  
8 PRESENTING THE HEARING AID TO THE DISPENSER, UNLESS THE HEARING  
9 AID HAS BEEN LOST OR SIGNIFICANTLY DAMAGED BEYOND REPAIR WHILE  
10 IN THE BUYER'S POSSESSION AND CONTROL. THE RESCISSION PERIOD IS  
11 TOLLED FOR ANY PERIOD DURING WHICH A DISPENSER TAKES POSSESSION  
12 OR CONTROL OF A HEARING AID AFTER ITS ORIGINAL DELIVERY.

13 (II) THE BUYER, UPON CANCELLATION, IS ENTITLED TO RECEIVE A  
14 FULL REFUND OF ANY PAYMENT MADE FOR THE HEARING AID WITHIN  
15 THIRTY DAYS AFTER RETURNING THE HEARING AID TO THE DISPENSER,  
16 UNLESS THE HEARING AID WAS SIGNIFICANTLY DAMAGED BEYOND REPAIR  
17 WHILE IN THE BUYER'S POSSESSION AND CONTROL.

18 (III) (A) THE DISPENSER SHALL PROVIDE A WRITTEN RECEIPT OR  
19 CONTRACT TO THE BUYER THAT INCLUDES, IN IMMEDIATE PROXIMITY TO  
20 THE SPACE RESERVED FOR THE SIGNATURE OF THE BUYER, THE FOLLOWING  
21 SPECIFIC STATEMENT IN ALL CAPITAL LETTERS OF NO LESS THAN  
22 TEN-POINT, BOLD-FACED TYPE:

23 **THE BUYER HAS THE RIGHT TO CANCEL THIS**  
24 **PURCHASE FOR ANY REASON AT ANY TIME**  
25 **PRIOR TO 12 MIDNIGHT ON THE [INSERT**  
26 **APPLICABLE RESCISSION PERIOD, WHICH MUST BE NO**  
27 **SHORTER THAN THIRTY DAYS AFTER RECEIPT OF THE**  
28 **HEARING AID] CALENDAR DAY AFTER RECEIPT OF**  
29 **THE HEARING AID BY GIVING OR MAILING THE**  
30 **DISPENSER WRITTEN NOTICE OF**  
31 **CANCELLATION AND BY RETURNING THE**  
32 **HEARING AID, UNLESS THE HEARING AID HAS**  
33 **BEEN SIGNIFICANTLY DAMAGED BEYOND**  
34 **REPAIR WHILE THE HEARING AID WAS IN THE**  
35 **BUYER'S CONTROL.**

36 (B) THE WRITTEN CONTRACT OR RECEIPT PROVIDED TO THE BUYER  
37 MUST ALSO CONTAIN A STATEMENT, IN PRINT SIZE NO SMALLER THAN  
38 TEN-POINT TYPE, THAT THE SALE IS VOID AND UNENFORCEABLE IF THE  
39 HEARING AID BEING PURCHASED IS NOT DELIVERED TO THE CONSUMER  
40 WITHIN THIRTY DAYS AFTER THE DATE THE WRITTEN CONTRACT IS SIGNED  
41 OR THE RECEIPT IS ISSUED, WHICHEVER OCCURS LATER. THE WRITTEN  
42 CONTRACT OR RECEIPT MUST ALSO INCLUDE THE DISPENSER'S LICENSE  
43 NUMBER, IF THE DISPENSER IS REQUIRED TO BE LICENSED BY THE STATE,  
44 AND A STATEMENT THAT THE DISPENSER WILL PROMPTLY REFUND ALL  
45 MONEY PAID FOR THE PURCHASE OF THE HEARING AID IF IT IS NOT

1 DELIVERED TO THE CONSUMER WITHIN THE THIRTY-DAY PERIOD. THE  
2 BUYER CANNOT WAIVE THIS REQUIREMENT, AND ANY ATTEMPT TO WAIVE  
3 IT IS VOID.

4 (IV) A REFUND REQUEST FORM MUST BE ATTACHED TO EACH  
5 RECEIPT AND MUST CONTAIN THE INFORMATION IN SUBSECTION (1)(a)(I)  
6 OF THIS SECTION AND THE STATEMENT, IN ALL CAPITAL LETTERS OF NO  
7 LESS THAN TEN-POINT, BOLD-FACED TYPE:

8 **REFUND REQUEST - THIS FORM MUST BE**  
9 **POSTMARKED BY \_\_\_\_\_ [DATE TO BE FILLED IN].**  
10 **NO REFUND WILL BE GIVEN UNTIL THE**  
11 **HEARING AID OR HEARING AIDS ARE**  
12 **RETURNED TO THE DISPENSER.**

13 A SPACE FOR THE BUYER'S ADDRESS, TELEPHONE NUMBER, AND  
14 SIGNATURE MUST BE PROVIDED. THE BUYER IS REQUIRED ONLY TO SIGN,  
15 LIST THE BUYER'S CURRENT ADDRESS AND TELEPHONE NUMBER, AND MAIL  
16 THE REFUND REQUEST FORM TO THE DISPENSER. IF THE HEARING AID IS  
17 SOLD IN THE BUYER'S HOME, THE BUYER MAY REQUIRE THE DISPENSER TO  
18 ARRANGE THE RETURN OF THE HEARING AID.

19 (f) REPRESENTS THAT THE SERVICE OR ADVICE OF A PERSON  
20 LICENSED TO PRACTICE MEDICINE WILL BE USED OR MADE AVAILABLE IN  
21 THE SELECTION, FITTING, ADJUSTMENT, MAINTENANCE, OR REPAIR OF  
22 HEARING AIDS WHEN THAT IS NOT TRUE OR USING THE TERMS "DOCTOR",  
23 "CLINIC", "STATE-LICENSED CLINIC", "STATE-REGISTERED",  
24 "STATE-CERTIFIED", OR "STATE-APPROVED", OR ANY OTHER TERM,  
25 ABBREVIATION, OR SYMBOL WHEN IT WOULD:

26 (I) FALSELY GIVE THE IMPRESSION THAT SERVICE IS BEING  
27 PROVIDED BY PERSONS TRAINED IN MEDICINE OR THAT THE DISPENSER'S  
28 SERVICE HAS BEEN RECOMMENDED BY THE STATE WHEN THAT IS NOT THE  
29 CASE; OR

30 (II) BE FALSE OR MISLEADING;

31 (g) DIRECTLY OR INDIRECTLY:

32 (I) GIVES OR OFFERS TO GIVE, OR PERMITS OR CAUSES TO BE GIVEN,  
33 MONEY OR ANYTHING OF VALUE TO ANY PERSON WHO ADVISES ANOTHER  
34 IN A PROFESSIONAL CAPACITY AS AN INDUCEMENT TO INFLUENCE THE  
35 PERSON OR HAVE THE PERSON INFLUENCE OTHERS TO PURCHASE OR  
36 CONTRACT TO PURCHASE PRODUCTS SOLD OR OFFERED FOR SALE BY THE  
37 DISPENSER; EXCEPT THAT A DISPENSER DOES NOT VIOLATE THIS  
38 SUBSECTION (1)(g)(I) IF THE DISPENSER PAYS AN INDEPENDENT  
39 ADVERTISING OR MARKETING AGENT COMPENSATION FOR ADVERTISING OR  
40 MARKETING SERVICES THE AGENT RENDERED ON THE DISPENSER'S BEHALF,  
41 INCLUDING COMPENSATION THAT IS PAID FOR THE RESULTS OR  
42 PERFORMANCE OF THE SERVICES ON A PER-PATIENT BASIS; OR

43 (II) INFLUENCES OR ATTEMPTS TO INFLUENCE ANY PERSON TO  
44 REFRAIN FROM DEALING IN THE PRODUCTS OF COMPETITORS;

45 (h) DISPENSES A HEARING AID TO A PERSON WHO HAS NOT BEEN

1 GIVEN TESTS UTILIZING APPROPRIATE ESTABLISHED PROCEDURES AND  
2 INSTRUMENTATION IN THE FITTING OF HEARING AIDS, EXCEPT WHEN  
3 SELLING A REPLACEMENT HEARING AID WITHIN ONE YEAR AFTER THE DATE  
4 OF THE ORIGINAL PURCHASE;

5 (i) MAKES A FALSE OR MISLEADING STATEMENT OF FACT  
6 CONCERNING GOODS OR SERVICES OR THE BUYER'S RIGHT TO CANCEL WITH  
7 THE INTENTION OR EFFECT OF DETERRING OR PREVENTING THE BUYER  
8 FROM EXERCISING THE BUYER'S RIGHT TO CANCEL, OR REFUSES TO HONOR  
9 A BUYER'S REQUEST TO CANCEL A CONTRACT FOR THE PURCHASE OF A  
10 HEARING AID, IF THE REQUEST WAS MADE DURING THE RESCISSION PERIOD  
11 SET FORTH IN SUBSECTION (1)(e) OF THIS SECTION;

12 (j) EMPLOYS A DEVICE, A SCHEME, OR AN ARTIFICE WITH THE  
13 INTENT TO DEFRAUD A BUYER OF A HEARING AID;

14 (k) INTENTIONALLY DISPOSES OF, CONCEALS, DIVERTS, CONVERTS,  
15 OR OTHERWISE FAILS TO ACCOUNT FOR ANY FUNDS OR ASSETS OF A BUYER  
16 OF A HEARING AID THAT IS UNDER THE DISPENSER'S CONTROL; OR

17 (l) CHARGES, COLLECTS, OR RECOVERS ANY COST OR FEE FOR ANY  
18 GOOD OR SERVICE THAT HAS BEEN REPRESENTED BY THE DISPENSER AS  
19 FREE.

20 (2) (a) THIS SECTION APPLIES TO A DISPENSER WHO DISPENSES  
21 HEARING AIDS IN THIS STATE.

22 (b) THIS SECTION DOES NOT APPLY TO THE DISPENSING OF HEARING  
23 AIDS OUTSIDE OF THIS STATE SO LONG AS THE TRANSACTION EITHER  
24 CONFORMS TO THIS SECTION OR TO THE APPLICABLE LAWS AND RULES OF  
25 THE JURISDICTION IN WHICH THE TRANSACTION TAKES PLACE.

26 **SECTION 8.** In Colorado Revised Statutes, **amend** 13-64-303 as  
27 follows:

28 **13-64-303. Judgments and settlements - reported.** Any final  
29 judgment, settlement, or arbitration award against any health care  
30 professional or health care institution for medical malpractice shall be  
31 reported within fourteen days by ~~such~~ THE professional's or institution's  
32 medical malpractice insurance carrier in accordance with section  
33 10-1-120, 10-1-121, 10-1-124, ~~or~~ 10-1-125, ~~C.R.S.~~ OR 10-1-125.7, or by  
34 ~~such~~ THE professional or institution if there is no commercial medical  
35 malpractice insurance coverage, to the licensing agency of the health care  
36 professional or health care institution for review, investigation, and,  
37 where appropriate, disciplinary or other action. Any health care  
38 professional, health care institution, or insurance carrier that knowingly  
39 fails to report as required by this section shall be subject to a civil penalty  
40 of not more than two thousand five hundred dollars. Such penalty shall  
41 be determined and collected by the district court in the city and county of  
42 Denver. All penalties collected pursuant to this section shall be  
43 transmitted to the state treasurer, who shall credit the same to the general  
44 fund.

45 **SECTION 9.** In Colorado Revised Statutes, 25-51-104, **amend**

1 (1)(c) as follows:

2 **25-51-104. Payment and financial resolution.** (1) If a patient  
3 accepts an offer of compensation made pursuant to section 25-51-103 (5)  
4 and receives the compensation, the payment of compensation to the  
5 patient is not a payment resulting from:

6 (c) A malpractice claim settled or in which judgment is rendered  
7 against a professional for purposes of reporting by malpractice insurance  
8 companies under section 10-1-120, 10-1-121, 10-1-124, 10-1-125, or  
9 10-1-125.5, OR 10-1-125.7;

10 **SECTION 10. Act subject to petition - effective date.** This act  
11 takes effect at 12:01 a.m. on the day following the expiration of the  
12 ninety-day period after final adjournment of the general assembly (August  
13 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a  
14 referendum petition is filed pursuant to section 1 (3) of article V of the  
15 state constitution against this act or an item, section, or part of this act  
16 within such period, then the act, item, section, or part will not take effect  
17 unless approved by the people at the general election to be held in  
18 November 2020 and, in such case, will take effect on the date of the  
19 official declaration of the vote thereon by the governor."

20 Page 1, line 103, strike "THE".

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