

February 17<sup>th</sup>, 2026

The Honorable Kriselda Valderrama  
Chair, House Economic Matters Committee  
230 Taylor House Office Building  
Annapolis, Maryland 21401

**RE: MBIA Letter of Support with Amendment- HB 691 State Government - Procedures -  
Permitting Efficiency for Housing Development Projects**

Dear Chair Valderrama,

The Maryland Building Industry Association, representing 100,000 employees of the building industry across the State of Maryland, appreciates the opportunity to participate in the discussion surrounding **HB 691 State Government - Procedures - Permitting Efficiency for Housing Development Projects**.

MBIA strongly supports HB 691's goal of improving permitting efficiency for housing development projects, which is essential to addressing Maryland's housing supply and affordability challenges. Streamlining state permitting processes, encouraging concurrent reviews, and creating predictable timelines are critical reforms that will reduce unnecessary delays and costs without weakening substantive standards. We appreciate the bill's recognition that process efficiency is the objective, and that housing production depends on timely, predictable, coordinated government action.

We would like to point out that state delegating reviews to localities could be problematic, especially for environmental reviews like wetland permitting. This is based on experience with local implementation of state bills for forest conservation, stormwater management and erosion and sediment control. MBIA urges caution when considering delegation of environmental permitting and review functions, particularly those overseen by the Department of Natural Resources (DNR) and the Maryland Department of the Environment (MDE). Experience shows that when environmental reviews are delegated to counties and municipalities, the result is often more restrictive regulation than required by the State.

Below are examples of local regulations becoming more restrictive than the State:

- **Forest Conservation Act**
  - Local implementation routinely treats forests in isolation, with siloed reviews that treat forest as the most important land use consideration on a project regardless of context, resulting in requirements more restrictive than state law. A recent example is Prince George's County's implementation of the recent changes to Maryland State Forest Conservation Act. The state law allows local jurisdictions to tailor their local ordinances to accommodate growth so long as the net result is no net loss of forest. Prince George's County Parks and Planning defaulted to the most conservative interpretation of state regulations

which differs from Montgomery County's Planning Department that took a more measured approach to their version of the state regulations.

- Is used as a proxy by project opponents to delay projects- especially as it relates to specimen tree variances which can be challenged in court- and although rarely successful can delay a project by months. Also, the size of what constitutes a specimen tree varies by county and municipality.
- **Stormwater Management Regulations**
  - During the last state SWM Update, portions of the regulations were inherently subjective and localities were left to interpret the state's intention. This resulted in the same regulations being applied in very different manner across the state despite MDE being responsible for the oversight of implementation at the local levels. One example, Montgomery County (and several others) adopted modified criteria for redevelopment projects that significantly exceed what MDE suggested. In many instances, these heightened requirements were not possible to meet and resulted in a need to grant waivers for SWM regulations for nearly all redevelopment projects. This created the perception that the County is granting leniency but in reality, the requirements were nearly impossible to comply with. Projects like the Marriott Headquarters or Pike & Rose, both located in or near Bethesda, would not have been possible without a waiver despite both projects exceeding the state suggested redevelopment criteria.
- **Sediment Control Regulations**
  - Prior State regulations were overly restrictive when they required Grading Units be restricted to 20 acres. After some time, the State recalled this requirement, but several localities had already passed their local version based on the regulations and chose not to revisit their local ordinances. This resulted in local jurisdictions continuing to enforce regulations that MDE had decided were too onerous.
- **Wetlands and Streams**
  - Streams and Wetlands are already regulated at the federal and state level with different definitions of, buffering requirements, and mitigation requirements for streams, wetlands and floodplains. While permit applications are submitted to both agencies through a Joint Permit Application permits still require two separate approvals, one from the Army Corps of Engineers and one from MDE. This is an example of MDE implementing federal requirements more stringently just as counties and municipalities do for the examples above and by adding their own definitions, requirements, and buffers to these already regulated water resources resulting in three levels of government that need to be satisfied to obtain approvals.
  - Examples that local governments frequently add include:
    - Redundant stream and wetlands regulations like in the Ten Mile Creek Master Plan in Montgomery County.
    - Additional buffers and setbacks with a variety of names such as stream buffers (Montgomery, Gaithersburg, Prince George's), waterbody buffers (Frederick), RPZs (Charles), PMAs (Prince George's), and similar constructs

- These layers compound regulation with diminishing environmental benefits as they expand and can significantly constrain developable land and complicate reviews

We would like to suggest the following changes to improve the bill as written:

- Clarify that delegation authority should be:
  - Discretionary and targeted, not automatic
  - Used primarily to address capacity or responsiveness issues
- Explicitly limit or condition delegation of environmental permitting responsibilities, particularly where:
  - State or federal standards already apply
  - Uniformity and predictability are essential
- Ensure that any delegated authority:
  - Requires clear guidance from the State on intent with model ordinances
  - Prohibits local requirements that exceed state standards unless expressly authorized by law
- Require localities to identify redundancies and duplicative regulations at the federal, state, and local level
  - Require localities to provide justification when regulations that are more restrictive than the state limit housing supply.
  - Eliminate local laws that are not possible to achieve such as the case with stormwater waivers for redevelopment in Montgomery County.

For these reasons, MBIA respectfully requests the Committee give this measure a favorable report with amendments. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or [lgraf@marylandbuilders.org](mailto:lgraf@marylandbuilders.org).

cc: Members of the House Economic Matters Committee