

Testimony to the House Environment & Transportation Committee HB 1101 – Standing – Environmental and Natural Resources Protection Proceedings Position: UNFAVORABLE March 1, 2024

HB 1101 would establish standing for persons and associations in claims arising under laws that fall under the Environment Article and the Natural Resources Article. Our members are concerned that providing individual and community-wide standing to enforce the state's environmental laws, all of which are interpreted and applied by Maryland regulators, would open a collateral attack on affordable housing developments that are otherwise allowed by right. At present, Maryland stormwater and forest conservation laws are applied at the site development plan stage of most residential developments. If a project is not in compliance with those statutes, the housing will not be built. Under the proposed law, a project that is deemed to follow Maryland environmental law by state and local regulators may nevertheless find itself in court with an injunction preventing the development from proceeding.

When it comes to residential development, delay can sometimes mean the defeat of a project. Advocates have contested that projects in compliance with Maryland environmental laws have "nothing to worry about", but that is not consistent with how litigation plays out in practice. Meritless claims can, and often are, filed in circuit court and resolution may take anywhere from 6 months to 6 years if the litigant chooses to appeal. Given the tight deadlines associated with the award and use of Low Income Housing Tax Credits (LIHTC) by the IRS, our member's projects cannot wait this long to move forward and would jeopardize losing their financing.

Should this bill proceed, MAHC respectfully requests that it be limited to targeted sources of pollution (i.e., industrial, chemical, etc.) and not be so broad as to include anticipated environmental impacts. Moreover, the bill should also be narrowed so that projects deemed to be in compliance with Maryland environmental laws by state and local regulators are shielded from collateral litigation, which is consistent with federal case law around the Clean Water Act.

MAHC is the leading organization for the affordable rental housing industry in Maryland and represents over 185 member organizations, including nonprofit and for-profit developers, State and local housing authorities, property management companies, financial institutions, community development organizations, contractors, tax credit investors, consultants and individuals.

Respectfully submitted on March 1, 2024 by Miranda Darden-Willems, Executive Director, on behalf of the MAHC Board of Directors.



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