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**Date:** April 2, 2026

**Bill # / Title:** Senate Bill 739 - Climate Change, Homeowner's Insurance, and Emergency Management - Study

**Committee:** House Environment and Transportation Committee

**Position:** Support

The Maryland Insurance Administration (MIA) appreciates the opportunity to share its support for Senate Bill 739.

Senate Bill 739, as amended, would direct the University System of Maryland to execute a study and submit a report to the General Assembly by July 1, 2027 on the relationship between climate change, the availability and price of homeowner's insurance, and emergency and disaster preparedness. The study and report would be overseen by and completed in coordination with a workgroup consisting of one senator, one delegate, four State agencies, a county emergency manager, a municipal emergency manager, and a representative of the Independent Insurance Agents of Maryland. The State agencies represented on the workgroup would include the MIA, Department of Natural Resources, Department of the Environment, and Maryland Department of Emergency Management. Senate Bill 739, as amended, authorizes the University System of Maryland to utilize the Strategic Energy Investment Fund in conducting this study.

Among other things, the study and report mandated under Senate Bill 739 would examine the extent to which climate change has contributed to the decreasing availability of and increasing costs associated with homeowner's insurance, as well as the current state of the National Flood Insurance Program, Federal Community Rating System, and private flood insurance market. The report would offer recommendations on how the State can incentivize residents to invest in structural improvements to mitigate the risk of damage to their homes resulting from extreme weather events. The report would also recommend potential modifications to the Insurance Article to ensure that insurers appropriately adjust premium rates for policyholders who have invested in certain home hardening improvements or reside in localities that have implemented infrastructure improvements or building code enhancements that strengthen community resilience to severe weather events.

The study and report required under Senate Bill 739 should result in actionable recommendations concerning legislative options to encourage and facilitate investments in resiliency mitigation measures by homeowners and communities. The bill provides a vehicle for in-depth analysis of how Maryland law could be revised to require that insurers systematically and fairly account for the risk-reducing benefits of such mitigation measures when establishing rates for homeowner's insurance policies.

For the reasons set forth above, the MIA respectfully requests a favorable committee report on Senate Bill 739 and thanks the Committee for the opportunity to share its support.