

February 23, 2023

The Honorable CT. Wilson
House Economic Matters Committee
House Office Building, Room 231,
6 Bladen St., Annapolis, MD, 21401

RE: MBIA Letter of Support HB 884 Baltimore City - Insurance - Certificates of Guarantee for County Bond Requirements

Dear Chairman Wilson:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **HB 884 Baltimore City - Insurance - Certificates of Guarantee for County Bond Requirements**. MBIA **Supports** the Act in its current version.

This bill would authorize Baltimore City to honor Certificates of Guarantee in addition to traditional bonds. MBIA strongly supports this measure. Certificates of Guarantee have several advantages over traditional bonds. First, they are, less expensive, allowing the cost savings to be passed onto consumers and allowing more people access to housing. Second it provides a guarantee of completion including grading, paving, driveways, storm drains, sediment control and stormwater management all organized by industry professionals. This has the advantage of having experts available to provide labor and advice in the event of a difficulty arising during the project. This means that when difficulties arise they are likely to get corrected much more quickly and efficiently. This program currently offers certificates of guaranty to Prince George's County, Howard County, Montgomery County, The City of Gaithersburg, the Town of Poolsville, State Highway, WSSC and MNCPPC with excellent results. Developers in Baltimore City should be allowed to take advantage of this wonderful tool.

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

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Economic Matters Committee