

March 3, 2023



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Delegate Kumar P. Barve, Chair
House Environmental and Transportation Committee
Room 251
House Office Building
Annapolis, Maryland 21401

Re: **MSBA Business Law Section Council**
House Bill 1195 (Development Transparency Act of 2023)

Dear Chair Barve and Fellow Committee Members:

The Business Law Section Council (the "Section Council") of the Maryland State Bar Association (the "MSBA") annually reviews proposed legislation that may have an effect on Maryland businesses. We are submitting this written testimony with respect to House Bill 1195 (Development Transparency Act of 2023) (the "Bill"). The Bill would add a new Section 1-407 of the Corporations and Associations Article and a new Section 4-204.1 of the Land Use Article, in each case of the Maryland Code, that would require entities that seek a waiver or exemption from or authorization under any zoning regulation, zoning map amendment, conditional use permit, final development plan, or other land use authorization to publicly disclose the name of each individual that owns the entity.

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The Section takes no position on the advisability of requiring greater transparency with respect to individuals behind the entities that are engaged in new real property developments. We believe, however, that any changes to the Maryland Code in this regard should be set forth solely in the Land Use Article without adding a new Section 1-407 to the Corporations and Associations Article. Proposed new Section 1-407 of the Corporations and Associations Article is entirely duplicative of proposed new Section 4-204.1 of the Land Use Article, and is therefore unnecessary. In addition, as the requirements set forth in the Bill would apply solely with respect to land use, it is more appropriate to include this new requirement in the Land Use Article as opposed to the Corporations and Associations Article.

We therefore respectfully suggest that, in lieu of the Bill as currently proposed, the House Environmental and Transportation Committee consider revising the Bill to eliminate the proposed amendments to the Corporations and Associations Article.



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Very truly yours,

A handwritten signature in black ink that reads "Penny Somer-Greif".

Penny Somer-Greif, Chair
MSBA Business Law Section Council

A handwritten signature in blue ink that reads "William E. Carlson".

William E. Carlson
Chair, Committee on Corporation Law, MSBA Business
Law Section

cc: MSBA Business Law Section Council