

# STATE OF COLORADO

DEPARTMENT OF REGULATORY AGENCIES

D. Rico Munn

Executive Director

## DIVISION OF INSURANCE

Marcy Morrison

Commissioner of Insurance

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Bill Ritter, Jr.  
Governor

## National Flood Safety Awareness Week is March 17-21, 2008

March 4, 2008

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### Flood Insurance in Colorado – Act now, don't wait until you see the water rise

Denver, CO – “High and dry” Coloradans may think they are safe from the threat of floods, but trusting the whims of Mother Nature and going without a flood insurance policy leaves renters, homeowners, business owners and their valuables at risk. More than one-fourth of damages due to flooding occur outside high-risk areas, and about one-third of all claims paid on flood insurance are not in a flood plain.

Colorado floods cause significant damage, and not having flood insurance may prove costly to those in the path of the next flood. Residents of Colorado need to know that their homeowners and renters insurance policies do NOT cover flood damage. Homeowners and renters -- whose communities participate in the federal government's National Flood Insurance Program (NFIP) -- must purchase separate flood insurance to be covered against loss. Flood insurance can be purchased through most licensed property/casualty insurance companies and is backed by the federal government. In most cases, the agent who handled an individual's homeowners insurance can also write a flood insurance policy under arrangements with the Federal Insurance Administration. The government sets the amount that is charged for premiums, so there is no need to comparison shop based on price.

All too often, people learn after the fact that protection against flood loss is not part of their standard homeowners insurance policy.

“As with almost all insurance, people must decide to purchase before the need is apparent. It takes at least 30 days for a flood policy to go into effect,” said Marcy Morrison, Colorado's Commissioner of Insurance. “Flood policies are very reasonable – less than a dollar a day in most communities – but they can be a financial lifesaver when your community and your home are hit with flooding.”

For a single-family home, flood insurance coverage is available up to \$250,000 on a structure and up to \$100,000 on the contents.

Contents coverage is not automatically included with building coverage, it must be purchased separately. Renters can insure their belongings, too. Condominium owners may think their property is covered by the building association's flood insurance, but typically, that insurance will cover the structure, not the homeowner's valuables inside. Condo owners need to protect their valuables with a flood policy which covers the contents.

Flood insurance can be purchased any time during the year, but there is a 30-day waiting period after application and payment before the policy becomes effective. As spring approaches and snowpack begins to melt, now is the time to look over insurance coverage and evaluate the need for flood insurance.

The Colorado Division of Insurance offers a brochure, “Flood Insurance in Colorado.” You can view it on the web, or if you would like a copy by mail, call 303.894.7499 or toll free at 800.930.3745 (outside Denver) to request a copy.

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*“The Mission of the Division of Insurance is Consumer Protection.”*

General Number: (303) 894-7499 / Consumer Complaints: (303) 894-7490 / Toll Free 1-800-930-3745 / FAX: (303) 894-7455  
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