

[New consumer protections may not apply to fire victims](http://www.koaa.com/news/new-consumer-protections-may-not-apply-to-fire-victims/)

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As Black Forest families who lost homes in the fire begin filing out insurance claims, they should know that state law has changed to protect them. House Bill 1225, which was signed into law last month, requires insurance companies offer policies that pay for living expenses for at least 12 months and up to 24 months in the event of catastrophic loss.

It also gives policy holders the option of taking cash up front (30 percent of their overall policy amount) contents coverage. Homeowners can also take more time to fill out inventory sheets and an exact payout for those contents. The law also extends the statute of limitations from one year to three under which policy holders can sue their insurers.

“A lot of people assume because they’re paying a premium every year and have home owner insurance that if there is a tragedy and they lose their home, they’re covered,” said State Rep. Claire Levy who sponsored the bill in the house. “Sadly, after Fourmile Canyon, that wasn’t the case.”

Levy first introduced the legislation two years ago after the Fourmile Canyon Fire which burned over 6,000 acres and destroyed 161 homes outside of Boulder in September of 2010. It took last summers Waldo Canyon Fire to get enough political support to pass the law.

The law doesn’t take effect until January 1, 2014 and insurers aren’t obligated to honor it until then. Levy expects that many will abide the new requirements when handling policies for Black Forest Families.

“I think would be a pretty large breach of faith for insurance companies to stick to the letter of the policy and say, oh we don’t have to do this until January first,” she said.

Insurance trade groups tell News 5 that many companies already abide by similar rules.



“People shouldn’t panic that they won’t be able to have the benefit of House Bill 1225,” said Carole Walker of the Rocky Mountain Insurance Information Association. “In many cases that is just going to codify what many companies already do but it’ll make it more uniform.”

Still, there is no guarantee that all companies will abide by those rules. So, consumer advocacy groups like United Policy Holders are urging Black Forest families to stay alert during the claims process.

“The best thing that somebody can do to ensure a good outcome is to be an informed and empowered policy holder,” said Amy Bach, Executive Director of United Policy Holders.

Members of their group have set up a booth at the county’s Disaster Assistance Center at 1575 Garden of the Gods Road. Volunteers are handing out tip sheets for homeowners to follow while working through their claims.

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