



March 3, 2023

The Honorable Kumar P. Barve, Chair
House Environment and Transportation Committee
House Office Building, Room 251
6 Bladen St., Annapolis, MD 21401

Unfavorable: HB 1195 – Development Transparency Act

Dear, Chair Barve and Committee Members:

The NAIOP Maryland Chapters representing more than 700 companies involved in all aspects of commercial, industrial, and mixed-use real estate, recommend your unfavorable report on House Bill 1195.

Business entities have resident agents, managing partners or other official points of contact. Applicants for development approvals already must be identified and responsible parties are identified for permit compliance.

HB 1195 requires an entity seeking any land use or zoning approval to disclose the “owners” of the entity or of any related entities. Related entity is not defined but we assume it is intended to apply to affiliated and subsidiary entities. The bill requires almost anyone with a potential equity position in the applicant entity and any affiliated or related businesses to be identified as part of a zoning or land use application.

Depending on the business type an entity may or may not have “owners”. For smaller entities these requirements would apply to minority partners LLC members and others who have no managerial authority or responsibility and may have no knowledge that the application has been made. For larger entities such as publicly traded companies, a plain reading of the bill requires disclosure of personal information about all stockholders of, for example a Real Estate Investment Trust and its related or affiliated entities.

Most of the approvals listed in the bill are administrative decisions made by local regulators. We do not see the point or the practical need for the disclosure of personal information required.

For these reasons, NAIOP respectfully recommends your un report on House Bill 1195.

Sincerely,

A handwritten signature in blue ink that reads "Tom Ballentine".

Tom Ballentine, Vice President for Policy
NAIOP Maryland Chapters -*The Association for Commercial Real Estate*

cc: House Environment and Transportation Committee Members
Nick Manis – Manis, Canning Assoc.