

SENATE BILL 739

C4, M3

6lr2505
CF 6lr2155

By: **Senator Kramer**

Introduced and read first time: February 6, 2026

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Climate Change, Homeowner's Insurance, and Emergency Management – Study**

3 FOR the purpose of requiring the University System of Maryland to conduct a study to
4 evaluate the relationship between climate change, homeowner's insurance, and
5 emergency and disaster preparedness; and generally relating to a study on the
6 relationship between climate change, homeowner's insurance, and emergency
7 management.

8 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
9 That:

10 (a) The University System of Maryland shall conduct a study to evaluate the
11 relationship between climate change, the availability and price of homeowner's insurance,
12 and emergency and disaster preparedness.

13 (b) The University System of Maryland shall conduct the study required under
14 subsection (a) of this section in coordination with and oversight by:

15 (1) one member of the Senate of Maryland, appointed by the President of
16 the Senate;

17 (2) one member of the House of Delegates, appointed by the Speaker of the
18 House;

19 (3) the Department of Natural Resources;

20 (4) the Department of the Environment;

21 (5) the Maryland Department of Emergency Management;

22 (6) the Maryland Insurance Administration;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(7) a County Emergency Manager, appointed by the Maryland Association of Counties; and

(8) a Municipal Emergency Manager, appointed by the Maryland Municipal League.

(c) The study shall evaluate:

(1) the extent to which climate change has contributed to the decreasing availability of and increasing costs associated with homeowner's insurance;

(2) the impact of recent and future changes in federal policies and grant funding streams related to disaster preparedness, response, recovery, mitigation, and resilience;

(3) how federal funding has supported emergency management capabilities across the five emergency management mission areas identified by the Federal Emergency Management Agency; and

(4) existing local resources or reserve funds available for disaster recovery needs.

(d) (1) On or before January 1, 2027, the University System of Maryland shall submit its findings and recommendations to the General Assembly, in accordance with § 2–1257 of the State Government Article.

(2) The report required under this subsection shall:

(i) include an overview of the current state of the National Flood Insurance Program, Community Rating System, and the private flood insurance market; and

(ii) make recommendations on:

1. how the State can incentivize residents to invest in improvements to protect homes or mitigate damage from extreme weather events, using:

A. tax credits;

B. waivers;

C. grants;

D. loans; or

1 E. free inspections of structural enhancements by municipal
2 or State officials;

3 2. potential modifications to the Insurance Article to better
4 ensure that insurers adequately adjust rates for policyholders who:

5 A. have invested in improvements that have been proven to
6 enhance resilience to severe weather; or

7 B. are located in an area where improvements have been
8 made to local infrastructure or local building codes that reduce risk to the insured home;
9 and

10 3. best practices for funding emergency management
11 capabilities based on an evaluation of similar practices in other states;

12 4. potential modifications to § 14–110.5 of the Public Safety
13 Article;

14 5. recurring, dedicated funding mechanisms;

15 6. annual per capita funding levels; and

16 7. allocation ratios between emergency management
17 programming, including training and staff, and disaster response funds for recovery
18 assistance.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
20 1, 2026.