

Improving Colorado Insurance Affordability Through Climate Resiliency



Affordability is top-of-mind for everyone – consumers, lawmakers and insurers alike.

But we've seen in other states that over-regulating the competitive marketplace ends up harming consumers. In short, insurance availability and affordability are intertwined. Let's work together to bolster the competitive marketplace through a focus on climate resiliency.

Please help your constituents mitigate costs while better protecting their communities. Support policies that improve or implement science-based, community-level resiliency efforts. Oppose proposals to inject more costs into an already-strained marketplace.

Focus on Affordability:

Hail



Colorado has the second most hail claims in the country. More frequent roof replacements make this peril the number one driver of homeowners insurance costs in the state. As we've seen in other states like Alabama, we must seek risk-reduction solutions such as FORTIFIED roofs – which is a scientifically backed, proven way to mitigate damages and reduce costs in the system.

- Many insurers already offer consumers premium discounts for impact-resistant roofs.
- Community- and state-level education on fortified roofs is vital for broad adoption – and scale matters in helping to reduce costs to consumers.
- Simplifying consumer-focused mitigation grant proposals – including identifying common ground on source of funding – will help stabilize market and avoid layering in more costs.
- Contractor fraud is rife after hailstorms – addressing this issue is a top priority.

Wildfire



Colorado State Forest Service estimates half of the state's population lives in high-risk wildfire areas. Like hail damage, community-level mitigation is key.

- The state's private reinsurance market is working as intended – and even improving.
- State-funded reinsurance programs (as proposed in 2025's HB25-1302) have proven ineffective in other states, and actually shift costs to the taxpayer instead of improving statewide affordability.
- To improve insurance availability, we must focus on finding a funding source for wildfire mitigation programs to incentivize homeowner participation. Requiring insurers to increase exposure in high-risk wildfire areas (as proposed in HB25-1302) is actually detrimental to availability, and in turn, affordability for consumers.

What Works: Scientifically Backed Mitigation Efforts

Passed last year, HB25-1182 allows individuals to receive discounts by participating in scientifically backed mitigation programs. **We must focus on building upon this momentum to improve the competitive marketplace and, in turn, promote affordability.**

Scalable, community-focused solutions start at the individual level.

- A recent analysis found that hail mitigation efforts can save consumers up to \$387 per year.
- Wildfire mitigation savings remains an opportunity area as HB25-1182 efforts continue to take hold.

Average Consumer Savings with Hail and Wildfire Mitigation

