Natural catastrophe and weather resiliency: National and state insurance efforts

March 2026

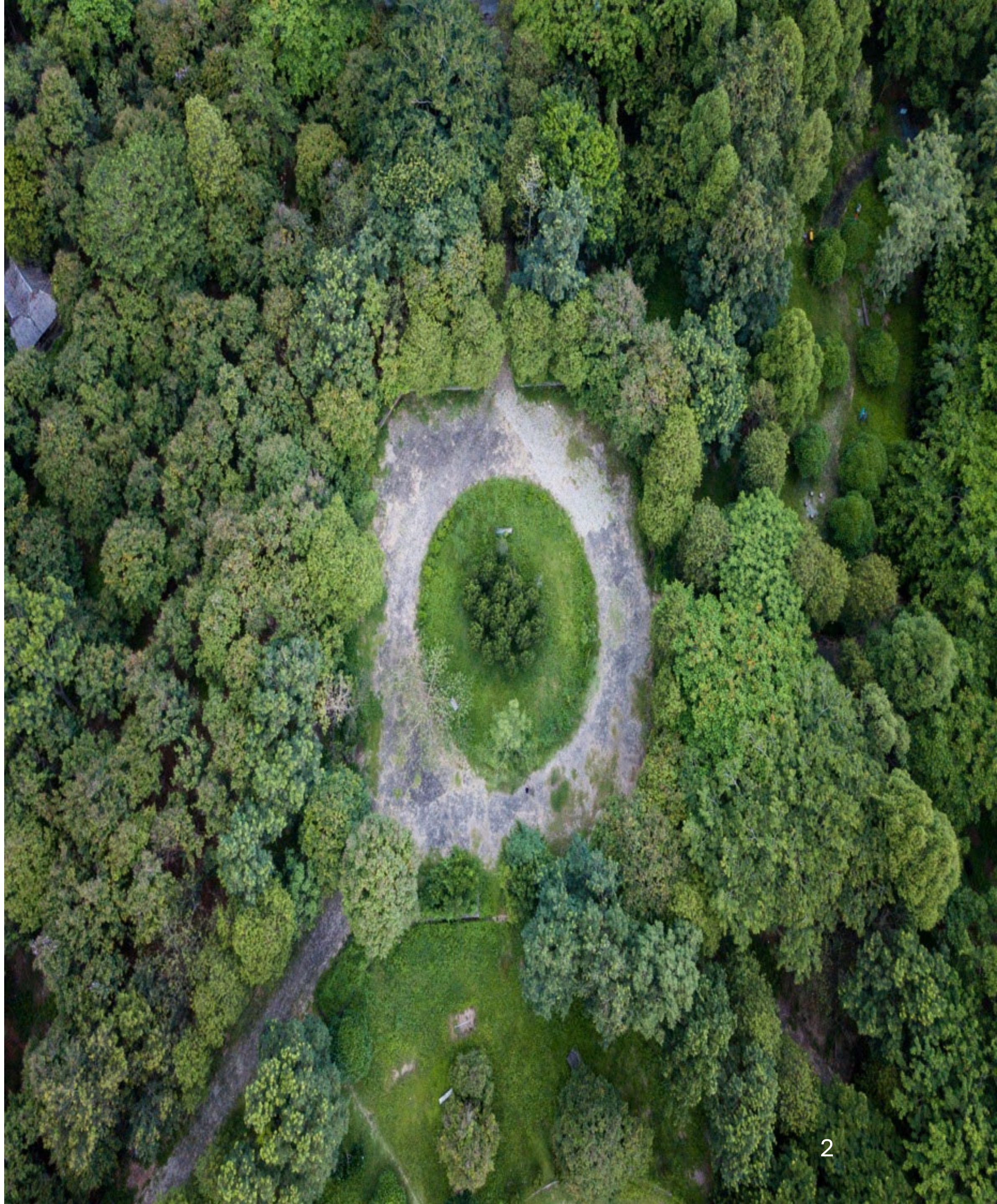
Center *for* **Regulatory Strategy US**

Overview

The availability and affordability of homeowners insurance and the follow-on effects on housing prices have become significant concerns. Increasing insurance prices and reduced availability have been driven by a number of factors. Some, such as inflation, are not necessarily under the control of consumers, regulators, or the industry. But state insurance regulators have moved to address more controllable cost drivers like the effects of natural catastrophes and encourage efforts to increase resiliency, mitigate potential damages, and reduce the probable cost of these disasters—and thus of insurance—for consumers.

In their 2026 list of top strategic priorities, state insurance commissioners at the NAIC (National Association of Insurance Commissioners] noted, ***"As policyholders and insurers face escalating risks from natural disasters, the NAIC will keep working to help close protection gaps and maximize preparedness and recovery. This includes developing further guidance that encourages resilience measures; providing regulatory guidance for catastrophe modeling, exposures, stress testing, and climate disclosures; and coordinating with federal and state officials to bridge insurance and resilience."***[i]

To further fulfilling its priorities, the NAIC has a new Pre-Disaster Mitigation & Risk Modeling Working Group that not only will be charged with creating and coordinating resilience tools to assist state regulators in developing, enhancing, and maintaining state-based mitigation grant programs. The group will also review the status of current state programs and consider development of a new mitigation program model law.[ii]



Current mitigation landscape

The organization's backbone for its approach, the 2024 *National Climate Resilience Strategy for Insurance*, underscores that it "**prioritizes pre-disaster mitigation because protecting insurance consumers begins long before a wildfire starts or a hurricane makes landfall**."[iii] It goes on to underscore the fact that there are already multiple "strong examples" of reliance measures among member jurisdictions such as the **California Safer From Wildfires program**, and **the Strengthen Alabama Homes Program** that provides grants to homeowners to retrofit properties based on the Insurance Institute for Business & Home Safety (IBHS) FORTIFIED standard.[iv]

Efforts to mitigate natural catastrophe and weather risk and the impacts of severe weather are expanding across the US, with **regional initiatives focused on reducing residential damage from flooding, wind, snow, fire, and wildfire**. In some cases, these mitigation efforts also play a role in stabilizing or reducing property and casualty insurance premiums by lowering expected losses.[v]

The IBHS reports that **nearly a dozen states have grant programs to help homeowners offset the cost of installing IBHS FORTIFIED roofs, which are designed to exceed standard building codes and improve resilience to severe weather**.[vi] In parallel, a similar number of states have introduced **legislation to create or expand mitigation grant programs.**[vii]

Many of these programs are **implemented through partnerships between state insurance departments and private or nonprofit organizations**, including IBHS, and reflect a growing emphasis on pre-disaster mitigation as a tool for improving insurance market stability and consumer affordability.

NAIC's current strategy

The NAIC published its **National Climate Resilience Strategy** in 2024 after establishing an executive-level task force to coordinate state insurance regulators' natural catastrophe-related work across multiple functional areas.[viii] The group, now named the **Natural Catastrophe Risk and Resilience (EX) Task Force**, brings together regulators from states and territories with diverse geographies and climate exposures, creating a forum for collaboration and shared learning.[ix] Through this strategy, the NAIC has developed a coordinated framework designed to strengthen extreme weather and natural catastrophe resilience in insurance markets while reducing fragmentation among state-level initiatives.

The strategy aligns existing state efforts and promotes consistency in how regulators assess and respond to climate risk. Rather than operating in isolation, states are encouraged to share data, tools, and regulatory approaches, improving the collective ability of insurance regulators to anticipate and manage evolving weather-related exposures. Additional resources supporting this work are housed within the NAIC's **Climate Risk and Resiliency Resource Center**.[x]

The **Climate Risk & Resiliency Resource Center** also includes the **Catastrophe Risk Dashboard**, which aggregates national metrics to help regulators understand hazard exposure and protection gaps, as well as training and technical support provided through the Catastrophe Modeling Center of Excellence.

NAIC's focus areas[xi]

1	**Identifying and closing protection gaps**	By collecting and analyzing data to better understand where natural catastrophe and weather risks are contributing to reduced coverage availability or affordability
2	**Developing a blueprint for flood insurance**	Exploring frameworks to improve flood risk management while supporting broader access to affordable coverage
3	**Enhancing comprehensive data collection**	Leveraging NAIC data assets and new data calls, such as property and casualty market intelligence, to assess coverage trends across jurisdictions.
4	**Advocating for risk mitigation**	By supporting pre-disaster mitigation funding and encouraging insurers to recognize mitigation measures in underwriting and pricing decisions
5	**Strengthening solvency oversight and scenario analysis**	Through the integration of stress testing and forward-looking climate scenarios into regulatory frameworks.
6	**Advancing technology and modeling capabilities**	Including the use of the NAIC's **Catastrophe Modeling Center of Excellence**, to improve weather-related risk assessment and regulatory training.

NAIC Climate Risk Disclosure Survey

The NAIC adopted the Climate Risk Disclosure Survey in 2010, which is administered through the California Department of Insurance portal.[xii] In 2023, insurers responding to the survey represented more than 85% of the U.S. insurance market.

As of the most recent reporting cycle (Reporting Year 2023/2024), more than 30 states and U.S. territories participate in the survey under a combined approach that requires insurers meeting premium thresholds to submit disclosures aligned with NAIC and TCFD standards.[xiii]

Participating jurisdictions include American Samoa, Arizona, California, Colorado, Connecticut, Delaware, the District of Columbia, Guam, Hawaii, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Hampshire, New Jersey, New Mexico, New York, the Northern Mariana Islands, Oregon, Pennsylvania, Puerto Rico, Rhode Island, the U.S. Virgin Islands, Vermont, Virginia, Washington, and Wisconsin.

Selected state mitigation pending or standing programs

Nationally, IBHS and state and local governments have partnered to reduce the cycle of loss caused by severe weather by promoting voluntary, beyond-code construction and re-roofing standards that strengthen areas of homes most vulnerable to high winds and heavy rain.

Alabama currently leads the nation, with more than 55,000 homes receiving FORTIFIED designations.[xiv]

States with mandated insurance discounts tied to mitigation measures include Minnesota, which requires discounts for FORTIFIED roofs, and California, which mandates discounts for wildfire mitigation.

State programs to refortify homes

Alabama

- The Alabama Department of Insurance administers the **Strengthen Alabama Homes** program, which provides grants of up to $10,000 for wind mitigation retrofits meeting IBHS FORTIFIED standards.[xv] Eligibility is limited to owner-occupied, single-family residences in designated counties. The program is funded through the insurance industry rather than state or federal appropriations and provides participating homeowners with discounts on wind insurance premiums and deductibles.
- In February 2026, Alabama enacted **HB27**, which expands qualified expenses for catastrophe savings accounts to include pre-disaster FORTIFIED retrofits and the annual cost of FORTIFIED policy endorsements.[xvi] The law allows policyholders to use these accounts to cover self-insured losses from hurricanes, flooding, and other wind events, subject to statutory limits.

Florida

- Florida’s Department of Financial Services administers the **My Safe Florida Home (MSFH)** program, guided by the principle of “Stronger Home, Safer Florida.” The program offers free wind mitigation inspections and grant funding of up to $10,000 for approved retrofitting measures, with eligibility targeted to low- and moderate-income homeowners.[xvii] Inspection reports identify recommended improvements to roof systems, structural components, and opening protections.

Louisiana

- The **Louisiana Fortify Homes** program provides up to $10,000 through a lottery-based grant process to help homeowners upgrade roofs to IBHS standards capable of withstanding hurricane-force winds.[xviii] The program specifies construction techniques, such as wider drip edges and fully adhered starter strips, and limits grant funding to construction costs. A new regulation from the insurance department also now requires 136 requires insurers to provide premium discounts for residential properties that obtain a FORTIFIED designation in accordance with standards developed by the IBHS.[xix]

North Carolina

- North Carolina's **Strengthen Your Roof** pilot program allocates $20 million to support FORTIFIED roof upgrades in coastal communities. Eligible policyholders may receive up to $6,000 toward roof replacement costs after completion and certification.[xx] Participation is limited to properties insured through the coastal insurance pool.

South Carolina

- The **South Carolina Safe Home Program** supports homeowners in coastal areas by providing grant funding for mitigation upgrades that reduce damage from hurricanes and high winds.[xxi] Eligible improvements include strengthened roofs, storm shutters, and other protective features designed to enhance structural resilience. The program is limited to owner-occupied, single-family residences and does not fund routine repairs, remodeling, or home expansions. South Carolina partners with the **IBHS FORTIFIED Roof Program**, allowing homeowners to pursue dual designations when completing roof upgrades. Homeowners who earn the **Resilient Mitigation Award** may also qualify for additional insurance-related benefits.

New Mexico

- New Mexico became the first state in the nation to establish a **Wildfire Prepared Home** grant program, reflecting the growing insurance and public safety challenges associated with wildfire risk.[xxii] Created within the state's insurance department, the program is designed to make homes and properties more resilient to wildfire through a combination of technical assistance, training, assessments, certification, and grant funding. The program authorizes the department to support mitigation activities that reduce ignition risk and improve structural survivability in wildfire-prone areas.

Mississippi

- The **Strengthen Mississippi Homes** grant program was established to provide wind mitigation funding to homeowners, initially focusing on the state's six coastal counties. Grants are intended to support retrofits that bring homes into compliance with IBHS FORTIFIED standards, with the goal of reducing property damage and lowering insurance costs.[xxiii] During a 2025 special legislative session, however, funding for the program was suspended, and the initiative is currently paused. Related legislation—the **Strengthen Mississippi Homes Act**—which would have expanded the program's scope to include additional wind-related perils, did not advance out of committee in 2026.[xxiv]

Oklahoma

- Oklahoma's **OKReady**, also known as the **Strengthen Oklahoma Homes** program, is administered by the Oklahoma Insurance Department and focuses on mitigating damage from severe wind and hail events. The program provides grants of up to $10,000, paid directly to contractors, to support upgrades that meet **IBHS FORTIFIED Home™ Roof – High Wind with Hail Supplement** standards. After launching pilot phases in 2025, the program expanded to statewide application rounds in 2026, prioritizing high-risk areas and incorporating income-tiered eligibility. Homes that achieve FORTIFIED certification may also qualify for insurance premium discounts, reinforcing the connection between mitigation and insurance affordability.[xxv]

Kentucky

- The **Strengthen Kentucky Homes** program, administered by the Kentucky Department of Insurance, provides grants of up to $10,000 to help eligible homeowners upgrade their roofs to IBHS FORTIFIED standards.[xxvi] To qualify, applicants must be Kentucky residents, own the property, and demonstrate that the home is in sufficient condition to meet FORTIFIED requirements. Approved grants are paid directly to pre-approved contractors upon project completion. As of February 2026, consumer applications are not yet open, with availability expected in spring 2026.

States with mandated insurance discounts or rate reductions

Minnesota

- Minnesota requires insurers to offer premium discounts for roofs built or upgraded to IBHS FORTIFIED standards. The state has also established the **Strengthen Minnesota Homes** program through the Minnesota Department of Commerce, which will provide grants of up to $10,000 to support resilience improvements once launched. Although the program had not yet begun as of December 2025, planning funds were appropriated to support implementation. Eligibility criteria include owner-occupied single- or two-family homes that are insured and structurally sound, with inspections conducted by FORTIFIED-certified evaluators.[xxvii]

Connecticut

- The Connecticut Department of Insurance oversees the **Severe Weather Mitigation & Resiliency Advisory Council**, which developed a comprehensive framework to enhance the state's resilience to weather and natural catastrophe-related risks.[xxviii] The Council's 2025 final report recommends launching a pilot program for resilient home upgrades, particularly fortified roof retrofits, expanding public-private partnerships, and exploring incentive mechanisms such as tax credits and catastrophe savings accounts. Connecticut is currently considering an IBHS FORTIFIED mitigation pilot focused on high-risk areas, with targeted assistance for households at or below 80% of area median income.[xxix]

New York

- New York operates Resilient NY, a statewide resilience strategy and planning hub supporting climate adaptation, hazard mitigation planning, and community resilience initiatives. Complementing this effort, MitigateNY serves as the state's hazard mitigation planning platform, helping local governments identify extreme weather and natural catastrophe risks and develop strategies that support long-term loss reduction and federal funding eligibility. New York also funds flood mitigation and watershed planning through the Resilient Watersheds & Flood Mitigation program.[xxx]
  Proposed legislation (S7761) would establish new resilience grant programs and create a Property/Casualty Insurance Resiliency Incentive Program encouraging insurers to offer discounts for climate mitigation measures. While not yet enacted, the proposal represents one of New York's closest parallels to insurance-based resilience incentives seen in states such as Alabama.[xxxi]

California

- The **California Wildfire Mitigation Program (CWMP)** was established to improve community-wide resilience to wildfire through cost-effective structure hardening, defensible space, and vegetation management.[xxxiii] Led by the California Governor's Office of Emergency Services in partnership with CAL FIRE, the program prioritizes financial assistance for vulnerable populations in wildfire-prone areas. California also relies on the **FAIR Plan** to provide basic fire insurance coverage when private market options are unavailable.[xxxiv]

- Additionally, in 2026, California enacted several insurance-related reforms, including:
  - **SB 495 (Eliminate "The List" Act)**, simplifying post-disaster claims documentation
  - **SB 429 (Wildfire Public Model Act)**, allowing comparison of public and private catastrophe models
  - **AB 888 (California Safe Homes Grant Program)**, expanding mitigation assistance
  - **AB 1 (Insurance and Wildfire Safety Act)**, requiring regular updates to wildfire safety regulations
  - **AB 226 (FAIR Plan Stabilization Act)** and **AB 234**, enhancing FAIR Plan oversight and financial stability
- **AB 290**, addressing unintentional policy lapses due to payment issues.[xxxv]

Idaho

- In 2025, Idaho considered proposals linking wildfire mitigation funding to insurance market stabilization, including concepts for a mitigation or stabilization fund overseen by the Department of Insurance. Legislative summaries indicate that at least one proposal did not advance out of committee, and no operational mitigation or insurance incentive program is currently in place. This year, **House Bill 619** has been printed and formally referred to the House Business Committee for consideration. It amends and adds to existing law to provide for the Idaho Wildfire Risk Mitigation Fund Act.[xxxvi]

Texas

- A major proposal during the 2025 legislative session to create a state-funded FORTIFIED incentive program did not advance, and FORTIFIED standards are not mandated statewide. Nevertheless, Texas homeowners may voluntarily pursue IBHS FORTIFIED designations, and many insurers, including the **Texas Windstorm Insurance Association (TWIA)—**offer premium credits or discounts for wind-resistant construction and retrofit measures. TWIA administers windstorm and hail insurance in designated coastal catastrophe areas, with eligibility tied to building code compliance and windstorm certification inspections conducted under Texas Department of Insurance oversight.[xxxvii]

Washington State

- Washington State introduced legislation in 2026, which is modeled in part on New Mexico's wildfire preparedness framework, signaling growing interest in integrating mitigation, certification, and grant funding to address wildfire risk. [xxxviii] **SB 6079 is identified as a bill** "reducing nonrenewal and cancellations of insurance policies due to wildfire risk by creating a wildfire mitigation grant program. It had a public hearing in the House Committee on Consumer Protection & Business on February 24.[xxxix]

Endnotes

[i] National Association of Insurance Commissioners (NAIC), Leadership, Modernization, Resilience: NAIC 2026 Strategic Priorities, February 18, 2026.
[ii] NAIC, "2026 Proposed Charges," February 20, 2026.
[iii] NAIC, "Leadership, Modernization, Resilience: NAIC 2026 Strategic Priorities," February 18, 2026.
[iv] NAIC, "Grants for Homeowners," March 2024
[v] NAIC, "Pre-event mitigation measures," accessed March 11, 2026.
[vi] Insurance Institute for Business & Home Safety (IBHS), "Grants for Fortified Roofs" accessed February 25, 2026.
[vii] IBHS, "Wind Policy," accessed March 11, 2026.
[viiii] Smart Home America, "Grant Programs," accessed March 11, 2026.
[viii] NAIC, "National Climate Resilience Strategy for Insurance," March 2024.
[ix] Ibid.
[x] Ibid.
[xi] NAIC, "National Climate Resilience Strategy for Insurance," March 2024.
[xii] California Department of Insurance, Climate Risk Disclosure Survey Database, accessed March 11, 2026.
[xiii] Illinois Department of Insurance, "Company Bulletin 2025-11 – Climate Risk Disclosure Survey,"
[xiv] IBHS, "IBHS reaches resilient construction milestone with 50,000 FORTIFIED designations," May 1, 2023.
[xv] Alabama Department of Insurance, Strengthen Alabama Homes, accessed March 11, 2026.
[xvi] The Alabama Legislature, "AL HB27 – Catastrophe Savings Accounts," February 24, 2026.
[xvii] Florida Department of Financial Services, MSFH Program, accessed March 11, 2026.
[xviii] Louisiana Department of Insurance, Louisiana Fortify Homes, accessed March 11, 2026.
[xix] Louisiana Department of Insurance, "Regulation 136—Fortified Premium Discounts And NAIC Benchmark Guidance," March 6, 2026.
[xx] North Carolina Insurance Underwriting Association, FAQs, accessed March 11, 2026.
[xxi] South Carolina Department of Insurance, SC Safe Home Mitigation Grant Program, accessed March 11, 2026.
[xxii] New Mexico Legislature, "Senate Billl 33 - Wildfire Prepared Act," accessed March 11, 2026.
[xxiii] Mississippi Insurance Department, The Comprehensive Hurricane Damage Mitigation Program, accessed March 11, 2026.
[xxiv] Mississippi Legislature, "MS HB988 – Strengthen Mississippi Homes Act," February 3, 2026.
[xxv] Oklahoma Insurance Department, "Strengthen Oklahoma Homes Program: What You Need to Know," June 26, 2024.
[xxvi] Kentucky Department of Insurance, The Strengthen Kentucky Homes Program, accessed March 11, 2026.
[xxvii] Minnesota Department of Commerce, Strengthen Minnesota Homes Grant Program, accessed March 11, 2026.
[xxviii] Connecticut Department of Insurance, "Insurance department's severe weather mitigation & resiliency advisory council issues first status report on mitigation, resiliency work," April 10, 2025.
[xxx] CID, "Sever Weather Mitigation & Resiliency Advisory Council Final Report - June 2025," June 2025.
[xxxi] New York State government, Resilient NY, accessed March 11, 2026.
[xxxii] New York State Senate, "S7761 - Property/Casualty Insurance Resiliency Incentive Program," accessed February 25, 2026
[xxxiii] California Governor's Office of Emergency Services (OES), California Wildfire Mitigation Program, accessed March 11, 2026.
[xxxiv] California FAIR Plan Association, California FAIR Plan, accessed March 11, 2026.
[xxxv] Venton, Danielle, "New California Insurance Laws on the Books in 2026," *KQED*, January 12, 2026.
[xxxvi] Idaho Legislature, "HB 619 - Wildfire Risk Mitigation Fund Act," February 11, 2026.
[xxxvii] Smart Home America, Texas, accessed March 11, 2026.
[xxxviii] Washington State Legislature, "Substitute Senate Bill 6079," February 25, 2026
[xxxix] Washington State Legislature, "*Engrossed Substitute Senate Bill 5928 - Concerning wildfire risk models and score disclosure,*" February 24, 2026.

Connect with us

Tim Cercelle
Managing Director
Deloitte & Touche LLP
tecercelle@deloitte.com

Andrew Mais
Independent Senior Advisor to
Deloitte & Touche LLP
amais@deloitte.com

Deloitte Center for Regulatory Strategy, US

Irena Gecas-McCarthy
FSI Director, Deloitte Center for Regulatory Strategy, US
Principal
Deloitte & Touche LLP
igecasmccarthy@deloitte.com

Liz Festa
Lead Regulatory Analyst
Deloitte Services LP
lfesta@deloitte.com

Deloitte.

Center *for* Regulatory Strategy US

About the Center

The Deloitte Center for Regulatory Strategy provides valuable insight to help organizations in the financial services industry keep abreast of emerging regulatory and compliance requirements, regulatory implementation leading practices, and other regulatory trends. Home to a team of experienced executives, former regulators, and Deloitte professionals with extensive experience solving complex regulatory issues, the Center exists to bring relevant information and specialized perspectives to our clients through a range of media, including thought leadership, research, forums, webcasts, and events.