ALABAMA DEPARTMENT OF INSURANCE
INSURANCE REGULATION
ADMINISTRATIVE CODE

CHAPTER 482-1-159
STRENGTHEN ALABAMA HOMES

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482-1-159-.01 Purpose, Scope, And Authority.

(1) The purpose of this chapter is to set forth rules and requirements the Commissioner deems necessary to carry out the provisions of Code of Ala. 1975, §§27-31E-1 through 5, relating to the Strengthen Alabama Homes (SAH) program.

(2) This chapter shall apply to all aspects of the SAH program.

(3) This chapter is adopted pursuant to Code of Ala. 1975, §§27-2-17 and 27-31E-1 through 5.
Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17, 27-31E-2.
History: **New Rule:** August 12, 2015; effective January 1, 2016. Filed with LRS August 12, 2015. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Published June 28, 2024; effective January 1, 2025. Published with LSA June 28, 2024. This rule is not subject to the Alabama Administrative Procedure Act.

482-1-159-.02 Grants.

(1) Eligibility. To be eligible for an SAH grant, an applicant must meet the following requirements:

(a) Homeowner must claim its primary residence in a county where grants are being approved.

(b) The home that is the subject of the grant must be an owner occupied, single-family, primary residence, and cannot be a condominium or mobile home.

(c) The home must be in good repair unless damaged by a hurricane, non-hurricane wind, or hail. SAH grant funds cannot be used for maintenance or repairs, but may be used in conjunction with repairs or reconstruction necessitated by damages from a hurricane, non-hurricane wind, or hail.

(d) Homeowner must retrofit the home to the Insurance Institute for Business and Home Safety (IBHS) FORTIFIED RoofTM (Roof) or FORTIFIED SilverTM (Silver) or an IBHS successor designation.

(e) Homeowner must provide proof of an in-force policy providing wind insurance on the home.

(f) If the home is in a special flood hazard area, homeowner must provide proof of an in-force flood insurance policy. The flood policy may be from the National Flood Insurance Program (NFIP) or a private carrier.

(g) FORTFIED projects must be completed within three (3) months of the date of the Grant Approval Notification. Failure to complete the project timely may result in forfeiture of the grant.

(h) Any entity providing funds to the SAH program will be permitted to establish additional rules and guidelines under which those funds may be used, as long as they do not violate any state or federal law.

(2) Application Process.

(a) Homeowner creates an online profile and completes the application.

(b) Homeowner selects a Certified IBHS Evaluator from a list of evaluators provided by SAH.

(c) Evaluator pre-qualifies the home to determine whether the home can be FORTIFIED and, if so, identifies all improvements require to achieve IBHS Roof or Silver levels or an IBHS successor designation and reports finings to SAH. The Evaluator’s fee is paid by the homeowner.

(d) Homeowner submits application to SAH with required documentation: Evaluator’s report, most recently filed federal income tax return or approved alternative, a copy of the declaration page from the homeowner’s insurance and wind insurance policy or policies, and a vendor disclosure statement.

(e) Homeowner obtains bids for level of work desired (Roof or Silver) from three approved program Contractors.

(3) Approval of Grants.

(a) The SAH staff will review all applications for completeness and will perform appropriate audits to verify the accuracy of the information on the application and that the applicant meets all eligibility rules. Verified applicants are placed in the order received. Grants are awarded on a first-come basis subject to availability of funds.

(b) When a grant is approved, an approval letter is sent to the applicant.

(c) The applicant then selects a contractor of its choice from bids received and enters into an agreement with the Contractor to perform the FORTIFIED work. Contractors are not authorized to begin work until a grant is approved.

(4) Release of Funds. Grant funds will only be released on behalf of an approved applicant once a Roof or Silver certificate has been issued for the home. The funds will be paid by SAH or another designated entity, on behalf of the homeowner, directly to the contractor that performed the FORTIFIED work.

(5) Grant Award Process:

(a) Once the grant application is approved, the Contractor selected by the Homeowner may begin the FORTIFIED work.

(b) Once the FORTIFIED work is completed, the Contractor submits a copy of the signed contract to SAH, along with an invoice seeking payment and an affidavit stating the FORTIFIED standards was met by their work.

(c) The IBHS Evaluator will conduct all required evaluations, including the required interim inspection during construction and the final inspection, confirming that the work was completed according to the FORTIFIED specifications.

(d) SAH or its designated entity pays the Contractor costs covered by the grant; the homeowner pays the remaining cost to the Contractor after receiving an IBHS FORTIFIED Certificate.

(e) SAH confirms the homeowner’s insurer provides the appropriate premium credit.

(f) SAH conducts random re-inspections to detect any fraud and submits any irregularities to the ALDOI Fraud Unit.

Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17; 27-7-43; 27-31E-2.

History: New Rule: August 12, 2015; effective January 1, 2016. Filed with LRS August 12, 2015. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** November 15, 2017; effective November 25, 2017. Filed with LRS November 15, 2017. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** November 7, 2018; effective November 17, 2018. Filed with LSA November 7, 2018. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** July 7, 2022; effective July 17, 2022. Published with LSA July 29, 2022. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Published June 28, 2024; effective January 1, 2025. Published with LSA June 28, 2024. This rule is not subject to the Alabama Administrative Procedure Act.

482-1-159-.03 Grant Award Eligibility (Repealed 7/17/22).

(REPEALED)
Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17, 27-31E-2.
History: New Rule: August 12, 2015; effective January 1, 2016. Filed with LRS August 12, 2015. Rule is not subject to the Alabama Administrative Procedure Act. **Revised:** June 14, 2017; effective July 24, 2017. Filed with LRS June 14, 2017. Rule is not subject to the Alabama Administrative Procedure Act. **Repealed:** July 7, 2022; effective July 17, 2022. Published with LSA July 29, 2022. Rule is not subject to the Alabama Administrative Procedure Act.

482-1-159-.04 Grant Allocations.

(1) Where the SAH program is made available, grant applications will be accepted on a first-come, first-served basis.

(2) The Commissioner of Insurance may establish projects as needed to establish a sustainable distribution system of the program in any geographic area within the State of Alabama.
Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17, 27-31E-2.
History: New Rule: August 12, 2015; effective January 1, 2016. Filed with LRS August 12, 2015. Rule is not subject to the Alabama Administrative Procedure Act. **Revised:** June 14, 2017; effective July 24, 2017. Filed with LRS June 14, 2017. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Published June 28, 2024; effective January 1, 2025. Published with LSA June 28, 2024. This rule is not subject to the Alabama Administrative Procedure Act.

482-1-159-.05 Severability And Effective Date.

(1) If any rule or portion of a rule or its applicability to any person or circumstance is held invalid by any court, the remainder of this chapter or the applicability of the provision to other persons or circumstances shall not be affected.

(2) This chapter shall become effective January 1, 2016, upon its approval by the Commissioner of Insurance and upon its having been on file as a public document in the office of the Secretary of State for ten days.
Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17, 27-31E-2.
History: New Rule: August 12, 2015; effective January 1, 2016. Filed with LRS August 12, 2015. Rule is not subject to the Alabama Administrative Procedure Act.

482-1-159-.06 Contractor Eligibility Requirements.

To be eligible to work on the SAH program as a Contractor, the Contractor must meet all of the following program requirements and must maintain a current copy of all certificates, licenses, and proof of insurance coverages with the program office:

(a) The Contractor must hold a valid residential home builder's license without limitation, which may be designated as "unlimited", or its successor issued by the Alabama Home Builder Licensure Board. If the Contractor is a general partnership, limited partnership, corporation, limited liability company, or not-for-profit, the qualifying representative representing the contractor must at all times be the same person designated as the contractor's qualifying representative on the face of that contractor's license. The Contractor must be free from all disciplinary action by the Board.

(b) The Contractor must hold any other valid state or jurisdictional business license or work permit required by law in Alabama.

(c) The Contractor and each subcontractor used must independently provide proof of insurance with the following minimum coverages:

(1) General Liability policy with $1,000,000 per occurrence; $1,000,000 personal and advertising injury; $2,000,000 aggregate; and $2,000,000 products/completed operations aggregate;

(2) Automobile Liability covering owned, non-owned, and hired automobiles with $1,000,000 per occurrence;

(3) Employer Liability with $1,000,000 per accident; $1,000,000 disease policy limit; and $1,000,000 disease each employee;

(4) Umbrella Liability with $1,000,000 each occurrence and aggregate; and

(5) Contractors Errors & Omission Liability with $100,000 each occurrence and aggregate.

(d) The Contractor and each subcontractor used must independently comply with all state and federal Workman's Compensation laws.

(e) A Certificate of Compliance from the State of Alabama Department of Revenue.

(f) Contractor must successfully complete FORTIFIED Roof Contractor for High Wind and Hail and Hurricane training and FORTIFIED Professional for High Wind and Hail and Hurricane training provided by the Insurance Institute for Business and Home Safety (IBHS) or its successor and provide a certificate of successful completion of the training. The training may be offered as separate courses and the contractor is responsible for paying all fees associated with the training.

(g) Contractor must agree to the terms and successfully register with the State of Alabama STAARS Vendor Self Service (VSS) application and receive direct deposit of payment for FORTIFIED work performed under this program.

(h) Contractor must maintain internet access and a valid email address on file with the SAH program and remain active in STAARs while working on the program.

(i) Contractor must maintain an active email address for the communication with the program.

(j) Contractor must successfully complete the SAH program Training.

(k) Contractors must agree to follow SAH program procedures, rules as established by the Commissioner of Insurance.

Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17; 27-31E-2; 27-31E-5.
History: **New Rule:** July 7, 2022; effective July 17, 2022. Published with LSA July 29, 2022. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Published June 28, 2024; effective January 1, 2025. Published with LSA June 28,

2024. This rule is not subject to the Alabama Administrative Procedure Act.

482-1-159-.07 Contractor Conflict Of Interest.

(1) Contractors may not have a financial interest in any project for which they perform work toward a FORTIFIED designation other than for payment on behalf of the homeowner by the SAH program.

(2) Contractors cannot be the Evaluator for a FORTIFIED designation on any project funded by the SAH program.

(3) It is the Contractor's responsibility to report to the SAH program any potential conflicts of interest before work commences on any job funded by the program.
Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17; 27-31E-2; 27-31E-5.
History: New Rule: July 7, 2022; effective July 17, 2022. Published with LSA July 29, 2022. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Published June 28, 2024; effective January 1, 2025. Published with LSA June 28, 2024. This rule is not subject to the Alabama Administrative Procedure Act.

482-1-159-.08 Evaluator Eligibility Requirements.

To be eligible to work on the SAH program as an Evaluator, the Evaluator must meet all program eligibility requirements, must submit and maintain a copy of all current certificates and licenses, and comply with the following:

(a) The Evaluator must be in good standing with the Insurance Institute for Business and Home Safety maintain an active certification as a FORTIFIED Home Evaluator for Hurricane and High Wind and Hail certificate or its successor.

(b) Must possess an Alabama Business license.

(c) Must be registered with Alabama Secretary of State.

(d) The Evaluator must provide us with a Certificate of Compliance from the State of Alabama Department of Revenue.

(e) The Evaluator must successfully complete the SAH program training.
Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17; 27-31E-2; 27-31E-5.

History: New Rule: July 7, 2022; effective July 17, 2022. Published with LSA July 29, 2022. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Published June 28, 2024; effective January 1, 2025. Published with LSA June 28, 2024. This rule is not subject to the Alabama Administrative Procedure Act.

482-1-159-.09 Evaluator Conflict Of Interest.

(1) Evaluators may not have a financial interest in any project for which they inspect for designation purposes for the SAH program (SAH).

(2) Evaluators cannot be a contractor or supplier of any materials and/or products or systems installed in any home that they inspection for designation purposes for the SAH program.

(3) Evaluators cannot be a sales agent for any home being designated for the SAH program.

(4) Evaluators have a duty to inform the SAH program of any potential conflicts of interest.

Author: Commissioner of Insurance
Statutory Authority: Code of Ala. 1975, §§27-2-17; 27-31E-2; 27-31E-5.
History: New Rule: July 7, 2022; effective July 17, 2022. Published with LSA July 29, 2022. Rule is not subject to the Alabama Administrative Procedure Act. **Amended:** Published June 28, 2024; effective January 1, 2025. Published with LSA June 28, 2024. This rule is not subject to the Alabama Administrative Procedure Act.