



Rhode Island Insurance Federation

Via Email to HouseCorporations@rilegislature.gov

March 4, 2025

Representative Joseph J. Solomon, Jr.
Chair, House Corporations Committee
Rhode Island State House
Providence, RI 02903

RE: House Bill 5549—An Act Related to Insurance—Strengthen Rhody Homes—**Support with Amendment**

Dear Chair Solomon:

The Rhode Island Insurance Federation submits this statement in support of House Bill No. 5549. This legislation increases the claims cap for first-party property loss claims under the guaranty fund, and importantly sets up the framework for a Strengthen Rhody Homes program to incentivize a culture of resiliency for homeowners in the state.

The Federation was recently formed to advocate for the property and casualty insurance industry in Rhode Island. Federation members write approximately 60% of the total property casualty insurance premiums in the state, and importantly a majority of the homeowners insurance market in the state. Federation members include most of the major insurance companies doing every form of property-casualty (P&C) insurance business in the state. In addition, every national P&C insurance trade association is a member of the Federation.

Strengthen Rhody Homes is based off the IBHS Fortified standard for retrofitting homes to withstand high-wind catastrophes. From sealing the roof deck, to impact-resistant shingles and better attachment, this roof standard has already proven to help reduce losses. According to the Alabama Insurance Department, more than 95 percent of properties retrofitted to a Fortified standard did not receive any significant damage from the 2020 landfall of Hurricane Sally (a category 2 storm).

Importantly, the Strengthen Alabama Homes program has delivered grants to more than 7,100 homeowners, but over 50,000 homes have been upgraded to a Fortified roof since the program began. Such data illustrates that this program is working so well that it is incentivizing upgrades even without grant dollars from the state. Developing such a culture of resiliency is important to mitigate the impacts of climate change at the personal level and is important to the future of our coastal and other wind-prone communities.

The Federation does suggest amending the language contained in 27-76-2(d), to allow the markets to appropriately manage any discounts established within said section, and we look forward to working with the sponsors and stakeholders on the appropriate language to achieve such goals.

Additionally, the Federation supports the pro-consumer language contained in H.5549 to increase the coverage limits for first-party property claims paid from the guaranty fund to \$1 million. This is an important safeguard for consumers as the cost to rebuild increases.

For the reasons set forth above, the Federation supports House Bill 5549, and we urge the Committee to recommend passage.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Christopher S. Stark".

Christopher S. Stark
Executive Director
Rhode Island Insurance Federation
cstark@rhodeislandinsurancefederation.org
(617) 356-2644 (cell)