



Roadmap to Recovery®  
Advocacy and Action  
Roadmap to Preparedness

April 18 2024

The Honorable Jason Smith  
Chairman, House Committee on Ways and Means  
1139 Longworth House Office Building  
Washington, D.C. 20515

The Honorable Sam Graves  
Chairman, House Committee on Transportation and Infrastructure  
2165 Rayburn House Office Building  
Washington, D.C. 20515

& Sent via Email: Tyler.Adams2@mail.house.gov

**RE: STRONGLY SUPPORT H.R. 7849 – “Disaster Resiliency and Coverage Act of 2024”**

Dear Chairman Smith and Chairman Graves:

On behalf of United Policyholders,<sup>1</sup> I write to express strong support for H.R. 7849, introduced on March 29, 2024 and co-sponsored by Representatives Thompson and LaMalfa.

As a national non-profit organization that educates and assists insurance consumers and helps improve disaster preparedness and recovery, we know firsthand how essential it is that we facilitate risk reduction at the individual and community level in vulnerable regions across the United States. No state in the country is immune to natural disaster risks, be they hurricanes, hail, floods, earthquakes, wildfires or tornadoes. And no state in the country is immune from the wave of property insurance non-renewals and premium increases sweeping across our nation. Helping people and businesses identify and finance effective risk reduction property improvements is a national imperative.

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<sup>1</sup> United Policyholders (“UP”) is a non-profit organization that has been informing, helping, and speaking for insurance consumers across the United States since 1991. UP is funded by donations, grants and volunteer labor. Through our Roadmap to Preparedness and Roadmap to Recovery programs, UP helps Americans reduce risk, protect their assets, and successfully navigate insurance claims and loss recovery.

By helping increase the pace and extent of risk reduction at the residential, business and community levels *across the nation* through information, incentives and grants, this bill delivers multiple benefits. It will help minimize and prevent extreme weather event damage to structures and regions, qualify property owners for insurance discounts and bolster insurers' confidence in insuring homes in those regions.

The Federal Government is already supporting risk reduction in communities via infrastructure, flood control and public property improvements, and an increasing number of states have impactful programs such as "My Safe Florida Home," Strengthen Alabama Homes and the California Earthquake Authority's Brace and Bolt program. However, when these programs open applications periodically for grants to individuals, there is always more demand than supply of needed funding.

This bill will accelerate risk reduction in a number of important ways: By providing that state-based mitigation grants for catastrophe mitigation are not taxable for federal income tax purposes, establishing a tax credit equal to 30% of qualified expenditures by individuals, and setting up a federal mitigation grant program to disburse up to \$10k per household, this bill will go a long way to increasing resiliency and insurability across the country.

In states with coastal and hurricane risks, (Louisiana, Florida, Alabama and the Carolinas), insurer concerns about climate change have caused dramatic reductions in available, affordable property insurance. The important risk reduction innovation being facilitated by the North Carolina Coastal Property Insurance Pool and Smart Home America are leading to significant improvements in those state's insurance markets thanks to their mitigation programs, insurance incentives and premium discounts. The wide-scale mitigation support this bill provides can amplify the success of these programs and bring similar improvements on a national level.

In Arizona, New Mexico, Texas, California, Colorado, Oregon and Washington states, drought and extreme heat conditions associated with climate change have increased wildfire risk and insurance companies are reacting by dropping long time customers and declining new business in those regions. This is making it very hard for home and business owners outside urban areas to keep their assets affordably or fully insured and comply with lender requirements. Reducing wildfire risk is critical to fixing this situation. Improving conditions so structures are less likely to

be damaged or destroyed in future wildfires should help restore insurer confidence and engagement in the insurance marketplace, bring premiums back down to earth and save homes.

Thanks to the pioneering work of the Institute for Home and Business Safety, United Policyholders and our Wildfire Risk Reduction and Asset Protection working group members in California and Wildfire Partners in Colorado, we are seeing a steady increase in wildfire risk reduction in those states – but we need MUCH more available technical and financial assistance to move the needle.

UP is committed to helping establish incentives and rewards for those who invest time and money into risk reduction. Giving property owners a financial incentive (cheaper, more accessible insurance) will help get “all hands on deck” improving conditions in vulnerable regions. But risk reduction costs money, and people need help covering the costs.

For the above reasons, United Policyholders strongly supports H.R. 7849.

Sincerely,

A handwritten signature in black ink that reads "Amy Bach". The signature is fluid and cursive, with the first name "Amy" and the last name "Bach" clearly legible.

Amy Bach  
Executive Director