



April 7, 2025

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

Honorable Richard Neal  
Ranking Member  
Committee on Ways and Means  
1139 Longworth House Office Building  
Washington, D.C. 20515

Dear Chair Smith and Ranking Member Neal,

On behalf of the undersigned coalition, representing the insurance industry, the real estate industry, home builders, consumer protection organizations, rural county representatives, and environmental organizations, we respectfully request that the Committee on Ways and Means move to consider H.R. 1105, the *Disaster Resiliency and Coverage Act of 2025*, co-led by Rep. Mike Thompson (D-CA) and Rep. Doug LaMalfa (R-CA). This bipartisan bill promotes pre-disaster mitigation and resiliency measures, which help reduce property damage and thus insurance costs.

Whether it is wildfires in the west, hurricanes in the southeast, tornadoes and hailstorms in the Great Plains, or severe winter storms up north, for too long the United States has focused on responding to natural catastrophes rather than mitigating the destruction and economic costs upfront through proven effective property improvements. This has resulted in rising homeowners insurance premiums and the American taxpayers bearing the financial burden for the significant uninsured losses associated with these weather-related events.

Empowering and incentivizing individual property owners to undertake targeted resiliency and mitigation activities unique to their risk increases the survivability of homes and communities leading to fewer losses and improved insurance access and costs. The *Disaster Resiliency and Coverage Act of 2025* is a significant step forward in closing that insurance protection gap, thereby transferring the financial burden of these events from the American taxpayers and into the private market.

First, the legislation would extend the eligible use of funds under the Robert T. Stafford Disaster Relief and Emergency Assistance Act so states and tribal governments can offer grants up to \$10,000 to individual property owners to undertake pre-disaster mitigation activities. Based on Alabama's Strengthen Alabama Homes program, the legislation limits the use of these grants to proven, effective and tailored mitigation activities that reduce unique

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risks to the property and have often resulted in lower homeowners insurance premiums. Additionally, as the National Institute of Building Sciences estimates, every \$1 spent on pre-disaster mitigation can save between \$4 and \$11 in avoided future disaster losses.

Second, the legislation creates common-sense tax incentives for property owners to undertake these pre-disaster mitigation efforts. By eliminating the punitive tax on state mitigation grants, the legislation creates parity with federal grant programs and extends state grant dollars so property owners can do more to reduce their disaster risk. Additionally, by allowing for a tax credit of up to 30 percent of the cost of home mitigation improvements, the legislation incentivizes those who can afford to undertake these risk-reducing activities without government grants or assistance.

In summary, the *Disaster Resiliency and Coverage Act of 2025* will benefit not only the property owners but also the states and federal taxpayers. We therefore urge the committee to bring this bipartisan bill up for consideration as soon as possible.

Sincerely,

Alliance for Wildfire Resilience  
American Property Casualty Insurance Association  
BuildStrong America  
California Building Industry Association  
City of Santa Rosa, CA  
Coalition for Sustainable Flood Insurance  
Council of Insurance Agents & Brokers  
Fire Adapted Colorado  
Greater New Orleans, Inc  
Independent Insurance Agents & Brokers of America  
Marin Wildfire Authority  
National Association of REALTORS®  
Reinsurance Association of America  
Sierra Club  
Sonoma County Transportation Authority/Regional Climate Protection Authority  
United Policyholders

CC: House Committee on Transportation and Infrastructure