STORM FORTIFIED and Wildfire Prepared Act

Reps Troy Carter (D-LA), Mike Ezell (R-MS), and Salud Carbajal (D-CA)

The bipartisan **STORM FORTIFIED and Wildfire Prepared Act** establishes a FEMA-administered Revolving Loan Fund to help states finance homeowner mitigation projects to reach FORTIFIED Roof, FORTIFIED Home, and Wildfire Prepared Home certifications.

The American home insurance industry is in crisis: premiums rose roughly 24% between 2021 and 2024, now taking up about 9% of the typical mortgage payment (15-20% in high-risk states like Florida and California), driven largely by worsening natural disasters, rising rebuilding costs, and insurers pulling out of risky markets altogether. These insurance issues have hindered the real estate market, as nearly half of recent home buyers and sellers encountered them during their transactions.

One proven way to lower rates and stabilize the industry is to harden homes to verified industry standards. The Insurance Institute for Business & Home Safety (IBHS) sets science-based construction standards called FORTIFIED and Wildfire Prepared Home to make buildings stronger against severe weather like hurricanes, hail, tornadoes, and wildfires. These voluntary rules go beyond basic building codes to stop wind and water damage. Homes certified to this standard are measurably more storm-resistant, and insurers in over a dozen states now reward that with real discounts — often 25-55% off the wind/hail portion of a premium, as roof damage drives up to 90% of catastrophe claims. Several states, like Oklahoma and Louisiana, now legally require carriers to offer these discounts. For homeowners looking to lower their rates rather than absorb premium increases, IBHS-certified upgrades are among the few reliable levers available.

• **Funding:** Authorizes $100 million annually (FY 2027–2036) to capitalize and recapitalize these revolving loan funds.

• **Homeowner Grant Program:**
– State agencies apply to FEMA for capitalization grants, and must use loan-fund dollars solely for homeowner mitigation grants.
– Eligible improvements include FORTIFIED Roof installations and upgrades needed for FORTIFIED Home or Wildfire Prepared Home certifications.
– Eligible homes must be owner-occupied, insured for relevant hazards, and structurally suitable for upgrades.
– Grant caps may be set by states but cannot exceed $10,000.
– All work must use qualified contractors and certified evaluators.

• **Loan Forgiveness:** State agencies must forgive repayment or any cost-share requirement for grants benefiting homeowners with incomes below 120% of area median income.

• **Insurance Coordination:** FEMA will promote insurer recognition of mitigation certifications for premium discounts.