
**Consumer Protection & Business
Committee**

SSB 6079

Brief Description: Reducing nonrenewal and cancellations of insurance policies due to wildfire risk.

Sponsors: Senate Committee on Business, Trade & Economic Development (originally sponsored by Senators Riccelli, Short, Nobles, Saldaña and Valdez; by request of Insurance Commissioner).

Brief Summary of Substitute Bill

- Establishes the Strengthen Washington Homes Program (SWH Program), administered by the Office of the Insurance Commissioner (OIC), to provide grants to assist and promote wildfire mitigation efforts in accordance with wildfire prepared standards.
- Permits unexpended funds from the OIC's regulatory and fraud accounts to be used to fund the SWH Program.
- Authorizes the OIC to conduct localized pilot projects to inform the SWH Program implementation.
- Prohibits an insurer from using wildfire risk as a disqualifying risk factor for property insurance if the property has a wildfire prepared standard.

Hearing Date: 2/24/26

Staff: Megan Mulvihill (786-7304).

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Wildfire Mitigation and Resiliency Standards Work Group.

In 2025 the Legislature established the Wildfire Mitigation and Resilience Standards Work Group (Work Group). The Work Group was co-chaired by the Office of the Insurance Commissioner (OIC) and the Department of Natural Resources, and included representatives of the insurance industry, local emergency management, the Fire Chiefs Association, landowners, the real estate industry, utilities, and legislative members.

The Work Group was tasked with studying and providing recommendations in five areas. One area was to establish a grant program to provide grants to Washington homeowners for retrofitting residential property to resist loss due to wildfire, and to evaluate whether residential property meets nationally recognized, science-based, wildfire mitigation standards. Recommendations were to include a grant program framework to reduce the number of non-renewals of property insurance policies and whether and how local fire protection districts may collaborate with the grant program administrator.

The majority of the Work Group recommended that the Legislature establish a voluntary grant program to retrofit homes using the Insurance Institute for Business and Home Safety (IBHS) Wildfire Prepared Home Standards. The IBHS is a nonprofit organization funded by the Insurance industry that conducts scientific research to reduce property damage and loss from severe weather and wildfires.

Summary of Bill:

Strengthen Washington Homes Program.

The Strengthen Washington Homes Program (SWH Program) is established to provide financial grants to real property owners, building contractors, nonprofit organizations, and tribes to assist and promote wildfire risk mitigation efforts for insurable dwellings in accordance with the wildfire prepared standards. Wildfire prepared standards are Wildfire Prepared Home and Wildfire Prepared Neighborhood designation standards published by the IBHS.

The OIC must implement and administer the SWH Program, to the extent that funding is available. The OIC is authorized to accept any and all types of donations, bequests, gifts, conveyances, devises, and grants for the purpose of the SWH Program. The SWH Program account is established as an appropriated account to be used solely for the SWH Program. Unexpended funds at the end of each fiscal year in the OIC's regulatory and fraud accounts may be used to fund the SWH Program account until December 31, 2029.

Any financial grant provided under the SWH Program to mitigate an insurable dwelling is contingent upon the real property owner securing all required permits and inspections in accordance with all applicable building codes, as well as a wildfire prepared standard, or equivalent designation, from the IBHS.

The OIC must adopt rules to implement the SWH Program, including:

- establishing grant application forms and procedures;

- specifying grant eligibility criteria, requirements, and procedures;
- requiring that any insurable dwelling wildfire risk mitigation funded by a grant complies with wildfire prepared standards and specific standards and designations that are applicable to the insurable dwelling, and is performed by contractors who meet certain criteria;
- developing procedures and requirements for distributing grants; and
- collecting the documentation necessary to allow for auditing of the SWH Program required under the terms of the grant or other funds received by the SWH Program.

Pilot Projects. The OIC may conduct localized pilot projects to inform SWH Program implementation. The pilot projects must include identification of the most efficient and equitable means of administering the program, development of the necessary workforce to implement the program fully, and establishment of the schedule for full implementation. The design of the pilot projects must be informed by the report submitted by the Work Group, including:

- prioritizing projects in areas with high wildfire hazard, limited insurance access, and low income and underserved populations;
- funding mechanisms that consider financial accessibility and equity; and
- a mechanism to evaluate effectiveness in reducing wildfire risk and insurance non-renewals over time.

The OIC must engage nonprofit, local, state, tribal, and federal entities with local knowledge on best locations for pilot projects. The OIC must submit the results of the pilot projects to the Legislature by November 1, 2029, including:

- reporting on how locations were determined;
- interactions with local workforce and property owners;
- types of mitigation provided by grant funding;
- how equity and access for underserved populations was considered in the design; and
- how the certification process went.

Restriction on Insurer Use of Wildfire Risk.

An insurer is prohibited from using wildfire risk as a disqualifying risk factor for property insurance eligibility if the property has a current wildfire prepared standard or an equivalent designation from the IBHS.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains multiple effective dates. Please see the bill.