

1 SB389
2 129302-1
3 By Senators Brooks, Pittman, Keahey and Bedford
4 RFD: Banking and Insurance
5 First Read: 12-APR-11

1 129302-1:n:04/12/2011:MCS/th LRS2011-2220

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8 SYNOPSIS: This bill establishes the Strengthen Alabama
9 Homes Program to aid homeowners in retrofitting
10 insurable property to resist future loss due to
11 hurricane or other catastrophic windstorm events.

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13 A BILL

14 TO BE ENTITLED

15 AN ACT

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17 To establish the Strengthen Alabama Homes Program to
18 aid homeowners in retrofitting insurable property to resist
19 loss due to hurricane or other catastrophic windstorm events.

20 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

21 Section 1. This act shall be known and may be cited
22 as the Strengthen Alabama Homes Act.

23 Section 2. (a) There is established within the
24 Department of Insurance, the Strengthen Alabama Homes Program.

25 (b) There is established the Strengthen Alabama
26 Homes Fund within the State Treasury for the use of the
27 department to administer the program.

(c) This act does not create an entitlement for property owners or obligate the state in any way to fund the inspection or retrofitting of residential property in this state. Implementation of this program is subject to annual legislative appropriations, receipt of federal grants or funds, or receipt of other sources of grants or funds. The department shall use its best efforts to obtain grants or funds from the federal government or other funding sources to supplement the financial resources of the program that may be provided by the state.

(d) Monies in the program shall be deposited in the Strengthen Alabama Homes Fund. Monies shall not lapse, unless otherwise specified under federal funding or a federal grant, or a grant or funds from another source, or be transferred to the General Fund or other state funds and shall not be redistributed. Monies shall be used for the purpose of assisting the program in performing all acts that relate to the function and purpose of the program.

(e) The program shall apply for financial grants to retrofit insurable property as defined in Section 27-31D-3, Code of Alabama 1975, to resist loss due to hurricane or other catastrophic windstorm events as prescribed in subsection (b) of Section 27-31D-2, Code of Alabama 1975.

(f) The program may also make grants or funding available to nonprofit entities for projects to retrofit an insurable property to resist loss due to hurricane or other catastrophic windstorm events if such grants or funding to

nonprofit entities are allowable under grant or funding rules, requirements, guidelines, or criteria. However, a nonprofit entity shall agree to administer the grants or funds as the program would be required to administer grants or funds and the entity shall provide documentation to the department in a timely manner as requested by the department.

(g) The program shall create a process in which mitigation contractors agree to participate and seek reimbursement from the state for the grant amount to be paid. All mitigation shall be based upon the securing of all required local permits and applicable inspections in keeping with local building codes and the Fortified for Existing Homes Program. Mitigation projects are subject to random reinspection of all projects.

(h) The department may promulgate rules and eligibility requirements necessary for the proper administration of this act and pursuant to any instructions or requirements on grants or funds received by the program.

Section 3. (a) To be eligible for a grant, residential property owners applying for a grant must have an insurable property that has been granted a homestead exemption and must be able to meet the eligibility requirements as set forth by the department for each grant type.

(b) Grants to residential property owners must be used to retrofit an insurable property as defined in Section 27-31D-3, Code of Alabama 1975, to resist loss due to

1 hurricane or other catastrophic windstorm events as prescribed
2 in subsection (b) of Section 27-31D-2, Code of Alabama 1975.

3 Section 4. This act shall become effective on
4 January 1, 2012, following its passage and approval by the
5 Governor, or its otherwise becoming law.