Insurance Institute for Business & Home Safety

September 8, 2026

Ms. Nancy Beydler
National Association of Insurance Commissioners
1100 Walnut St.
Suite 1000
Kansas City, MO
64106-2197

IBHS Comments

Re: Public Comment on Draft *Residential Mitigation Grant Program Model Act* (August 6, 2026)

Dear Ms. Beydler

The Insurance Institute for Business & Home Safety (IBHS) appreciates the opportunity to comment on the draft *Residential Mitigation Grant Program Model Act*, dated August 6, 2026. IBHS is an independent nonprofit scientific research and communications organization supported by the property insurance industry. Our work examines how homes and businesses are damaged by severe weather and wildfire and translates that research into practical actions that can reduce damage and disruption.

IBHS supports the Working Group's effort to provide states with a flexible framework for residential mitigation grant programs and offers the following recommendations to help ensure that flexibility can be implemented consistently, transparently, and with confidence across a wide range of state hazard, housing, regulatory, and insurance-market conditions.

Preserve flexibility while establishing clear criteria for credible mitigation

Multiple states have experienced great success with grant programs grounded specifically in IBHS' FORTIFIED program. We understand that it is the NAIC's intent to take an alternative path for this model law, with the goal of making it standard neutral. If the NAIC takes this approach, we have several suggestions to make it more workable. First, the definition of "Recognized Mitigation Standard" should include clear approval criteria. A state should be able to recognize a science-based, verifiable building or consensus standard that is appropriate to its designated peril, geography, and program goals. This is crucial as the credibility and effectiveness of mitigation grant programs depend on standards that insurers, regulators, homeowners, and contractors can readily understand, verify, and trust. It is recommended to define a "Recognized Mitigation Standard" as

> *"a verifiable, science-based building standard or consensus standard addressing hazard mitigation for one or more Designated Perils developed by a standard-setting organization, such as the Insurance Institute for Business and Home Safety, as approved by the Commissioner under Section 5."*

A definition for Recognized Mitigation Standard, like the one proposed above, is sufficiently broad to include the equivalents identified in Section 5B. Thus, the model law can be simplified by removing Section 5B.

Second, if the model does not require the use of any particular standard, the models should make clear that a state may recognize established programs, including FORTIFIED and Wildfire Prepared, as Recognized Mitigation Standards by rule. These programs illustrate the characteristics the model should encourage: technically supported requirements, clear scopes of work, documentation, and independent verification where appropriate. It is recommended to revise the drafting note within Section 3 to read:

> ***"Drafting Note:*** *To keep this model standard-neutral, specific proprietary standards are not named in the Act. A state may recognize the FORTIFIED or Wildfire Prepared standards published by the Insurance Institute for Business & Home Safety (IBHS), including the FORTIFIED Roof, FORTIFIED Silver, and FORTIFIED Gold designation, and/or Wildfire Prepared Essential and Enhanced designation, or other specific Recognized Mitigation Standards by rule. See Section 5."*

Third, the NAIC should avoid allowing alternative pathways that permit isolated mitigation measures. To do so, the NAIC should remove "Qualified Mitigation Measure" and similar terms such as "engineering based pathways" in favor of consistently using "Recognized Mitigation Standard" throughout. Systems-based mitigation efforts - as denoted in a "recognized mitigation standard" - will more effectively reduce risk and is more likely to result in meaningful recognition by insurers.

Finally, IBHS recommends distinguishing between building codes and science-based mitigation measures. While IBHS strongly supports modern and enforced building codes, they are not an appropriate basis for mitigation grant programs given their variability in adoption and enforcement. We recommend that Section 2A(2) be revised to read:

"Proven, science-based mitigation measures can significantly reduce hazard-related damage, loss of life, and post-disaster recovery costs"

Provide optional peril-specific implementation tools

IBHS recommends supplementing the model's flexibility with optional peril-specific drafting notes or implementation guidance. This practical direction would help States navigate the eligibility, prioritization, verification, and outcomes measures that vary across perils.

For example, wind and hail mitigation may often be addressed through building-level improvements, while wildfire risk may depend on both actions at an individual home and conditions on surrounding properties. For perils where risk reduction depends in part on coordinated action, a state may wish to prioritize geographically concentrated projects or groups of adjacent properties.

Peril-specific implementation guidance could be included in a drafting note within Section 5 that reads:

> ***"Drafting Note:*** *A State may expressly reference the IBHS FORTIFIED or Wildfire Prepared standard by using the following alternative section 5 language:*
>
> *[Optional Section 5A for perils of hurricane, tornado, straight-line winds, severe convective storms, hail or other high wind peril] For purposes of the Program, the Commissioner shall recognize the FORTIFIED standard published by the Insurance Institute for Business & Home Safety, as the Recognized Mitigation Standard. The Commissioner may by rule require use of the FORTIFIED standard under the Program.*
>
> *[Optional Section 5A for wildfire peril] For purposes of the Program, the Commissioner shall recognize the Wildfire Prepared standard published by the Insurance Institute for Business & Home Safety, as the Recognized Mitigation Standard. The Commissioner may by rule require use of the Wildfire Prepared standard under the Program.*
>
> *[Optional Section 5A for multi-peril use of IBHS standards] For purposes of the Program, the Commissioner shall recognize the FORTIFIED and Wildfire Prepared standards published by the Insurance Institute for Business & Home Safety, as applicable to the Designated Peril and geographic area, as Recognized Mitigation Standards. The Commissioner may by rule require use of the FORTIFIED and Wildfire Prepared standards under the Program"*

In regard to effective community-scale mitigation, the following implementation guidance could be added to the end of the drafting note between Section 8C and 8D:

"…nondiscrimination laws. For perils where risk reduction effectiveness depends on neighborhood or community action, such as wildfire, a state may wish to prioritize clusters of homes for wildfire risk reduction."

Align contractor and verifier requirements with the work being funded

The model should allow states to establish contractor and verifier requirements that reflect the complexity of the mitigation work. Some projects, like re-roofing, may require a licensed contractor and specialized technical expertise; other projects may involve less complex work, like clearing debris, for which less stringent qualifications are appropriate.

Thus, Section 7A is recommended to read:

> *"Recognized Mitigation Standards funded under the Program shall be implemented by Enrolled Contractors who meet the eligibility requirements of the Recognized Mitigation Standard, if applicable."*

This proposed language accommodates peril dichotomy while section 7B retains the Commissioner's authority to require licensure, training, insurance, credentials, documentation, and quality-control measures where warranted.

For the same reason, it is recommended that Section 7E be edited to read:

> *"The Independent Third-Party Verifiers shall meet the requirements of the Recognized Mitigation Standard, if applicable."*

The model should also precisely define the role of an Independent Third-Party Verifier. The verifier should be independent of the homeowner and contractor and should document adherence to the applicable mitigation requirements. The verifier should not be understood to guarantee workmanship, assume responsibility for construction means and methods, or serve as a code-enforcement official. It is recommended that the definition of "Independent Third Party-Verifier" described in Section 3G be revised to:

> *"Independent Third-Party Verifier" means a person approved by the Department to document adherence to the Recognized Mitigation Standard and that otherwise meets the eligibility requirements of Sections 7E and 7F of this Act."*

Preserve state authority over enforcement

IBHS supports strong program-integrity protections, including audit, anti-fraud, recovery, and enforcement provisions. Because states differ in their civil-penalty authority and administrative procedures, the model should establish the underlying violation and authorize the Commissioner to impose civil penalties and pursue other remedies in accordance with applicable state law. It is recommended that Section 14C be revised to:

> *"The Commissioner may, at the Commissioner's discretion, impose on any person who violates Section 14B civil penalties in accordance with state statute."*

It is similarly recommended that Section 14D be revised to:

> *"The penalties prescribed in Section 14C shall be in addition to any other remedies available under law."*

IBHS commends the Working Group for developing a model that can help states advance practical, science-informed residential mitigation. We understand the intent to provide a flexible, standard-neutral model, and assert that flexibility works best when states have clear standard-approval criteria, optional hazard-specific tools, and scalable implementation requirements. With the clarifications reflected in these comments the model can provide a stronger and more implementable foundation for state programs.

Thank you for considering these comments. IBHS would be pleased to provide additional technical input or discuss the comments with the Working Group.

Sincerely,

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