

NAR Committee:

Insurance Committee

What is the fundamental issue?

Insurance companies have been raising rates or reducing coverage in high-risk areas to address the rising costs of insuring and replacing homes due to natural disasters. NAR supports the development of federal disaster public policies that proactively reduce the risk of property damage and, consequently, insurance rates in high-disaster-risk areas.

I am a real estate professional. What does this mean for my business?

Without adequate insurance, property owners must turn to the federal government for taxpayer-funded disaster assistance, which typically means a low-interest SBA loan that must be repaid with the mortgage.

NAR Policy:

NAR supports the development of federal disaster policies that meet the following principles:

- Provides timely post-disaster emergency assistance, while prioritizing pre-disaster investments to reduce the risk of loss;
- Encourages private insurance markets to assume more disaster risk, without crowding out private capital or relying on cross-subsidies among homeowners;
- Promotes stronger building standards and land-use decisions that reduce future losses and improve community resilience;
- Supports federal investments in mitigation and resilience for existing development, particularly in high-risk areas; and
- Improves transparency and access to risk information, including accurate hazard mapping and disclosures, so consumers can make informed decisions.

Opposition Arguments:

Opponents assert that taxpayers are being asked to bailout people who choose to live in harm's way. Yet, many people made those decisions before hazard information became available and now must rely on federal disaster relief until more proactive public policies can be established.

Legislative/Regulatory Status/Outlook

NAR supports modernizing federal disaster policy to ensure timely post-disaster emergency assistance, while placing greater emphasis on risk reduction, resilience, and long-term recovery.

NAR Issue Summaries

Insurance / Natural Disaster Policy

On September 3, 2025, the House Transportation and Infrastructure Committee voted 57–3 to approve **H.R. 4669, the Fixing Emergency Management for Americans (FEMA) Act**, which would allow disaster assistance to be used more effectively for permanent home repairs, incorporate mitigation and resilience improvements, and reduce reliance on prolonged temporary housing. The bill now moves to the full House for consideration.

NAR supports this legislation and will continue working with Congress to advance disaster reforms that strengthen housing and community resilience while helping homeowners and real estate markets make more informed decisions before and after disasters.

Current Legislation/Regulation (bill number or regulation)

[US HR 4669](#): Fixing Emergency Management for Americans (FEMA) Act

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