



House Bill 1189

Property and Casualty Insurance - Distribution of Premium Tax Proceeds to State Disaster Recovery Fund

MACo Position: **SUPPORT**

To: Judiciary Committee

Date: March 5, 2026

From: Kevin Kinnally & Sarah Sample

The Maryland Association of Counties (MACo) **SUPPORTS** HB 1189. This bill establishes a modest, defined annual funding commitment to the State Disaster Recovery Fund (SDRF), ensuring Maryland can respond and deliver relief to residents and communities when federal disaster assistance proves unavailable or insufficient.

Disasters begin and end at the local level. Counties open shelters, clear debris, repair infrastructure, and stabilize neighborhoods immediately, but federal disaster aid no longer provides a dependable backstop. Federal officials have recently denied disaster requests even when counties met established eligibility thresholds, forcing them to move forward with recovery without certainty that federal assistance will arrive.

MACo and its County Emergency Managers Affiliate worked with the General Assembly to establish the Fund because counties lacked reliable support for smaller-scale disasters that fall short of a federal disaster declaration. The SDRF allows the State to provide targeted recovery assistance when local capacity proves insufficient.

Western Maryland's recent severe flooding illustrates the importance of the SDRF. Damage far exceeded local fiscal capacity, and MDEM worked directly with county officials to deploy SDRF assistance to residents when the federal government failed to provide timely disaster relief.

This bill makes a modest but meaningful commitment to the SDRF, ensuring communities have support when disaster costs outpace available local resources amid growing uncertainty surrounding the federal government's role in disaster response and recovery.

For these reasons, MACo respectfully requests a **FAVORABLE** report on HB 1189.