

Proviso 117.200 Report

South Carolina Safe Home Program



June 2026

Introduction

Overview – Proviso 117.200

(GP: Safe Homes Program)

- (A) The Department of Insurance shall collaborate with the Office of Resilience to evaluate the operation of the Safe Homes Program and determine if all available funds are being fully accessed and made available for grants and used appropriately based on the current and projected needs of the State regarding home weatherization. The department shall submit a report to the General Assembly by June 30, 2026, detailing the evaluation's findings and providing recommendations to enhance the program's effectiveness. The recommendations may include, but are not limited to, proposed statutory changes and additional funding requirements as deemed necessary.

- (B) For the current fiscal year, any funds appropriated for the Safe Homes Program shall be supplemental to the program's existing funding sources.

Program Background

Legislative Origins and Mandate: The South Carolina Safe Home (SC Safe Home) mitigation grant program was established by Section 11 of the [Omnibus Coastal Property Insurance Reform Act of 2007](#). Enacted by the South Carolina General Assembly in the wake of hyper-active hurricane seasons, and devastating events nationally like Hurricane Katrina, the Omnibus Act sought to address a critical economic vulnerability: the skyrocketing cost and diminishing availability of private property insurance along the state's coast.

Rather than relying solely on post-disaster recovery, the legislature established SC Safe Home as a proactive, state-funded initiative. Administered by the [South Carolina Department of Insurance \(SCDOI\)](#), the program's core mandate is to provide financial assistance to eligible homeowners to physically strengthen their primary, single-family residences against catastrophic windstorms and hurricanes. By fortifying the structural integrity of homes, the state aims to shrink the volume of future property losses, minimize resident displacement, and lower overall wind and hail insurance premiums across vulnerable coastal communities.

Despite this historic expansion, the program remains defined by sharp gaps in supply and demand. High application volumes frequently force the SCDOI online portal to close early once available cyclical allocations are exhausted, underscoring the urgent need for the scaling assessments detailed in this report. FY 25-26 Proviso 117.200 mandates collaboration with the S.C. Office of Resilience (SCOR) in evaluating the SC Safe Home Program and providing any recommendations to enhance the program's effectiveness.

Program Evolution and Key Milestones

Since its inception, SC Safe Home has steadily evolved from a localized coastal trial into a sophisticated, dual-tiered resilience framework.

Operational Growth: Over nearly two decades of operation, the program has grown to serve 11 designated coastal and near-coastal counties: Beaufort, Berkeley, Charleston, Colleton, Dorchester, Florence, Georgetown, Horry, Jasper, Marion, and Williamsburg. As of recent program tallies, the initiative has successfully awarded over 8,000 mitigation grants totaling more than \$40 million in home retrofits.

Integration of Rigorous Engineering Standards: A pivotal operational shift occurred through a formal partnership with the Insurance Institute for Business & Home Safety (IBHS). The program has successfully woven the national IBHS FORTIFIED Roof™ standard into its structural criteria. This ensures funded retrofits incorporate secondary water barriers, reinforced roof decks, and wind-rated coverings capable of withstanding 130+ mph winds.

Financial Tier Adjustment: To keep pace with rising material costs, the program structured awards into distinct project types. Currently, the program offers up to \$7,500 for high-tier "Resilient Projects" (achieving a dual FORTIFIED designation and SC Safe Home designation) and up to \$5,000 for "Sustainable Projects" (supports standard wind retrofits or shutter systems).

Current Funding Structure and Eligibility (2026)

In 2026, SC Safe Home functions under a progressive grant structure heavily tied to federal affordability metrics. Grants are awarded based on total annual adjusted gross household income relative to the U.S. Department of Housing and Urban Development (HUD) median income datasets for the applicant's county.

Matching Grants: Higher-income applicants receive partial funding (e.g., up to \$6,000 for a Resilient Project) and must contribute out-of-pocket matching funds.

Non-Matching Grants: Lower-to-moderate-income (LMI) applicants qualify for full funding up to the maximum award caps without a personal matching requirement.

Fiscal Year Boost: SC Safe Home received a \$5.5 million funding boost, with \$2.5 million in recurring funds supporting roughly 250 annual grants. Additionally, \$3 million in one-time aid will increase the total grants to an estimated 650 for the 2025-26 period. As noted by Senator Tom Davis, this initiative helps mitigate rising insurance premiums for coastal residents dealing with wind and hail risk exposure.

Contractors and Inspectors: The SC Safe Home Program is supported by a statewide network of 116 certified contractors and 14 licensed inspectors, for a combined total of 130 active professionals delivering mitigation services across South Carolina. Within this group, 40 individuals are dual-credentialed, serving as both contractors and inspectors, which enhances scheduling flexibility and helps streamline project delivery in high-demand regions. This blended workforce forms the backbone of the program's ability to complete quality retrofits, maintain compliance with IBHS standards, and ensure homeowners receive consistent, reliable service throughout the mitigation process.

Mandated Outreach, Education, and Supplemental Funding Requirements

Beyond direct grant administration, the SC Safe Home program operates under an explicit legislative mandate to conduct comprehensive public outreach and consumer education. These efforts are incorporated into SCDOI's broader communications initiative to actively educate South Carolina homeowners on the long-term economic and safety benefits of wind mitigation, structural fortification, and insurance premium reduction.

To sustain and expand these educational endeavors without depleting capital reserved for structural retrofits, the program works to develop and submit competitive grant proposals to federal agencies and private stakeholders. These external funding pipelines directly supplement the program's baseline outreach budget.

The most recent successful manifestation of this requirement is the completion of the program's flagship digital outreach project: the multimedia podcast, "Now That's a Good Question." Funded in part through competitive Federal Emergency Management Agency (FEMA) hazard mitigation grant funds, this series was developed specifically to amplify and operationalize localized hurricane preparedness campaigns like the SC EMD's "Do You Know Your Zone?" Recent episodes, in coordination with SCOR, have included topics such as "After the Storm: Where Do You Turn for Help?" By weaving structural wind fortification strategies together with vital consumer insurance literacy and pre-storm financial preparedness information, the podcast serves as a scalable model for modern, multi-platform consumer education. It successfully broadcasts complex risk-reduction insights via Spotify and YouTube to property owners statewide. There exists substantive collaboration amongst SCDOI, SC EMD, and SCOR in post-disaster housing recovery via SC EMD's Recovery Support Function 14.

Analysis of Canceled Grants and Affordability Barriers

While fund deployment remains high, a critical friction point in program efficiency is the volume of approved grants that ultimately face cancellation before construction begins.

The Affordability Gap: The primary driver for grant cancellation is the severe financial shortfall experienced by applicants, most notably LMI homeowners. These homeowners often underestimate the scale and cost of the project or are under the assumption that the grant will cover the whole amount. Homeowners unable to produce

their portion of the cost is a huge barrier to retrofitting more homes. The SC Safe Home staff proactively work with homeowners to accommodate reasonable time extensions and share additional funding avenues in an effort to help these homeowners utilize the program, even when LMI applicants are awarded the maximum non-matching grant amount (e.g., \$5,000 for impact windows or \$3,000 for shutters), skyrocketing local contractor fees and material costs can significantly increase the final construction invoice amount.

Attrition: Families that lack the cash or financing options to bridge the remaining out-of-pocket expense are forced to forego their approved awards. This circumstance results in approved mitigation funds to sit idle until they can be recycled into a future application window.

Geographic Distribution of Capital

Resources remain heavily concentrated in regions exposed to the highest wind-borne risks.

Concentration of Program Funds by County:

- Horry County (High Density and High Wind Exposure): 50%
- Charleston and Berkeley Counties (Urban Coastline Corridor): 27%
- Georgetown and Beaufort Counties (Low-lying Maritime Communities): 15%
- Near Coastal Counties, Marion and Williamsburg (Inland Wind Vulnerability): 8%

The Coastal Monopoly: Horry and Charleston counties represent the vast majority of historical and ongoing project completions. This is a natural byproduct of dense coastal development and immediate insurance premium pressure. According to the program's affordability gap data, Charleston and Horry County are the two counties least likely to see grant cancellations due to a homeowner's limited financial resources.

The Rural Gap: Inland, near-coastal counties like Marion and Williamsburg see significantly lower utilization rates. This gap exists despite these areas being equally susceptible to severe post-landfall wind damage, pointing to a critical baseline disparity in local contractor availability, program awareness and homeowners' limited financial resources.

Fund Utilization Analysis

This section delivers a metrics-driven accounting of the SC Safe Home Program's financial allocations, examining grant distribution, average project costs, and regional resource concentrations across the state's high-risk areas.

Continued on next page.

Fiscal Year Allocations and Operational Scope

With the General Assembly’s expansion of the program’s funding pool to \$8.9 million, the program radically transformed its seasonal capacity. The table below outlines how funds were strategically deployed across roofing, opening protection (windows/doors), and hurricane shutter systems for the fiscal year 2025-2026:

Project Classification	Maximum Allowable Award	Total Issued	Grants Total Disbursed	Funds
Resilient Projects (<i>IBHS FORTIFIED Roof Upgrade</i>)	Up to \$7,500	733 grants	\$5,557,500	
Sustainable Projects (<i>Standard Roof / Impact Windows & Doors</i>)	Up to \$5,000	69 grants	\$345,000	
Hurricane Shuttering (<i>Accordion, Bahama, or Roll-Down Shutters</i>)	Up to \$3,000	91 grants	\$273,000	
TOTAL	—	899 grants	\$6,175,500	

Micro-Analysis of Grant Award Metrics

Matching vs. Non-Matching Volume: Out of the total active grant allocations, the distribution reflects a strong concentration among LMI households qualifying for maximum state aid.

Non-Matching Grants: 400 grants were fully funded non-matching awards issued to income-eligible homeowners facing no personal cost-share requirement.

Matching Grants: 499 grants were issued as partial matching awards to higher-income property owners who co-invested personal funds to complete their projects.

Opening Protection vs. Roof Retrofits: While roof fortifications remain the most utilized project type, window replacements and opening protection accounted for 27% of overall sustainable applications. Homeowners heavily prioritized swapping vulnerable glazing with impact-rated windows or installing engineered shutter systems to prevent internal home pressurization.

Outreach Capital Efficiency: By aggressively securing FEMA hazard mitigation grant dollars to offset production and marketing costs for the *"Now That's a Good Question"* podcast, the program minimized its outreach draw on state funds. This financial leverage allowed a higher percentage of the core \$8.9 million pool to be routed directly to physical home mitigation grants.

While there are currently no definitive means to calculate the exact number of homes which would benefit from hardening measures, it is clear that demand for mitigation grants outpaces supply. This became apparent following the widespread impact of Tropical Storm Helene through the efforts of the SC EMD Housing Regional Support Function (RSF). SC Safe Home participates in this RSF and assists where able based on the program’s geographic footprint.

Additionally, SCOR is well familiar with home construction costs and resilience standards via the HUD CDBG_DR housing disaster recovery program it deploys. SCOR recommends increasing the Safe Home program

caps to more realistically meet market conditions so that a complete roof solution is provided to applicants rather than partial project funding.

Quantifying the Structural Deficit

The expansion to an \$8.9 million annual budget marks a major milestone for the program, yet statewide eligibility for wind-mitigation retrofits remains far greater than current capacity. Tens of thousands of coastal homes would benefit from upgrades such as reinforced roof decking, secondary water barriers, and wind-rated roofing systems. At today's pace, strengthening all of these structures would take many decades, underscoring the importance of continued investment in hazard-mitigation efforts.

When compared with other mitigation programs across the country, such as those in Alabama and Louisiana, it becomes clear that the difference is not in standards or technical rigor. In fact, SC Safe Home's requirements align closely with the strongest, science-based practices in the nation, and many programs built their models on the foundation South Carolina pioneered. The distinction lies in resources—other states have benefited from higher award amounts, faster program expansion, and broader financial backing.

The state's recurring funding has been instrumental in advancing South Carolina's mitigation and resilience efforts. This foundation was strengthened during the past fiscal year through a Senate budget proviso that provided one-time funding to support the mission. Thanks to these investments, the SC Safe Home program has fortified thousands of homes across the state's 11 coastal counties. The program's efficient use of these resources reflects the value of the state's investment. To sustain this momentum and meet growing demand, additional operational capacity through dedicated staffing and adjusted administrative funding is needed. Continued support will ensure the program can responsibly manage its growth, maximize the state's investment, and expand its impact for coastal homeowners.

Heightened Risk Profile: Coastal Hurricanes and Inland Wind Decay

The urgency of scaling the SC Safe Home program is exacerbated by changing Atlantic storm patterns:

The Rapid Intensification Threat: Modern hurricanes moving toward South Carolina are exhibiting faster intensification rates immediately prior to landfall, minimizing local evacuation windows. Fortifying structural envelopes (roofs, windows, and shutters) is the single most effective way to protect citizens who shelter in place.

Inland Exposure: Historically, inland counties like Marion and Williamsburg treated wind mitigation as a minor issue. SCOR's Strategic Statewide Resilience and Risk Reduction Plan (<https://scor.sc.gov/resilience-main>) identifies that wind and storm risks are not only a coastal problem. The remnants of Hurricane Helene in September 2024 clearly demonstrated that these risks are present statewide. Furthermore, insured damage from severe convective storms has been on the rise in recent years. SCOR supports the expansion of SCDOI's Safe Home Program to statewide eligibility along with sufficient corresponding funding.

Closing South Carolina's Mitigation Capital: The Road Ahead

Although House Bill 4817 did not pass during the 2025–2026 legislative session, the SCDOI anticipates continued discussions with the General Assembly centered around risk mitigation and resilience. Those conversations will likely focus on modernizing the SC Safe Home Program, expanding its reach, and ensuring that mitigation dollars deliver maximum impact for South Carolinians. Key elements are expected to include:

Dynamic Award Adjustment: A mechanism allowing the SCDOI to adjust maximum award amounts based on local material and labor costs. This reform is intended to address out-of-pocket cost concerns that have resulted in many LMI applicants canceling their projects, better aligning grant amounts with actual costs of eligible retrofits.

Geographic Expansion: A structured pathway to extend the program’s service area beyond the traditional coastal boundary. This expansion would allow the program to reach inland communities increasingly affected by severe wind damage from both tropical cyclones and severe convective storms.

Building Back Stronger Post-Disaster Initiative: A new authority enabling the program to operate not only before disasters but immediately after them. This initiative would allow emergency state funds to be deployed for resilient rebuilding, prioritizing roof replacements, impact-resistant windows, and fortified shutter systems, so affected homeowners could repair their properties to stronger, safer standards from the outset.

Together, these reforms aim to close long-standing operational gaps, increase statewide resilience, and ensure that South Carolina’s mitigation strategy keeps pace with evolving hazards and community needs.

Detailed Program Findings (Operational Bottlenecks)

Contractor Capacity Limitations: Program throughput is constrained by a limited pool of certified, IBHS-enrolled contractors in several rural counties, including Williamsburg and Marion. Homeowners in these areas often face extended wait times or could be asked to absorb additional travel-related costs when contractors must be brought in from outside the region.

Income-Eligibility Rigidities: Current guidelines rely on fixed HUD regional median-income thresholds, which do not fully account for “asset-rich, cash-poor” residents, particularly fixed-income seniors, who narrowly exceed non-matching grant limits but lack the liquid resources required to participate in matching tiers.

Portal Access Barriers: High public demand often exhausts available funding within days of the application portal opening. This creates an uneven playing field for applicants with limited digital literacy or unreliable internet access, especially in rural communities. Because the application window can close so quickly, these residents may not have enough time, or the necessary technological support, to complete the initial submission before funding is fully claimed.

Safe Home and SCOR CDBG-DR Coordination: It is not practical to incorporate a SC Safe Home funded roof into the HUD CDBG-DR program. One of the major issues is that it opens SC Safe Home to comply with federal program requirements. SC Safe Home has flexibilities, such as area of service limitations or persons served, that would not be compliant with HUD CDBG-DR grant limitations. SCOR’s CDBG-DR program also includes a programmatic 3-year lien, which may be a disincentive for a SC Safe Home applicant who is only seeking a roof upfit.

APPENDIX:

Appendix A: HUD Income Thresholds & Matching Tiers

The SC Safe Home program uses an applicant's total annual adjusted gross household income to determine whether they qualify for a **Full Non-Matching Grant** (no cost to the homeowner) or a **Partial Matching Grant**.

These calculations directly track the U.S. Department of Housing and Urban Development (HUD) Area Median Income (AMI) figures. These limits are adjusted annually according to county and household size.

A.1 Tier Classification Rules

Non-Matching Grant Tier (<80% AMI): Households earning less than 80% of their county's area median income (or the state median family income, whichever is higher) qualify for 100% full funding up to the absolute cap of the award.

Matching Grant Tier (≥80% AMI): Households earning equal to or greater than 80% of the median benchmark must contribute out-of-pocket matching funds to bridge a portion of the project invoice.

A.2 Comparative Award Limits Matrix (Pre-H. 4817)

The matrix below details the maximum award variances between matching and non-matching tiers:

Project Path	Non-Matching (<80% AMI)	Limit Matching (≥80% AMI)	Limit Homeowner Requirement	Match
Resilient Mitigation (<i>IBHS FORTIFIED Roof</i>)	\$7,500	\$6,000	\$1 for \$1 matching up to project invoice	
Sustainable Mitigation (<i>Standard Roof / Impact Glass</i>)	\$5,000	\$4,000	\$1 for \$1 matching up to project invoice	
Hurricane Shuttering (<i>Protective Barrier Systems</i>)	\$3,000	\$3,000	Fixed matching formulas apply	

A.3 Sample Baseline Income Thresholds by Core Program County

The table below illustrates sample baseline income limits (80% AMI thresholds) across high-utilization program counties. Applicants with household incomes *below* these figures qualify for the higher Non-Matching award caps:

County	1-Person Household	2-Person Household	4-Person Household
Horry County (<i>Myrtle Beach Corridor</i>)	\$44,200	\$50,500	\$63,100
Charleston County (<i>Urban Coastal Strip</i>)	\$62,100	\$71,000	\$88,700
Beaufort County (<i>Lowcountry Maritime</i>)	\$58,400	\$66,700	\$83,400
Williamsburg County (<i>Inland Wind Zone</i>)	\$39,800	\$45,500	\$56,850

Appendix B: The 5-Year FORTIFIED Designation Life Cycle & Recertification Cost

For applicants pursuing the high-tier Resilient Project path, successful construction culminates in a formal IBHS FORTIFIED Roof™ Designation. This certification serves as the primary mechanism for property owners to secure mandatory wind-mitigation insurance premium discounts from carriers.

However, this designation carries a strict and costly operational lifecycle.

The 5-Year Expiration Window: Initial designation certificates are valid for exactly five years from the formal date of issuance. The designation expires on the fifth anniversary of the award date.

Mandatory Re-Certification Costs: To maintain active insurance premium reductions and credits, property owners must arrange and pay for a re-designation inspection with a certified third-party evaluator at the 5-year mark. Based on industry baselines, the typical cost to have IBHS consider the roof for an additional 5-year period at approx. \$250 (which typically covers a [\\$195 evaluator site fee plus a \\$55 IBHS audit fee](#)).

The "Late Renewal" Penalty: If a homeowner fails to complete this recertification within one year of their expiration date, IBHS levies an additional \$50 late processing fee to review the property, further escalating the barrier to compliance.

Compounded LMI Vulnerability: While a \$250 recurring fee every five years is manageable for higher-income tiers, it represents a substantial out-of-pocket hurdle for low-to-moderate-income (LMI) households. If these vulnerable families cannot afford the renewal fee, their designation drops, their insurance premiums skyrocket, and the state's initial \$7,500 physical mitigation investment loses its structural oversight. This dynamic underscores why the [SCDOI's FEMA-backed digital outreach campaigns](#) must remain aggressively funded to track and assist past awardees through the re-designation lifecycle.

Appendix C: Photos

Below are photos of the various stages of the retrofit process from completed SC Safe Home projects.

Photo Documentation: Secondary Water Barrier installation and measurement of the nail pattern



Photo Documentation: Documentation of the nailing of the Drip Edge.



Photo Documentation: Drone photo showing secondary water barrier installation



Photo Documentation: Drone Photo of completed metal roof installation



Photo Documentation: Installation of Roof to Wall Connectors (Safe Home Roof Retrofit Requirement)



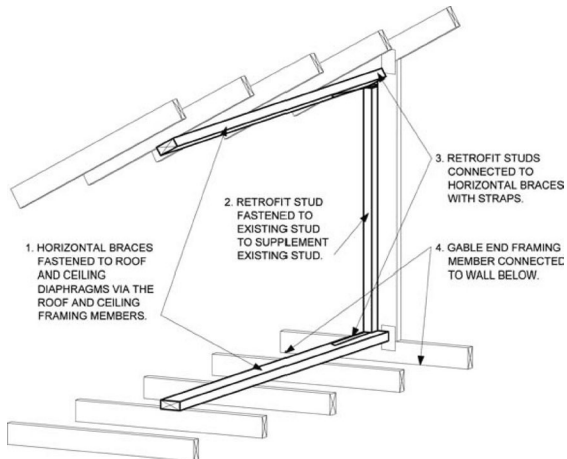
Photo Documentation: Installed Bahama Shutters



Photo Documentation: Bahama Shutter Deployed



Illustration showing installation of bracing elements to enhance wind resistance to Gable End Walls.



THIS FIGURE SHOWS A TRUSS GABLE END.
THE METHODOLOGY FOR A CONVENTIONALLY FRAMED GABLE END IS SIMILAR.
THE NUMBERS INDICATE A TYPICAL SEQUENCE OF INSTALLATION.
IN ORDER TO SHOW STRAPS, COMPRESSION BLOCKS ARE NOT SHOWN.

Illustration showing installation of synthetic underlayment to roof deck as a part of a roof retrofit completed using SC Safe Home prescribed methodology.

