

April 4, 2024

The Honorable Mike Thompson
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Doug LaMalfa
U.S. House of Representatives
Washington, D.C. 20515

Dear Representatives Thompson and LaMalfa:

On behalf of the 1.5 million members of the National Association of REALTORS®, thank you for introducing HR 7849, the Disaster Resiliency and Coverage Act of 2024.

HR 7849 would provide pre-disaster mitigation grants and tax incentives for households to reduce the risk of real property damage due to natural disasters, including floods, hurricanes, and wildfires.

- To qualify for the grants, states must submit a detailed plan that meets sound, science-based standards developed by FEMA in consultation with groups including the Insurance Institute for Business and Home Safety. The grants would be limited to high-risk areas, capped at \$10,000 per household and targeted to households with adjusted gross income of less than \$250,000 (\$500,000 for joint returns). Importantly, the bill also provides that such grants would not be considered as gross income for federal tax purposes.
- The bill would also offer a 30-percent tax credit for qualified real property disaster mitigation expenditures made directly by households, for costs that are not reimbursed by state grants.

REALTORS® strongly support enhancing federal assistance, including grants and tax incentives for households to build stronger and safer *before* disasters strike. Studies show that every \$1 spent on mitigation efforts leads to \$6 in reduced future disaster costs. Mitigating the disaster risk could also help with the risk-based insurance rates for these properties.

Thank you again for introducing this important measure. REALTORS® support your efforts and look forward to working with you and your congressional colleagues as the measure moves through the legislative process.

Sincerely,



Kevin Sears
2024 President, National Association of REALTORS®