United Policyholders™

Roadmap to Recovery™
Advocacy and Action
Roadmap to Preparedness

November 9, 2026

Colorado Division of Insurance
Colorado Department of Regulatory Agencies
Denver, Colorado

Re: Public Comments on Proposed Emergency Regulations Addressing Insurance Protections for Coloradans Impacted by the 2026 Floods

Dear Commissioner Conway and team,

United Policyholders (UP) appreciates the Colorado Division of Insurance's leadership in responding to the insurance challenges facing Coloradans affected by the 2026 floods. We commend the Division for recognizing that disaster survivors need meaningful protections against insurance practices that can compound the financial and emotional consequences of a disaster.

UP strongly supports the Division's proposed emergency regulations addressing property insurance cancellations and non-renewals, FEMA-related coverage requirements, flood damage determinations, temporarily relocated personal property and expedited auto claims.

These protections recognize an important principle: Policyholders should not lose insurance protections or face adverse treatment because of circumstances beyond their control resulting from a declared disaster. When roads are inaccessible, utilities are unavailable, government authorities prohibit re-occupancy, or federal assistance requirements affect the timing of an insurance claim, consumers should not bear additional insurance-related penalties.

United Policyholders is a nonprofit organization dedicated to educating and advocating for insurance consumers and disaster survivors. Through our work with wildfire, flood, hurricane, and other disaster-affected communities, we have seen how insurance delays, coverage disputes, cancellations, and inadequate claims practices can impede recovery long after the immediate disaster has passed. Our Roadmap to Recovery program provides practical guidance and support to individuals and communities navigating insurance claims and rebuilding. We offer the following comments and recommendations to strengthen the proposed emergency protections.

UP strongly supports prohibiting insurers from canceling or nonrenewal of property insurance policies when policyholders cannot return to their homes because of flood-related circumstances beyond their control. A homeowner's inability to return to a property does not necessarily mean the property has been abandoned or that the policyholder no longer intends to occupy the residence. Flooding can make homes inaccessible or uninhabitable for extended periods due to damaged roads, unavailable utilities, government restrictions, structural damage, contamination, and ongoing repairs. Policyholders should not be penalized for circumstances they did not create and cannot reasonably control.

We recommend the Division clarify that this protection:

- Applies throughout the period of disaster-related displacement, including the time required for cleanup, repairs, reconstruction, inspections, and restoration of essential utilities.
- Covers circumstances involving evacuation orders, government restrictions, inaccessible roads, damaged infrastructure, and unavailable water, electricity, gas, or other essential services.
- Does not require policyholders to demonstrate they have continuously attempted to return to the property when doing so is unsafe or prohibited.
- Applies regardless of whether the policyholder is temporarily residing with family, in rental housing, in temporary accommodations, or elsewhere.
- Prohibits insurers from using disaster-related displacement as a basis for cancellation, nonrenewal, or other adverse underwriting treatment.

The protection should remain in effect until the policyholder has a reasonable opportunity to return to and reoccupy the property, subject to applicable policy terms and the duration of the emergency protections.

The Division should also clarify insurers cannot circumvent this protection by characterizing a cancellation or nonrenewal as a general underwriting decision when the underlying reason is the policyholder's inability to return following the floods.

UP supports protecting policyholders from adverse insurance consequences when FEMA requires an insurance coverage denial before providing disaster assistance. Disaster survivors frequently must navigate multiple sources of recovery funding, including insurance, FEMA, SBA disaster assistance, state and local programs, and charitable assistance. These programs have different eligibility requirements and often require documentation from one source before another will provide assistance.

A FEMA requirement that an applicant first must obtain an insurance coverage determination should not become an additional burden imposed by the insurance company.

We recommend the Division expressly prohibit insurers from treating a coverage denial or other claim determination required for FEMA eligibility as a basis for:

- Canceling or nonrenewing a policy.
- Increasing premiums or imposing surcharges.
- Applying adverse underwriting classifications or risk designations.
- Reducing available coverage or imposing additional restrictions.
- Taking retaliatory or otherwise adverse action against a policyholder for seeking disaster assistance.

The Division should also clarify insurers must continue to investigate and adjust claims in good faith and cannot use FEMA or SBA documentation requirements as a reason to delay a coverage determination or avoid their contractual obligations.

A policyholder's request for a coverage determination to establish eligibility for federal assistance should not prejudice the policyholder's insurance relationship or future coverage.

UP supports requiring insurers to establish that damage was directly caused by the 2026 flooding before attributing it to the floods or limiting coverage on that basis. After a disaster, policyholders can face significant challenges when insurers attribute pre-existing damage, unrelated conditions, or other losses to the disaster without sufficient investigation or supporting evidence.

An insurer should not be permitted to deny or limit coverage for damage by simply labeling it flood-related. Coverage determinations should be based on the actual and specific cause of the damage, the applicable policy language, and a reasonable investigation of the individual claim. We recommend the Division require insurers to:

- Establish a reasonable, claim-specific factual basis for attributing damage to the 2026 floods.
- Identify the specific damage being attributed to flooding and explain the evidence supporting that determination.
- Distinguish flood-related damage from pre-existing conditions and damage caused by other events.
- Provide policyholders with a written explanation of the factual and policy basis for any denial or limitation of coverage.
- Avoid blanket assumptions that all damage discovered after the floods was necessarily caused by the floods.

The Division should also clarify this provision does not narrow coverage for ensuing or otherwise covered damage under the applicable policy or override existing contractual or legal obligations.

Where causation is disputed, policyholders should have access to the relevant inspection findings, expert reports, photographs, and other evidence relied upon by the insurer.

UP strongly supports requiring insurers to maintain personal property coverage at the same applicable amount when belongings are temporarily removed from insured premises because of the floods. Evacuation and displacement frequently require families to move their belongings to temporary housing, storage facilities, relatives' homes, or other safe locations. Consumers should not lose coverage simply because they took reasonable steps to protect their possessions from further damage.

We recommend the Division clarify that:

- Coverage applies to personal property temporarily relocated because of evacuation, flood damage, cleanup, or repairs.
- The applicable personal property coverage limits remain unchanged during the period of disaster-related displacement.
- Coverage is not reduced solely because belongings are located at temporary housing, a storage facility, or another temporary location.
- Policyholders are not required to return belongings to an uninhabitable or unsafe residence to preserve coverage.
- Insurers provide clear instructions regarding documentation and any applicable notice requirements.

The protection should continue until the insured residence is reasonably ready for re-occupancy and the policyholder has had an opportunity to return their belongings. The Division should also ensure this emergency protection is not interpreted to create additional coverage beyond the applicable policy limits, but rather to preserve the coverage that policyholders would otherwise have maintained had the disaster not required them to relocate their possessions.

UP supports requiring insurers to expedite covered automobile claims arising from the floods.
Reliable transportation is essential to disaster recovery. Survivors need vehicles to access temporary housing, employment, medical appointments, schools, cleanup resources, and rebuilding services. Delays in processing automobile claims can create additional financial hardship and interfere with a family's ability to recover. We recommend the Division establish clear expectations for expedited claims handling, including:

- Prompt acknowledgment of automobile claims.
- Timely inspections and damage assessments.
- Expedited determinations of repairability and total loss.
- Prompt communication regarding coverage decisions and required documentation.
- Timely payment of covered claims.
- Appropriate attention to rental vehicle coverage and other transportation-related benefits available under the policy.

Insurers should also be expected to communicate regularly with policyholders when delays occur and explain what additional information, if any, is needed to move the claim forward. The Division should monitor compliance with these requirements and provide consumers with a clear process for reporting unreasonable delays or other claims-handling problems.

Implementation, Consumer Communication, and Enforcement
While the proposed emergency protections are important, their effectiveness will depend on clear implementation, consistent application, and meaningful oversight. Disaster survivors are often unfamiliar with their insurance rights and may not know when an insurer's actions violate emergency protections. They may also be dealing with displacement, damaged records, financial uncertainty, and competing recovery demands.

UP recommends the Division take the following additional steps:

1. Issue clear consumer guidance. Publish plain-language explanations of the emergency protections, including examples of prohibited insurer conduct, applicable time periods, and instructions for filing complaints.

2. Require direct insurer communication. Require affected insurers to notify policyholders of the emergency protections and explain how to access them. Information should be available in multiple languages and accessible formats.

3. Establish a streamlined complaint process. Provide a clearly identified process for reporting cancellations, nonrenewals, claim delays, improper damage attribution, and failures to provide required coverage or benefits.

4. Monitor insurer compliance. Track complaints and identify patterns of noncompliance, particularly involving displaced homeowners, delayed claims, and adverse underwriting actions.

5. Make protections enforceable. Clarify that violations of the emergency regulations may be addressed through the Division's existing enforcement authority and applicable consumer protection laws.

6. Provide consistent and transparent timeframes. Establish reasonable deadlines for insurer communications, claims determinations, and responses to consumer inquiries during the emergency period.

United Policyholders appreciates the Division's proactive response to the insurance challenges facing Coloradans affected by the 2026 floods. The proposed emergency regulations are an important step toward ensuring disaster survivors are not subjected to additional insurance-related hardship while trying to restore their homes, replace their belongings, and maintain transportation.

The protections should recognize disaster recovery does not end when floodwaters recede. Families may remain displaced for months or longer while homes are repaired, infrastructure is restored, and communities recover. Insurance is a critical source of financial protection after a disaster. Policyholders should be able to rely on the coverage they purchased without facing cancellation, nonrenewal, unnecessary claim delays, or other adverse treatment because of disaster-related circumstances beyond their control.

We urge the Division to adopt the proposed emergency protections and incorporate the recommendations outlined in this letter to ensure they are comprehensive, clearly communicated, consistently applied, and enforceable.

Thank you for the opportunity to comment and for the Division's continued commitment to protecting Colorado insurance consumers.

Respectfully submitted,



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