



Roadmap to Recovery®  
Advocacy and Action  
Roadmap to Preparedness

January 31, 2024

Colorado General Assembly  
Business Affairs & Labor Committee  
200 E. Colfax Avenue  
Denver, CO 80203

**RE: SUPPORT House Bill 24-1011 (Brown)**

Dear Chair Amabile,

United Policyholders writes to express our strong support for House Bill 24-1011, authored by Representative Kyle Brown.

HB 24-1011 will help Colorado residents better navigate the insurance claims process in coordination with their mortgage servicer by providing consistent, transparent guidance that will enable homeowners with mortgages to more quickly rebuild without incurring additional debt, stress, and added work as they struggle to receive funds for rebuilding in a timely manner, and receive the interest proceeds that they are owed without undue burden.

Insurers typically issue all dwelling payments in the names of both the homeowner and the mortgage servicer, even though the dwelling amount above the mortgage balance is owed to the homeowner. Homeowners have to expend tremendous effort to secure those funds from the mortgage service, funds which often are needed to jumpstart the construction, especially for those who are underinsured. This bill will eliminate this added stress by requiring prompt disbursement of the excess amount.

The requirement to work with the borrower to create a rebuild plan with mutually agreed to milestones for disbursement of insurance funds will level the playing field between mortgage servicers and borrowers and is key to returning families to their homes in a timely manner. Without this protection, borrowers often face borrowing additional funds or raiding their retirement accounts to cover the gap in payments that occurs when a mortgage servicer determines their own set milestones (25%, 50%, 75%) for completion that do not align with the builder's

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milestones, delaying the rebuilding process until funds are cobbled together or agreement is reached with the mortgage servicer.

About United Policyholders: United Policyholders (UP) is a national non-profit 501(c)(3) organization founded in 1991 that is a voice and an information resource for insurance consumers in California and throughout the U.S. UP's work is divided into three program areas: Roadmap to Recovery<sup>®</sup> (disaster recovery and claim help), Roadmap to Preparedness (financial literacy and disaster resiliency), and Advocacy and Action (advancing pro-policyholder laws and public policy).  
[www.uphelp.org](http://www.uphelp.org)

United Policyholders does not sell insurance or accept funding from insurance companies. UP serves Colorado residents and business owners, and coordinates on a regular basis with public officials and the Colorado Division of Insurance. We respectfully request your “AYE” vote on HB 24-1011, as currently drafted. Thank you for your thoughtful consideration of this important homeowner protection measure.

Sincerely,



Valerie Brown  
Deputy Executive Director

cc: Representative Kyle Brown