



February 11, 2025

The Honorable, Marc Korman, Chair
House Environment and Transportation Committee
250 Taylor House Office Building
Annapolis, Maryland 21401

Oppose: HB 626 – Installation of Broadband Conduit

Dear Chair, Korman and Committee Members:

The NAIOP Maryland Chapters represent approximately 700 companies involved in all aspects of commercial, industrial, and mixed-use real estate. On behalf of our member companies, I am writing in opposition to HB 626

HB 626 requires the owners of multi-dwelling residential and multi-tenant commercial buildings to install conduit in “any utility easement” and in telecommunications rooms during new construction or major improvements. The bill goes on to infer that building owners and occupants must provide access to the conduit to multiple broadband service providers and allow them to provide services to the tenants in the building. NAIOP’s opposition is based in part on the following:

- HB 626 requires building owners and tenants who may have no current or future business relationship with broadband providers to provide infrastructure that benefits broadband companies.
- There is no cost recovery mechanism or ability to charge the broadband companies for the construction costs or value added of using the private rights of way and building space.
- Major improvement is not fully defined in the bill but does include, “any improvement, of electrical infrastructure” which would cause minor electrical changes to trigger the significant costs and disruptions associated with the bill.
- Allowing broadband companies access to the building would entail running conduit throughout the building at considerable cost and disruption to building owners and occupants.
- The decisions about which companies provide broadband or other services to multi-tenanted commercial and multi-family residential should be made by building owners.

For these reasons, NAIOP respectfully requests your unfavorable report on HB 626

Sincerely,

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

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