

119TH CONGRESS
1ST SESSION

H. R. 1105

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to require the President to establish an individual household disaster mitigation program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 6, 2025

Mr. THOMPSON of California (for himself, Mr. LAMALFA, Mrs. KIM, Mr. OBERNOLTE, Mr. VALADAO, Ms. BARRAGÁN, Ms. BROWNLEY, Mr. CARBAJAL, Mr. CARTER of Louisiana, Mr. CASE, Ms. CASTOR of Florida, Ms. CHU, Mr. CISNEROS, Mr. COSTA, Mr. FIELDS, Ms. LOIS FRANKEL of Florida, Mr. FROST, Mr. GARAMENDI, Mr. GOLDMAN of New York, Mr. HARDER of California, Mr. HUFFMAN, Ms. JACOBS, Ms. KAMLAGER-DOVE, Mr. KHANNA, Mr. LEVIN, Mr. LIEU, Ms. MATSUI, Mrs. McIVER, Mr. MOSKOWITZ, Mr. MULLIN, Mr. NEGUSE, Ms. NORTON, Mr. PANNETTA, Ms. PETTERSEN, Mr. RUIZ, Ms. SCHRIER, Mr. TAKANO, Ms. TLAIB, Ms. TOKUDA, Mrs. TORRES of California, Mr. VASQUEZ, and Mr. WHITESIDES) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to require the President to establish an individual household disaster mitigation program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Disaster Resiliency and
3 Coverage Act of 2025”.

4 **SEC. 2. INDIVIDUAL HOUSEHOLD DISASTER MITIGATION**
5 **PROGRAM.**

6 (a) ESTABLISHMENT OF PROGRAM.—Title II of the
7 Robert T. Stafford Disaster Relief and Emergency Assist-
8 ance Act (42 U.S.C. 5131 et seq.) is amended by adding
9 at the end the following:

10 **“SEC. 207. INDIVIDUAL HOUSEHOLD DISASTER MITIGATION**
11 **PROGRAM.**

12 “(a) ESTABLISHMENT.—The President shall estab-
13 lish a program to provide grants to States and Indian trib-
14 al governments for qualifying pre-disaster mitigation ac-
15 tivities on individual residential households that are at risk
16 of being damaged by a major disaster.

17 “(b) ESTABLISHMENT OF ELIGIBLE DISASTER
18 AREAS.—In carrying out the program under this section,
19 the President shall—

20 “(1) establish eligible disaster areas, in con-
21 sultation with States, that the President determines
22 to be at risk of a natural hazard, including—

23 “(A) a description of the type, likelihood,
24 and severity of each potential natural hazard
25 affecting each such risk area; and

1 “(B) by taking into account previously de-
2 clared major disasters impacting such areas;

3 “(2) provide technical assistance to the States
4 or Indian tribal governments in developing the plan
5 described in subsection (c) and administering grants
6 provided for individual households under the pro-
7 gram;

8 “(3) not less frequently than every 5 years, re-
9 view and update the eligible disaster areas that the
10 President determines to be at risk of a natural dis-
11 aster, including a description of the type and sever-
12 ity of each potential natural disaster affecting each
13 such risk area; and

14 “(4) consult with relevant governmental and
15 nongovernmental experts in order to ensure that
16 such determinations are made using current sci-
17 entific standards and tools available in establishing,
18 reviewing, and updating the eligible disaster areas
19 that the President determines to be at risk of a nat-
20 ural disaster.

21 “(c) PLAN FOR ELIGIBLE ACTIVITIES.—To be eligi-
22 ble for a grant under this section, a State or Indian tribal
23 government shall submit to the President a plan that in-
24 cludes—

1 “(1) each disaster risk area established by the
2 President under subsection (b) in which the State or
3 Indian tribal government proposes to provide funds
4 under the program;

5 “(2) an assessment of the availability and af-
6 fordability of homeowner insurance coverage in each
7 such risk area, including a breakdown of coverage
8 offered by—

9 “(A) private insurance companies;

10 “(B) State residual markets; and

11 “(C) State and Federal insurance pro-
12 grams;

13 “(3) an analysis of factors that may be ad-
14 versely impacting insurance availability and afford-
15 ability;

16 “(4) a list of each qualifying mitigation activity
17 that is eligible for funds in each such risk area;

18 “(5) the criteria by which a State or Indian
19 tribal government will evaluate applicants, which
20 shall include consideration of the household income
21 of the applicant and whether the residence is located
22 in a Community Disaster Resilience Zone; and

23 “(6) a financial plan that includes maximum
24 amounts available to a household for each qualifying
25 mitigation activity.

1 “(d) CONSULTATION.—In establishing the program
2 under this section, the President, acting through the Ad-
3 ministrator of the Federal Emergency Management Agen-
4 cy and the Director of the Federal Insurance Office, shall
5 consult with the chief insurance regulators from the 50
6 States, the District of Columbia, and the territories of the
7 United States, insurance industry stakeholders, including
8 insurers, reinsurers, agents, brokers, and insurance-fund-
9 ed research organizations, and consumer and environ-
10 mental stakeholders to determine what qualifying mitiga-
11 tion activities are likely to incentivize the availability and
12 purchase of residential property insurance and other fi-
13 nancial risk transfer mechanisms in eligible disaster areas.

14 “(e) LIMITATIONS.—

15 “(1) HIGH-RISK AREAS.—Funds provided under
16 this section may only be used in eligible disaster
17 areas that the State or Indian tribal government de-
18 termines are at a high risk of experiencing a major
19 disaster for the major disaster that presents such a
20 risk.

21 “(2) LIMITATION BASED ON ADJUSTED GROSS
22 INCOME.—An individual shall not be eligible to re-
23 ceive a grant under this section if the adjusted gross
24 income of such individual exceeds \$250,000
25 (\$500,000 in the case of a joint tax return) for the

1 taxable year ending in the calendar year immediately
2 preceding the calendar year with respect to which a
3 grant application is filed.

4 “(3) DEFINITION OF ADJUSTED GROSS IN-
5 COME.—In this section, the term ‘adjusted gross in-
6 come’ has the meaning given such term in section
7 62(a) of the Internal Revenue Code of 1986.

8 “(f) MULTI-TIERED MITIGATION STANDARDS.—

9 “(1) IN GENERAL.—The President, acting
10 through the Administrator of the Federal Emer-
11 gency Management Agency, shall establish mitiga-
12 tion standards for individual households that carry
13 out each type of qualifying mitigation activity eligi-
14 ble for funds under the program, which may include
15 a multi-tiered standard.

16 “(2) CONSIDERATION.—In establishing the
17 mitigation standards under paragraph (1), the
18 President, acting through the Administrator—

19 “(A) shall consider any standards estab-
20 lished by—

21 “(i) the Insurance Institute for Busi-
22 ness and Home Safety;

23 “(ii) the chief insurance regulators
24 from the 50 states, the District of Colum-

1 bia, and the territories of the United
2 States; and

3 “(iii) any other standard-issuing enti-
4 ty determined appropriate; and

5 “(B) may—

6 “(i) adopt a standard considered
7 under subparagraph (A); or

8 “(ii) establish alternative standards.

9 “(g) GUIDANCE TO INSURANCE PROVIDERS.—To be
10 eligible for a grant under the program under this section,
11 a State or Indian tribal government shall establish, and
12 make available to the public, guidance to insurance pro-
13 viders and consumers that includes suggested incentives
14 for households that carry out disaster mitigation activities
15 under the program, including—

16 “(1) the mitigation standards established under
17 subsection (f);

18 “(2) increased consumer coverage choice; and

19 “(3) actuarially supported favorable pricing
20 benefits such as discounts, rebates, or premium
21 credits.

22 “(h) MAXIMUM AMOUNTS.—A State or Indian tribal
23 government may not provide more than an amount of
24 \$10,000, not to exceed the actual cost of mitigation activi-
25 ties, to any individual household under the program. Such

1 amount shall be increased yearly to reflect any increase
2 in the Consumer Price Index.

3 “(i) DEFINITION OF QUALIFYING MITIGATION AC-
4 TIVITY.—In this section, the term ‘qualifying mitigation
5 activity’ means an activity relating to a housing unit—

6 “(1) for property to—

7 “(A) improve the strength of a roof deck
8 attachment;

9 “(B) create a secondary water barrier to
10 prevent water intrusion or mitigate against po-
11 tential water intrusion from wind-driven rain;

12 “(C) improve the durability, impact resist-
13 ance (not less than class 3 or 4 rating), or fire
14 resistance (not less than class A rating) of a
15 roof covering;

16 “(D) brace gable-end walls;

17 “(E) reinforce the connection between a
18 roof and supporting wall;

19 “(F) protect openings from penetration by
20 wind-borne debris;

21 “(G) protect exterior doors and garages
22 from natural hazards;

23 “(H) complete measures contained in the
24 publication of the Federal Emergency Manage-

1 ment Agency entitled ‘Wind Retrofit Guide for
2 Residential Buildings’ (P-804);

3 “(I) elevate the qualified dwelling unit, as
4 well as utilities, machinery, or equipment, above
5 the base flood elevation or other applicable min-
6 imum elevation requirement;

7 “(J) seal walls in the basement of the
8 qualified dwelling unit using waterproofing com-
9 pounds; or

10 “(K) protect propane tanks or other exter-
11 nal fuel sources;

12 “(2) to install—

13 “(A) check valves to prevent flood water
14 from backing up into drains;

15 “(B) flood vents, breakaway walls or open
16 lattice for homes located in V zones;

17 “(C) a stormwater drainage system or im-
18 prove an existing system;

19 “(D) natural or nature-based features for
20 flood control, including living shorelines;

21 “(E) roof coverings, sheathing, flashing,
22 roof and attic vents, eaves, or gutters that con-
23 form to ignition-resistant construction stand-
24 ards;

1 “(F) wall components for wall assemblies
2 that conform to ignition-resistant construction
3 standards;

4 “(G) a wall-to-foundation anchor or con-
5 nector, or a shear transfer anchor or connector;

6 “(H) wood structural panel sheathing for
7 strengthening cripple walls;

8 “(I) anchorage of the masonry chimney to
9 the framing;

10 “(J) prefabricated lateral resisting sys-
11 tems;

12 “(K) a standby generator system con-
13 sisting of a standby generator and an automatic
14 transfer switch;

15 “(L) a storm shelter that meets the design
16 and construction standards established by the
17 International Code Council and the National
18 Storm Shelter Association (ICC–500), or a safe
19 room that satisfies the criteria contained in—

20 “(i) the publication of the Federal
21 Emergency Management Agency entitled
22 ‘Safe Rooms for Tornadoes and Hurri-
23 canes’ (P–361); or

1 “(ii) the publication of the Federal
2 Emergency Management Agency entitled
3 ‘Taking Shelter from the Storm’ (P-320);

4 “(M) a lightning protection system;

5 “(N) exterior walls, doors, windows, or
6 other exterior dwelling unit elements that con-
7 form to ignition-resistant construction stand-
8 ards;

9 “(O) exterior deck or fence components
10 that conform to ignition-resistant construction
11 standards;

12 “(P) structure-specific water hydration
13 systems, including fire mitigation systems such
14 as interior sprinkler systems;

15 “(Q) flood openings for fully enclosed
16 areas below the lowest floor of the dwelling
17 unit;

18 “(R) lateral bracing for wall elements,
19 foundation elements, and garage doors or other
20 large openings to resist seismic loads; or

21 “(S) automatic shutoff valves for water
22 and gas lines;

23 “(3) for services or equipment to—

24 “(A) create buffers around the qualified
25 dwelling unit through the removal or reduction

1 of flammable vegetation, including vertical
2 clearance of tree branches;

3 “(B) create buffers around the dwelling
4 unit through—

5 “(i) the removal of exterior deck or
6 fence components or ignition-prone land-
7 scape features; or

8 “(ii) replacement of the components
9 or features described in clause (i) with
10 components or features that conform to ig-
11 nition-resistant construction standards;

12 “(C) perform fire maintenance procedures
13 identified by the Federal Emergency Manage-
14 ment Agency or the United States Forest Serv-
15 ice, including fuel management techniques such
16 as creating fuel and fire breaks; or

17 “(D) replace flammable vegetation with
18 less flammable species;

19 “(4) for property relating to satisfying the
20 standards required for receipt of a FORTIFIED
21 designation from the Insurance Institute for Busi-
22 ness and Home Safety, provided that the qualified
23 dwelling unit receives such designation following in-
24 stallation of such property;

1 “(5) for property relating to satisfying the
2 standards required for receipt of a Wildfire Prepared
3 Homes designation from the Insurance Institute for
4 Business and Home Safety, provided that the quali-
5 fied dwelling unit receives such designation following
6 installation of such property; or

7 “(6) for any other hazard mitigation activity
8 identified by the President, in consultation with the
9 Administrator of the Federal Emergency Manage-
10 ment Agency and the hazard mitigation advisory
11 committee established in subsection (k), for mitiga-
12 tion of a natural hazard.

13 “(j) HAZARD MITIGATION ADVISORY COMMITTEE.—
14 The President shall establish a hazard mitigation advisory
15 committee that shall—

16 “(1) consist of 50 representatives, including
17 representatives from—

18 “(A) the State Insurance Commissioners;

19 “(B) private insurance companies;

20 “(C) private reinsurance companies;

21 “(D) insurance broker companies;

22 “(E) insurance-funded research organiza-
23 tions;

24 “(F) consumer advocate organizations;

1 “(G) State, local, and tribal firefighting
2 agencies;

3 “(H) State-sponsored insurance plans;

4 “(I) realtor associations;

5 “(J) home builder associations;

6 “(K) State, local, and tribal emergency re-
7 sponders;

8 “(L) State and tribal emergency managers;

9 “(M) State and tribal hazard mitigation
10 officers;

11 “(N) relevant academic experts;

12 “(O) building code associations;

13 “(P) agricultural groups; and

14 “(Q) environmental organizations; and

15 “(2) advise the President on developments in
16 emerging hazard mitigation research and testing and
17 recommend additions to the qualified hazard mitiga-
18 tion activities eligible under this program, including
19 reviewing the effectiveness of hazard mitigation sys-
20 tems, products, and designations submitted to the
21 advisory committee by private or nongovernmental
22 companies or organizations.

23 “(k) RULES OF CONSTRUCTION.—Nothing in this
24 Act shall—

1 “(1) require a State or any other entity to base
2 the assessment of the status of the availability of
3 homeowner insurance coverage required under sub-
4 section (c)(2) on data not already collected by that
5 entity absent this requirement; and

6 “(2) be construed to preempt the State regula-
7 tion of the business of insurance or require, by the
8 Federal Government or any State government, any
9 insurance provider to alter the underwriting, pricing,
10 and distribution of insurance.”.

11 (b) TAX TREATMENT OF INDIVIDUAL HOUSEHOLD
12 DISASTER MITIGATION PROGRAM.—

13 (1) IN GENERAL.—Section 139 of the Internal
14 Revenue Code of 1986 is amended by redesignating
15 subsection (h) as subsection (i) and by inserting
16 after subsection (g) the following new subsection:

17 “(h) INDIVIDUAL HOUSEHOLD DISASTER MITIGA-
18 TION PROGRAM.—Gross income shall not include amounts
19 received under section 207 of the Robert T. Stafford Dis-
20 aster Relief and Emergency Assistance Act.”.

21 (2) EFFECTIVE DATE.—The amendment made
22 by this subsection shall apply to amounts received
23 after the date of the enactment of this Act.

1 **SEC. 3. EXCLUSION OF AMOUNTS RECEIVED FROM STATE-**
2 **BASED CATASTROPHE LOSS MITIGATION**
3 **PROGRAMS.**

4 (a) IN GENERAL.—Section 139 of the Internal Rev-
5 enue Code of 1986, as amended by the preceding provi-
6 sions of this Act, is amended by redesignating subsection
7 (i) as subsection (j) and by inserting after subsection (h)
8 the following new subsection:

9 “(i) STATE-BASED CATASTROPHE LOSS MITIGATION
10 PROGRAMS.—

11 “(1) IN GENERAL.—Gross income shall not in-
12 clude any amount received by an individual as a
13 qualified catastrophe loss mitigation payment under
14 a program established or administered by a State, or
15 a political subdivision or instrumentality thereof, for
16 the purpose of making such payments.

17 “(2) QUALIFIED CATASTROPHE LOSS MITIGA-
18 TION PAYMENT.—For purposes of this section, the
19 term ‘qualified catastrophe loss mitigation payment’
20 means any amount which is received by an indi-
21 vidual to make improvements to such individual’s
22 residence for the sole purpose of hazard mitigation
23 with respect to such residence.

24 “(3) NO INCREASE IN BASIS.—Rules similar to
25 the rules of subsection (g)(3) shall apply in the case
26 of this subsection.”.

1 (b) CONFORMING AMENDMENTS.—

2 (1) Section 139(d) is amended by striking “and
3 qualified” and inserting “, qualified catastrophe
4 mitigation payments, and qualified”.

5 (2) Section 139(i) (as redesignated by sub-
6 section (a)) is amended by striking “or qualified”
7 and inserting “, qualified catastrophe mitigation
8 payment, or qualified”.

9 (c) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to taxable years beginning after
11 December 31, 2025.

12 **SEC. 4. EXCLUSION FROM GROSS INCOME OF CERTAIN**
13 **EMERGENCY AGRICULTURAL ASSISTANCE.**

14 (a) IN GENERAL.—Section 139 of the Internal Rev-
15 enue Code of 1986, as amended by the preceding provi-
16 sions of this Act, is amended by redesignating subsection
17 (j) as subsection (k) and by inserting after subsection (i)
18 the following new subsection:

19 “(j) CERTAIN AGRICULTURAL ASSISTANCE.—For
20 purposes of this section, the term ‘qualified disaster relief
21 payment’ shall include any assistance received under any
22 of the following:

23 “(1) Assistance received under the Wildfires
24 and Hurricanes Indemnity Program Plus under sub-

1 part O of part 760 of title 7, Code of Federal Regu-
2 lations.

3 “(2) Assistance received under section 1501 of
4 the Agricultural Act of 2014 (7 U.S.C. 9081).

5 “(3) Noninsured crop assistance under section
6 196 of the Federal Agriculture Improvement and
7 Reform Act of 1996 (7 U.S.C. 7333).

8 “(4) Assistance under a food assistance pro-
9 gram under part 9 of title 7, Code of Federal Regu-
10 lations.

11 “(5) Assistance under title IV of the Agricul-
12 tural Credit Act of 1978 (16 U.S.C. 2201 et seq.).

13 “(6) Assistance under the Quality Loss Assist-
14 ance Program.”.

15 (b) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to taxable years beginning after
17 December 31, 2025.

18 **SEC. 5. CREDIT FOR DISASTER MITIGATION EXPENDI-**
19 **TURES.**

20 (a) IN GENERAL.—Subpart B of part IV of sub-
21 chapter A of chapter 1 of the Internal Revenue Code of
22 1986 is amended by inserting after section 27 the fol-
23 lowing new section:

1 **“SEC. 28. DISASTER MITIGATION EXPENDITURES.**

2 “(a) IN GENERAL.—There shall be allowed as a cred-
3 it against the tax imposed by this chapter for the taxable
4 year an amount equal to 30 percent of the expenditures
5 paid for qualifying mitigation activities paid or incurred
6 by the taxpayer during such taxable year with respect to
7 real property owned or leased by the taxpayer.

8 “(b) QUALIFIED DISASTER MITIGATION ACTIVI-
9 TIES.—For purposes of this section—

10 “(1) QUALIFYING MITIGATION ACTIVITY.—The
11 term ‘qualifying mitigation activity’ has the meaning
12 given such term in section 207(j) of the Robert T.
13 Stafford Disaster Relief and Emergency Assistance
14 Act.

15 “(2) TREATMENT OF REIMBURSEMENTS.—Any
16 amount originally paid or incurred by the taxpayer
17 which is reimbursed by a State under a qualified
18 State disaster mitigation program shall be treated as
19 paid by such State (and not by such taxpayer).

20 “(c) APPLICATION WITH OTHER CREDITS.—

21 “(1) BUSINESS CREDIT TREATED AS PART OF
22 GENERAL BUSINESS CREDIT.—So much of the credit
23 which would be allowed under subsection (a) for any
24 taxable year (determined without regard to this sub-
25 section) that is attributable to expenditures made in
26 the ordinary course of the taxpayer’s trade or busi-

1 ness (or, in the case of expenditures made by a
 2 State, would have been expenditures made in the or-
 3 dinary course of the taxpayer’s trade or business if
 4 made by the taxpayer) shall be treated as a credit
 5 listed in section 38(b) for taxable year (and not al-
 6 lowed under subsection (a)).

7 “(2) PERSONAL CREDIT.—For purposes of this
 8 title, the credit allowed under subsection (a) for any
 9 taxable year (determined after application of para-
 10 graph (1)) shall be treated as a credit allowable
 11 under subpart A for such taxable year.

12 “(d) REDUCTION OF CREDIT PERCENTAGE WHERE
 13 TAXPAYER EXPENDITURES LESS THAN 30 PERCENT.—

14 “(1) IN GENERAL.—If the expenditure percent-
 15 age with respect to any item of expenditure de-
 16 scribed under subsection (a) is less than 30 percent,
 17 subsection (a) shall be applied by substituting ‘the
 18 expenditure percentage’ for ‘30 percent’ with respect
 19 to such item of expenditure.

20 “(2) EXPENDITURE PERCENTAGE.—For pur-
 21 poses of this section, the term ‘expenditure percent-
 22 age’ means, with respect to any item of expenditure
 23 described under subsection (a) any portion of which
 24 is paid or incurred by a State, the ratio (expressed
 25 as a percentage) of—

1 “(A) the taxpayer’s expenditure for such
2 item, divided by

3 “(B) the sum of the taxpayer’s and such
4 State’s expenditures for such item.

5 “(e) SPECIAL RULES.—

6 “(1) TREATMENT OF EXPENDITURES RELATED
7 TO MARKETABLE TIMBER.—An expenditure shall not
8 be taken into account for purposes of this section
9 (whether made by the taxpayer or a State) if such
10 expenditure is properly allocable to timber which is
11 sold or exchanged by the taxpayer. The preceding
12 sentence shall not apply to the extent that such
13 amount exceeds the gain on such sale or exchange.

14 “(2) BASIS REDUCTION.—For purposes of this
15 subtitle, if the basis of any property would (but for
16 this paragraph) be determined by taking into ac-
17 count any expenditure described under subsection
18 (a), the basis of such property shall be reduced by
19 the amount of the credit allowed under subsection
20 (a) with respect to such expenditure (determined
21 without regard to subsection (c)).

22 “(3) DENIAL OF DOUBLE BENEFIT.—The
23 amount of any deduction or other credit allowable
24 under this chapter for any expenditure for which a
25 credit is allowable under subsection (a) shall be re-

1 duced by the amount of credit allowed under such
 2 subsection for such expenditure (determined without
 3 regard to subsection (c)).”.

4 (b) CONFORMING AMENDMENTS.—

5 (1) Section 38(b) of such Code is amended by
 6 striking “plus” at the end of paragraph (40), by
 7 striking the period at the end of paragraph (41) and
 8 inserting “, plus”, and by adding at the end the fol-
 9 lowing new paragraph:

10 “(42) the portion of the disaster mitigation ex-
 11 penditures credit to which section 28(c)(1) applies.”.

12 (2) Section 1016(a) of such Code is amended
 13 by redesignating paragraphs (35) through (38) as
 14 paragraphs (36) through (39), respectively, and by
 15 inserting after paragraph (34) the following new
 16 paragraph:

17 “(35) to the extent provided in section
 18 28(e)(2),”.

19 (3) The table of sections for subpart B of part
 20 IV of subchapter A of chapter 1 of such Code is
 21 amended by inserting after the item relating to sec-
 22 tion 27 the following new item:

“Sec. 28. Qualified disaster mitigation expenditures.”.

23 (c) EFFECTIVE DATE.—The amendments made by
 24 this section shall apply to expenditures paid or incurred

1 after the date of the enactment of this Act, in taxable
2 years ending after such date.

○