

July 18, 2023

The Honorable Sen. Dianne Feinstein
United States Senate
331 Hart Senate Office Building
Washington, DC 20510

The Honorable Sen. Michael Bennet
United States Senate
261 Russell Senate Office Building
Washington, DC 20510

The Honorable Sen. Bill Cassidy
United States Senate
455 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Sen. John Hickenlooper
United States Senate
374 Russell Senate Office Building
Washington, DC 20510

The Honorable Sen. John Neely Kennedy
United States Senate
437 Russell Senate Office Building
Washington, DC 20510

The Honorable Sen. Jeff Merkley
United States Senate
531 Hart Senate Office Building

The Honorable Rep. Doug LaMalfa
United States House of Representatives
408 Cannon House Office Building
Washington, DC 20515-0501

The Honorable Rep. Jerry Carl
United States House of Representatives
1330 Longworth House Office Building
Washington, DC 20515-0101

The Honorable Rep. Scott Fitzgerald
United States House of Representatives
1507 Longworth House Office Building
Washington, DC 20515-4905

The Honorable Rep. Clay Higgins
United States House of Representatives
572 Cannon House Office Building
Washington, DC 20515-1803

The Honorable Rep. Deborah Ross
United States House of Representatives
1221 Longworth House Office Building
Washington, DC 20515-3302

Re: *Support for the Disaster Mitigation and Tax Parity Act of 2023 (S. 1953 / H.R. 4070)*

Dear Senators Feinstein, Bennet, Cassidy, Hickenlooper, Kennedy, Merkley, Padilla, and Tillis and Representatives LaMalfa, Carl, Fitzgerald, Higgins, Ross, Rouzer, and Thompson:

On behalf of the National Association of Insurance Commissioners (NAIC)¹, we write to express our support for the bicameral bipartisan Disaster Mitigation and Tax Parity Act of 2023, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income amounts received from State-based catastrophe loss mitigation programs, (S. 1953 / H.R. 4070). Your legislation would ensure that state-based disaster mitigation grants receive the same federal tax exemptions as federal mitigation grants and help provide greater incentives for homeowners to take action to protect their homes from natural disasters.

State insurance regulators recognize that natural catastrophes take a considerable financial and emotional toll on Americans every year and we strongly support efforts to encourage investments in pre-disaster mitigation to help lessen these impacts. It is critical to develop strategies today to better manage and mitigate the catastrophic events of tomorrow, particularly considering that every \$1 spent on mitigation grants saves \$6 in future disaster costs.² Significant investment in preparation and mitigation could result in substantial savings in federal disaster relief. States are leading resiliency initiatives throughout the country and establishing mitigation grant programs

Sincerely,

Chlora Lindley-Myers
NAIC President
Director
Missouri Department of Commerce and Insurance

Andrew N. Mais (He/Him/His)
NAIC President-Elect
Commissioner
Connecticut Insurance Department

Jon Godfread
NAIC Vice President
Commissioner
North Dakota Insurance Department

Scott White
NAIC Secretary-Treasurer
Commissioner
Virginia Insurance Department