

House Business Affairs & Labor

03/25/2026

HB26-1247 Property Insurance Appraisal Clause Claim Disputes

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
Jeany Rush For themselves	TO: HOUSE BUSINESS AFFAIRS AND LABOR RE: BH26-1247 PROPERTY INSURANCE APPRAISAL CLAUSE CLAIM DISPUTES SPONSOR: R KELTIE FROM: JEANY RUSH COLORADO CONSTITUENT 3-25-26 VOTE: YES â€â€. But Folks This bill does answer a much needed area for protections of home/property owners in relation to claims with their insurers. However, there is an area of concern that may need to be addressed. When you mandate an insurance company, you have stepped into business relations. Perhaps the better way to address this would be that all insurance companies must provide, show how they intend to handle this issue, so a buyer of the insurance can decide to do business or not. In real estate confrontations, those that go to trial, most of the time the judge will make it go to mediation, prior to an all out trial. Your umpire is much like a mediator. There needs to be equal recourse for the insured and the insurer. My concern is in how this is accomplished, without a mandate on private business. There is a fine line between consumer protection and mandatory rules for conducting business with consumers. Maybe I am misunderstanding this bill, but I really do believe it is needed, but its in the framing.

	<p>Remember how much trouble the burn victims have had, and today in getting their settlements / claims resolved, in a timely manner, and many got too little, which was a total scam on the people.</p> <p>We are creating more victims nationwide, as a result of too much Globalist policy encroaching into America!</p>
<p>John Robison</p> <p>For</p> <p>The Property Loss Appraisal Network (P.L.A.N.)</p>	<p>Statement in Support of HB 26-1247</p> <p>From The Property Loss Appraisal Network (P.L.A.N.)</p> <p>Dear Honorable Chair and Members of the Committee:</p> <p>The Property Loss Appraisal Network (P.L.A.N.) respectfully submits this statement in support of House Bill 26-1247.</p> <p>P.L.A.N. is an independent, professional organization dedicated to the education, certification, and ethical standards of appraisers and umpires involved in the property insurance appraisal process across the United States and within the great state of Colorado. Our mission in our training and certification programs is to promote a fair, competent, and unbiased appraisal system that serves both policyholders and insurers.</p> <p>HB 26-1247 represents an important step forward in strengthening the integrity and effectiveness of the claims resolution process of appraisal in Colorado.</p> <p>First, the bill establishes a clear and structured appraisal framework for resolving disputes regarding the amount of loss, causation, and scope of repairs. A well-defined appraisal process reduces ambiguity and ensures that disputes are addressed by qualified professionals rather than prolonged through costly litigation.</p> <p>Second, the bill emphasizes the importance of selecting fair and competent appraisers and umpires, which is fundamental to maintaining trust in the process. P.L.A.N. strongly supports this focus, as the credibility of appraisal depends on neutrality, experience, and adherence to ethical standards.</p>

	<p>Third, the inclusion of reasonable timelines promotes efficiency and accountability. Timely resolution is critical for policyholders who are seeking to repair their homes and return to normalcy after a loss.</p> <p>In our experience, when appraisal is conducted by trained and ethical professionals, it is one of the most effective tools available to resolve disputes quickly and fairly, often without the need for further legal action.</p> <p>HB 26-1247 reinforces these principles and helps ensure that Colorado homeowners have access to a balanced, transparent, and reliable dispute resolution process.</p> <p>For these reasons, P.L.A.N. supports the passage of HB 26-1247.</p> <p>Respectfully submitted,</p> <p>John C. Robison Founder & Lead Educator / Certifier of Appraisers and Umpires The Property Loss Appraisal Network (P.L.A.N.)</p>
<p>Ken Hunter For themself</p>	<p>My name is Ken Hunter. I am a long-time homeowner and resident of Littleton, CO.</p> <p>I am requesting your support of CO HB26-1247.</p> <p>My residence, along with many others in my neighborhood, experienced a severe hailstorm that produced significant roof damage in July 2023. I subsequently filed a claim with Farmers. After inspecting my roof, Farmers denied coverage stating that any roof damage they found was the result of "wear and tear".</p> <p>Following several months of back-and-forth wrangling with Farmers regarding the hail damage, I sought the assistance of an appraiser</p>

	<p>(Steve Ziegler of Reserve Capital). The actions of the appraiser, his knowledge of roof damage cases and how to interface with a reluctant insurer resulted in a settlement payment to cover the cost of a full roof replacement based on significant hail damage related to the hail storm of July 8, 2023. The appraiser’s efforts served to reduce the delays and foot-dragging of the Farmers claims process. The appraiser’s involvement produced a valid, documented assessment of the actual roof damage that caused Farmers to reverse their position and pay my claim.</p> <p>The role of the appraiser is absolutely essential to the adjudication of a damage claim and related payment.</p> <p>Thank you for representing citizens in this matter!</p> <p>Best Regards, Ken Hunter 4758 West Lake Circle South Littleton, CO 80123</p>
<p>Raymond Altieri III For National Association of Public Insurance Adjusters</p>	<p>Members of the Committee,</p> <p>I write on behalf of the National Association of Public Insurance Adjusters (NAPIA) in support of House Bill 26-1247.</p> <p>NAPIA is a national trade association founded in 1951 and represents licensed public adjusters across the United States. Our mission is centered on protecting policyholders and ensuring fair and balanced outcomes in the insurance claims process.</p> <p>We support HB26-1247 to the extent it strengthens consumer protections, promotes transparency in the claims process, and reinforces the importance of working with licensed professionals. HB26-1247 includes a mandatory and binding appraisal process, as well as specifies the appraisal process requirements including who can serve as a fair and competent appraiser and umpire. This bill also provides a timeline for completing the appraisal process and also a</p>

	<p>deadline for insurers to determine coverage and provide the determination in writing to the insured. Clear standards, proper oversight, and accountability within the claims environment benefit both consumers and the industry as a whole.</p> <p>Licensed public adjusters serve as fiduciaries to policyholders and help insureds navigate what is often a complex and unfamiliar process following a loss. Measures that encourage ethical conduct, prevent unlicensed activity, and improve clarity in claims handling are consistent with long-standing public policy goals.</p> <p>We appreciate the Legislature’s focus on consumer protection and stand ready to work collaboratively to ensure that any reforms both protect the public and preserve a policyholder’s right to obtain qualified representation.</p> <p>Thank you for your consideration.</p> <p>Sincerely,</p> <p>Raymond A. Altieri III President and CEO Altieri Insurance Consultants 4th Vice President of the National Association of Public Insurance Adjusters</p>
<p>Rodney Mitchell For himself</p>	<p>Chair Ricks, Vice Chair Camacho, and members of the Committee,</p> <p>My name is Rodney Mitchell, and I am testifying today in support of House Bill 26-1247. I am here representing myself.</p> <p>I support HB26-1247 because it improves the homeowner’s insurance claims process by promoting timely claim resolution, increasing transparency, and creating a more balanced appraisal process between insurers and policyholders. When homeowners experience property damage, they are often navigating a stressful and</p>

	<p>time-sensitive situation. Delays or unclear procedures in the appraisal process can add unnecessary hardship.</p> <p>This bill helps address those concerns by establishing clearer expectations for claim handling and encouraging timely adjustment of disputes. By strengthening the appraisal process, HB26-1247 provides homeowners with a fair path to resolution while still preserving the role of insurers in evaluating claims. This balance is important to ensure both accountability and efficiency.</p> <p>Additionally, providing structure around timelines and responsibilities helps reduce prolonged disputes, which benefits homeowners, insurers, and the broader market. Greater clarity in statute can also reduce litigation and create more predictable outcomes for all parties involved.</p> <p>Ultimately, HB26-1247 promotes fairness, transparency, and timely resolution in property insurance claims. These are reasonable and practical improvements that help Coloradans recover more quickly after property loss.</p> <p>For these reasons, I respectfully urge the committee to vote yes on HB26-1247.</p> <p>Thank you for your time and consideration. I am happy to answer any questions.</p> <p>I personally went through two Appraisal processes regarding two of my Smoke Damaged properties in Superior, Colorado and would very much appreciate the opportunity to testify about this experience.</p> <p>Sincerely,</p> <p>Rodney Mitchell 720-519-8324 freedom2day2000@yahoo.com</p>
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March 25, 2026

The Honorable Naquetta Ricks and
Members of the Business Affairs & Labor Committee
House of Representatives
Colorado General Assembly
200 E. Colfax Avenue
Denver, Colorado 80203

Correspondence Sent Via Email

RE: Colorado HB26-1247, Property Insurance Appraisal Clause Claim Disputes

Dear Chair Ricks and Members of the Committee:

On behalf of the National Association of Mutual Insurance Companies (NAMIC), the American Property Casualty Insurance Association (APCIA), and the Rocky Mountain Insurance Association (hereafter referred to as the “trades”), we write to share concerns regarding **HB26-1247, Property Insurance Appraisal Clause Claim Disputes**.

As drafted, the bill would require each homeowners insurance policy issued or renewed on or after January 1, 2027, to include a mandatory, binding appraisal process—upon request of either the insured or the insurer—to determine the amount of loss for disputed claims. In our view, this requirement is likely to increase the number of disputes, raise claim and administrative costs, and delay payments to policyholders. Over time, these costs would be reflected in rates, making coverage more expensive for Colorado consumers.

The bill also establishes a framework that may create significant conflicts of interest and increase the risk of unnecessary litigation. Appraisal disputes may be initiated and managed by a retained representative of the policyholder, such as an attorney or public adjuster. However, the bill does not expressly prohibit an attorney from the same firm as the policyholder’s counsel from serving as an appraiser or umpire. Although a conflict could ultimately lead to disqualification, the insurer would bear the cost of raising and addressing that issue. Similarly, the bill does not address same-firm affiliations among public adjusters.

In addition, HB26-1247 specifies certain occupations that may serve as appraisers and umpires based primarily on legal expertise, rather than on technical qualifications that may be relevant to property damage (for example, architecture, construction, or engineering). The bill also allows policyholders to rely on third-party damage assessments from service providers that could have a financial interest in performing the disputed repairs.

Finally, implementation of HB26-1247 would require insurers to modify operational processes and cycle-time metrics to comply with the new requirements. Those additional administrative and claim costs would be incorporated into rates, increasing costs and potentially reducing the affordability of property insurance for Coloradans.

For these reasons, the trades respectfully urge the Committee to oppose HB26-1247. Thank you for your consideration of these joint trade comments.

Respectfully Submitted,



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Testimony Opposing HB26-1247 – Property Insurance Appraisal Clause Claim Disputes

The National Association of Insurance and Financial Advisors – NAIFA Colorado—representing hundreds of advisors who serve Main Street families and businesses throughout the state—respectfully submits this testimony in opposition to HB1247. NAIFA members are committed to helping Coloradans protect themselves from life’s uncertainties, prepare for retirement, and build lasting financial security. We live in the communities we serve, and our mission is grounded in long-term client relationships and consumer-focused guidance.

NAIFA Colorado strongly supports a regulatory environment that safeguards consumers, promotes transparent and competitive markets, and enables insurance professionals to assist Coloradans when they face significant losses. Unfortunately, HB1247 does not advance these goals and instead introduces new issues that will have a negative impact on the homeowners’ insurance market.

Currently, most homeowners’ insurance policies already include an appraisal clause that allows either the insurer or the policyholder to invoke appraisal when there is a dispute about the amount of a covered loss. This process is well-established and designed specifically for disagreements over valuation—not for broader questions such as causation or the scope of required repairs.

HB1247 would significantly expand the appraisal process beginning January 1, 2027, by requiring all homeowners insurance policies to include a mandatory, binding appraisal clause that can be invoked to resolve disputes not only about the amount of loss but also about causation and the necessary scope of repair or replacement. The bill prescribes a set of procedural requirements, qualifications for participants, timelines, and cost allocations. It also categorizes intentional or repeated violations of the clause by insurers as unfair competition or deceptive trade practices.

While well-intentioned, this expansion of the appraisal process is not a workable solution in today’s market. Broadening appraisal into areas traditionally addressed through claims investigation or legal resolution risks creating inconsistent outcomes, increasing costs, and reducing efficiency for consumers. Mandatory binding appraisal—particularly for complex causation and repair-scope disputes—could inadvertently slow down claims resolution and contribute to rising premiums at a time when Colorado homeowners are already facing affordability challenges.

For these reasons, and in support of a balanced regulatory framework that truly protects consumers without destabilizing the insurance market, NAIFA Colorado respectfully opposes HB1247.