

**Department of Legislative Services**  
Maryland General Assembly  
2025 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

Senate Bill 102  
Finance

(Senator Gile)

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**Insurance Pooling - Public Entity - Definition**

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This bill explicitly authorizes a resilience authority to pool together with other public entities, including other resilience authorities, to purchase casualty insurance, property insurance, or health insurance or to self-insure against casualty, property, or health risks. The bill effectuates this explicit authority by including “resilience authority” into the definition of “public entity.”

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**Fiscal Summary**

**State Effect:** The bill does not directly affect State government operations or finances.

**Local Effect:** Local expenditures decrease to the extent that the insurance pooling authorized by the bill takes place and results in decreased premium costs for resilience authorities. Revenues are not affected.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** Public entities are authorized to pool together for the purpose of purchasing casualty insurance, property insurance, health insurance, or to self-insure against casualty, property, or health risks. “Public entity” means a:

- political subdivision of the State;
- unit of the State or a local government; or

- nonprofit or nonstock corporation that receives 50% or more of its budget from the State or local government and is a tax exempt under specified federal law.

“Resilience Authority” means an authority incorporated by one or more local governments for the purpose of undertaking or supporting resilience infrastructure projects.

A county or municipality of the State may enter into an agreement to fund an insurance pool and may determine by resolution the provisions, terms, conditions, and duration of the agreement, under certain circumstances. In making these funding and payment agreements, a county or municipality of the State must comply with all provisions of the Maryland Constitution. However, barring specified limitations, a county or municipality may undertake a payment obligation related to insurance pooling without regard to any limitations or procedures contained in its charter or other applicable public laws that otherwise would be required.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** HB 100 (Delegate Bagnall) - Environment and Transportation.

**Information Source(s):** Maryland Insurance Administration; Maryland Municipal League; Department of Legislative Services

**Fiscal Note History:** First Reader - January 23, 2025  
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