

HB424 INTRODUCED



1 HB424
2 9JDVKMP-1
3 By Representative Ellis
4 RFD: Insurance
5 First Read: 10-Feb-26



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4 SYNOPSIS:

5 This bill would create the Office of Risk and
6 Resilience within the Department of Insurance and would
7 provide for the Strengthen Alabama Homes Program to be
8 housed within the office.

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11 A BILL

12 TO BE ENTITLED

13 AN ACT

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15 Relating to the Department of Insurance; to create the
16 Office of Risk and Resilience within the department; and to
17 amend Section 27-31E-2, Code of Alabama 1975, to provide that
18 the Strengthen Alabama Homes Program is housed within the
19 office.

20 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

21 Section 1. (a) There is created within the Department
22 of Insurance the Office of Risk and Resilience. The office
23 shall develop and implement risk controls to help promote and
24 sustain a healthy insurance market in the state and shall work
25 to solve issues of risk and resilience facing the insurance
26 market.

27 (b) The Commissioner of Insurance, in conformance with
28 Section 36-26-10, Code of Alabama 1975, may employ personnel



29 to operate the office including one employee who is in the
30 exempt service and not subject to the state Merit System. This
31 position is in addition to any other exempt position otherwise
32 authorized by law for the department. The compensation of this
33 employee shall be set by the commissioner.

34 Section 2. Section 27-31E-2 of the Code of Alabama
35 1975, is amended to read as follows:

36 "§27-31E-2

37 (a) There is established within the Office of Risk and
38 Resilience of the Department of Insurance, the Strengthen
39 Alabama Homes Program.

40 (b) There is established the Strengthen Alabama Homes
41 Fund within the State Treasury for the use of the department
42 to administer the program.

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

53 (d) Monies in the program shall be deposited in the
54 Strengthen Alabama Homes Fund. Monies shall not lapse, unless
55 otherwise specified under federal funding or a federal grant,
56 or a grant or funds from another source, or be transferred to



57 the General Fund or other state funds and shall not be
58 redistributed. Monies shall be used for the purpose of
59 assisting the program in performing all acts that relate to
60 the function and purpose of the program.

61 (e) The program shall apply for financial grants to
62 retrofit insurable property as defined in Section 27-31D-3, to
63 resist loss due to hurricane, tornado, or other catastrophic
64 windstorm events as prescribed in ~~subsection (b) of~~ Section
65 27-31D-2 (b).

66 (f) The program may also make grants or funding
67 available to nonprofit entities for projects to retrofit an
68 insurable property to resist loss due to hurricane, tornado,
69 or other catastrophic windstorm events if such grants or
70 funding to nonprofit entities are allowable under grant or
71 funding rules, requirements, guidelines, or criteria. However,
72 a nonprofit entity shall agree to administer the grants or
73 funds as the program would be required to administer grants or
74 funds and the entity shall provide documentation to the
75 department in a timely manner as requested by the department.

76 (g) All mitigation shall be based upon the securing of
77 all required local permits and applicable inspections in
78 keeping with local building codes and the Fortified for
79 Existing Homes Program. Mitigation projects are subject to
80 random reinspection of all projects.

81 (h) The department may ~~promulgate~~ adopt rules and
82 eligibility requirements necessary for the proper
83 administration of this chapter and pursuant to any
84 instructions or requirements on grants or ~~funds~~ funding



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85 received by the program."

86 Section 3. This act shall become effective on June 1,
87 2026.