

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Finance.

SB26-155 be amended as follows:

1 Amend reengrossed bill, page 18, after line 17 insert:

2 **"10-4-2005. Study regarding insurance risk in high-risk**
3 **wildfire areas of the state - repeal.**

4 (1) THE BOARD SHALL CONDUCT OR CAUSE TO BE CONDUCTED A
5 STUDY TO ANALYZE:

6 (a) THE INSURANCE RISK IN HIGH-RISK WILDFIRE AREAS OF THE
7 STATE, INCLUDING AN ANALYSIS OF THE DEGREE OF MARKET COMPETITION
8 AMONG INSURERS IN THOSE AREAS; AND

9 (b) THE IMPACT OF A HIGH RISK PROGRAM ON THE POTENTIAL
10 LOSSES IN THE HIGH-RISK WILDFIRE AREAS OF THE STATE AND ON THE
11 AVAILABILITY OF HOMEOWNER'S INSURANCE IN THOSE AREAS.

12 (2) THE STUDY SHALL EVALUATE AND MAKE RECOMMENDATIONS
13 REGARDING THE STRUCTURE OF A HIGH RISK PROGRAM, APPROPRIATE
14 ATTACHMENT POINTS AND CAPS, AND WAYS TO AVOID COMPETITION WITH
15 THE PRIVATE INSURANCE MARKET. THE STUDY MAY EXPLORE POTENTIAL
16 FUNDING MECHANISMS FOR THE PROGRAM.

17 (3) THE BOARD MAY CONTRACT WITH A THIRD PARTY TO CONDUCT
18 ALL OR PART OF THE STUDY. THE BOARD, OR A THIRD PARTY THE BOARD
19 ENTERS INTO A CONTRACT WITH TO CONDUCT THE STUDY, SHALL ENGAGE
20 WITH RELEVANT STAKEHOLDERS IN CONDUCTING THE STUDY. RELEVANT
21 STAKEHOLDERS MUST INCLUDE, AT A MINIMUM:

22 (a) REPRESENTATIVES OF REINSURERS;

23 (b) REPRESENTATIVES OF INSURERS WRITING HOMEOWNER'S
24 INSURANCE CONTRACTS OR POLICIES IN COLORADO;

25 (c) REPRESENTATIVES OF REINSURANCE BROKERS;

26 (d) INDIVIDUALS WITH EXPERTISE IN COMPLEX FINANCIAL
27 INSTRUMENTS AND DEBT INSTRUMENTS; AND

28 (e) CONSUMERS OR INDIVIDUALS WITH EXPERIENCE IN WILDFIRE
29 MITIGATION.

30 (4) THE BOARD SHALL SUBMIT THE STUDY REQUIRED BY
31 SUBSECTIONS (1) AND (2) OF THIS SECTION TO THE HOUSE OF
32 REPRESENTATIVES TRANSPORTATION, HOUSING, AND LOCAL GOVERNMENT
33 COMMITTEE AND THE SENATE LOCAL GOVERNMENT AND HOUSING
34 COMMITTEE, OR THEIR SUCCESSOR COMMITTEES, AND SHALL PUBLISH THE
35 STUDY ON THE DIVISION'S WEBSITE.

36 (5) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2031."

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