

SENATE BILL 739

C4, M3

6lr2505
CF HB 1219

By: **Senator Kramer**

Introduced and read first time: February 6, 2026

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 4, 2026

CHAPTER _____

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;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



- 1 (4) the Department of the Environment;
- 2 (5) the Maryland Department of Emergency Management;
- 3 (6) the Maryland Insurance Administration;
- 4 (7) a County Emergency Manager, appointed by the Maryland Association
5 of Counties; ~~and~~
- 6 (8) a Municipal Emergency Manager, appointed by the Maryland
7 Municipal League; and
- 8 (9) a representative of the Independent Insurance Agents of Maryland,
9 designated by the Independent Insurance Agents of Maryland.

10 (c) The study shall evaluate:

- 11 (1) the extent to which climate change has contributed to the decreasing
12 availability of and increasing costs associated with homeowner's insurance;
- 13 (2) the impact of recent and future changes in federal policies and grant
14 funding streams related to disaster preparedness, response, recovery, mitigation, and
15 resilience;
- 16 (3) how federal funding has supported emergency management
17 capabilities across the five emergency management mission areas identified by the Federal
18 Emergency Management Agency; and
- 19 (4) existing local resources or reserve funds available for disaster recovery
20 needs.

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

24 (2) The report required under this subsection shall:

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

28 (ii) make recommendations on:

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

- 1 A. tax credits;
- 2 B. waivers;
- 3 C. grants;
- 4 D. loans; or
- 5 E. free inspections of structural enhancements by municipal
6 or State officials;

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

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

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

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

16 4. potential modifications to § 14–110.5 of the Public Safety
17 Article;

18 5. recurring, dedicated funding mechanisms;

19 6. annual per capita funding levels; and

20 7. allocation ratios between emergency management
21 programming, including training and staff, and disaster response funds for recovery
22 assistance.

23 (e) Notwithstanding any other provision of law, up to \$150,000 of the money in
24 the Strategic Energy Investment Fund established under § 9–20B–05 of the State
25 Government Article is authorized to be used by the University System of Maryland to
26 conduct the study required under subsection (a) of this section.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
28 1, 2026.