

Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 24-0623.01 Christopher McMichael x4775

SENATE BILL 24-073

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SENATE SPONSORSHIP

Smallwood and Rodriguez,

HOUSE SPONSORSHIP

Velasco,

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Senate Committees  
Health & Human Services

House Committees

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A BILL FOR AN ACT

101 CONCERNING A CHANGE TO THE MAXIMUM NUMBER OF EMPLOYEES  
102 THAT AN EMPLOYER MAY EMPLOY TO QUALIFY AS A SMALL  
103 EMPLOYER FOR HEALTH-CARE INSURANCE COVERAGE.

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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>.)*

For the purposes of providing health insurance coverage, current law defines a "small employer" as any individual, firm, corporation, partnership, or association that employs between one and 100 employees during a calendar year. Effective January 1, 2026, the bill amends the definition to define a "small employer" as any person that employs

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.*

between one and 50 employees during a calendar year.

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

2           **SECTION 1.** In Colorado Revised Statutes, 10-16-102, **amend**  
3 (40.5)(a) introductory portion, (40.5)(a)(II), (61)(b) introductory portion,  
4 and (61)(b)(II) as follows:

5           **10-16-102. Definitions.** As used in this article 16, unless the  
6 context otherwise requires:

7           (40.5) (a) "Large employer" means any person ~~firm, corporation,~~  
8 ~~partnership, or association~~ that:

9           (II) Employed an average of more than ~~one hundred~~ FIFTY eligible  
10 employees on business days during the immediately preceding calendar  
11 year, except as provided in subsection (40.5)(c) of this section; and

12           (61) (b) ~~Effective January 1, 2016,~~ "Small employer" means any  
13 person ~~firm, corporation, partnership, or association~~ that:

14           (II) Employed an average of at least one but not more than ~~one~~  
15 ~~hundred~~ FIFTY eligible employees on business days during the  
16 immediately preceding calendar year, except as provided in ~~paragraph (c)~~  
17 ~~of this subsection (61)~~ SUBSECTION (61)(e) OF THIS SECTION; and

18           **SECTION 2.** In Colorado Revised Statutes, 10-16-105.1, **amend**  
19 (3.5) as follows:

20           **10-16-105.1. Guaranteed renewability - exceptions - individual**  
21 **and small employer health benefit plans - rules.** (3.5) (a) If a carrier  
22 issues a small group health benefit plan to a small employer that, at the  
23 time the plan was issued, was a small employer but subsequently employs  
24 more than ~~one hundred~~ FIFTY eligible employees, this article 16 and any  
25 rules promulgated by the commissioner concerning small group health

1 benefit plans continue to apply to the health benefit plan as long as the  
2 employer renews its current small group health benefit plan or a similar  
3 plan offered by the carrier pursuant to subsection (3.5)(b) of this section,  
4 in accordance with the renewal requirements applicable to other small  
5 group health benefit plans subject to this article 16 and rules promulgated  
6 by the commissioner pursuant to this article 16.

7 (b) If a small employer was issued a small group health benefit  
8 plan and subsequently employs more than ~~one hundred~~ FIFTY employees  
9 and the employer opts to renew the small group health benefit plan, the  
10 carrier that issued the small group health benefit plan shall offer the  
11 employer the same small group health benefit plan or, if the same plan is  
12 no longer being offered to any small employer, a similar small group  
13 health benefit plan that the carrier offers to other small employers.

14 (c) A carrier that issued a small group health benefit plan to a  
15 small employer shall notify the employer, within sixty days after  
16 becoming aware that the employer employs more than ~~one hundred~~ FIFTY  
17 employees, but no later than the anniversary date of the issuance of the  
18 employer's health benefit plan, that the provisions of Colorado law  
19 governing small group health benefit plans will cease to apply to the  
20 employer if the employer fails to renew its current small group health  
21 benefit plan or elects to enroll in a different health benefit plan.

22 **SECTION 3.** In Colorado Revised Statutes, 10-16-1401, **amend**  
23 (15)(a) introductory portion and (15)(a)(II) as follows:

24 **10-16-1401. Definitions.** As used in this part 14, unless the  
25 context otherwise requires:

26 (15) (a) "Large employer" means any person ~~firm, corporation,~~  
27 ~~partnership, or association~~ that:

1           (II) Employed an average of more than ~~one hundred~~ FIFTY eligible  
2 employees on business days during the immediately preceding calendar  
3 year, except as provided in subsection (15)(c) of this section; and

4           **SECTION 4. Act subject to petition - effective date.** This act  
5 takes effect January 1, 2026; except that, if a referendum petition is filed  
6 pursuant to section 1 (3) of article V of the state constitution against this  
7 act or an item, section, or part of this act within the ninety-day period  
8 after final adjournment of the general assembly, then the act, item,  
9 section, or part will not take effect unless approved by the people at the  
10 general election to be held in November 2024 and, in such case, will take  
11 effect January 1, 2026, or on the date of the official declaration of the  
12 vote thereon by the governor, whichever is later.