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April 14, 2026

Senate Finance Committee  
Colorado General Assembly  
200 E Colfax Avenue  
Denver, CO 80203

Chair Kipp and Members of the Committee,

My name is Elyse Schupak and I am a policy advocate with Public Citizen, a nonprofit consumer advocacy organization working to advance the public interest in government, with over 29,000 members and supporters in Colorado. **I am testifying in support of S.B. 155 to create the Strengthen Colorado Homes Enterprise.**

Escalating climate disasters, including wildfires and severe convective storms, are driving up insurance costs and reducing insurance availability in Colorado. Between 2021 and 2024, property insurance costs in the state increased by 27 percent, outpacing inflation by 14 percent.<sup>1</sup> In some geographies, standard insurance is entirely unavailable due to insurer retreat from climate-vulnerable areas. The rising cost of property insurance is creating financial strain for many homeowners. Research published by the Federal Reserve Bank of Dallas found that rising property insurance costs are driving up household indebtedness as well as mortgage and credit card delinquencies.<sup>2</sup>

The insurance industry's approach of managing growing climate-related losses through rate increases and retreat has proved profitable for insurers. In 2024, the insurance industry took in \$25 billion in underwriting profit and \$164 billion in investment income.<sup>3</sup> The property

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<sup>1</sup> Sharon Cornelissen et al., Overburdened: The Dramatic Increase in Homeowners Insurance Premiums and its Impacts on American Homeowners, The Consumer Federation of America (April 2025), <https://consumerfed.org/wp-content/uploads/2025/03/OverburdenedReport.pdf>.

<sup>2</sup> Shan Ge, Stephanie Johnson, and Nitzan Tzur-Ilan, Climate Risk, Insurance Premiums, and the Effects on Mortgage and Credit Outcomes, the Federal Reserve Bank of Dallas (Jan. 2025), <https://www.dallasfed.org/-/media/documents/research/papers/2025/wp2505.pdf>.

<sup>3</sup> Kenny Stancil, Don't Let Home Insurers Fool You. They're More Profitable Than Ever, The Revolving Door Project (July 14, 2025), <https://therevolvingdoorproject.org/mapping-the-home-insurance-crisis-underwriting-profits/>.

insurance industry had another windfall year in 2025. S&P Global estimates insurers made nearly \$60 billion in underwriting profit last year.<sup>4</sup>

But continued rate increases and retreat will not support viable property insurance markets over the long-term. Insurance companies should invest in building climate resilience that will reduce losses in the event of a disaster and keep properties insurable.

S.B. 155 will create the Strengthen Colorado Homes Enterprise. The enterprise will have the authority to collect an annual fee from insurance companies, equaling 0.5 percent of revenue collected on multiperil homeowner's insurance lines, and distribute the collected fees to homeowners as grants for resilient roof retrofits.

The rise of severe convective storms in Colorado, with an estimated 1.5 million homes in the state at risk of hail damage, heightens the need and urgency of widespread roof fortification.<sup>5</sup> The Division of Insurance finds that hail risk is responsible for 26-54 percent of Colorado homeowners' insurance premiums, and hail mitigation has the potential to save consumers \$82–\$387 per year.<sup>6</sup> FORTIFIED roof upgrades have a proven track record of success across perils, including high wind and hail. A study of insurance claims and payments in Alabama following Hurricane Sally in 2020 found that homes with FORTIFIED roofs had at least 55 percent lower claim frequency and 15 percent lower claim severity than homes with standard roofs.<sup>7</sup>

The Strengthen Colorado Homes Grant Program will be particularly valuable to low- and moderate-income homeowners who do not have the ability to make up-front investments in climate resilience but would benefit most from reductions in climate damages and costs over the long-term.

Public Citizen urges the committee to pass S.B. 155. Thank you for your time and attention to this issue.

Elyse Schupak  
Policy Advocate  
Public Citizen

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<sup>4</sup> Jean Eaglesham, The Uproar Over Affordability Is Coming for Insurers, The Wall Street Journal (Jan. 22, 2026), <https://www.wsj.com/finance/the-uproar-over-affordability-is-coming-for-insurers-3a85723a?>

<sup>5</sup> Risk Report 2026: Severe Convective Storms, Cotality (Mar. 24, 2026), <https://www.cotality.com/resources/reports/2026-cotality-severe-convective-storm-risk-report>.

<sup>6</sup> Hail is the Number One Cost Driver of Insurance in Colorado, Colorado Department of regulatory Agencies Division of Insurance, [https://doi.colorado.gov/sites/doi/files/documents/DOI\\_Hail\\_One\\_Pager.pdf](https://doi.colorado.gov/sites/doi/files/documents/DOI_Hail_One_Pager.pdf).

<sup>7</sup> Performance of IBHS FORTIFIED Home™ Construction in Hurricane Sally, Alabama Department of Insurance & Center for Risk and Insurance Research, University of Alabama (May 5, 2025), <https://aldoi.gov/PDF/News/PerformanceIBHSFortifiedHomeConstructionHurricaneSally.pdf>.