

# SENATE BILL 739

C4, M3

(6lr2505)

## ENROLLED BILL

— Finance/Environment and Transportation and Judiciary —

Introduced by **Senator Kramer**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
President.

### 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.

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#### 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.

*Italics indicate opposite chamber/conference committee amendments.*



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

3 (1) one member of the Senate of Maryland, appointed by the President of  
4 the Senate;

5 (2) one member of the House of Delegates, appointed by the Speaker of the  
6 House;

7 (3) the Department of Natural Resources;

8 (4) the Department of the Environment;

9 (5) the Maryland Department of Emergency Management;

10 (6) the Maryland Insurance Administration;

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

13 (8) a Municipal Emergency Manager, appointed by the Maryland  
14 Municipal League; and

15 (9) a representative of the Independent Insurance Agents of Maryland,  
16 designated by the Independent Insurance Agents of Maryland.

17 (c) The study shall evaluate:

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

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

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

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

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

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

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

4 (ii) make recommendations on:

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

7 A. tax credits;

8 B. waivers;

9 C. grants;

10 D. loans; or

11 E. free inspections of structural enhancements by municipal  
12 or State officials;

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

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

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

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

21 4. potential modifications to § 14–110.5 of the Public Safety  
22 Article;

23 5. recurring, dedicated funding mechanisms;

24 6. annual per capita funding levels; and

25 7. allocation ratios between emergency management  
26 programming, including training and staff, and disaster response funds for recovery  
27 assistance.

28 (e) Notwithstanding any other provision of law, up to ~~\$150,000~~ \$100,000 of the  
29 money in the Strategic Energy Investment Fund established under § 9–20B–05 of the State

1 Government Article is authorized to be used by the University System of Maryland to  
2 conduct the study required under subsection (a) of this section.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
4 1, 2026.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.