

February 27th, 2026

The Honorable Brian J. Feldman
Chair, Senate Education, Energy and the Environment Committee
2 West Miller Senate Office Building
Annapolis, Maryland 21401

RE: MBIA Letter of Opposition SB 781 Environmental Permits - Requirements for Burden Analysis, Issuance and Renewal, and Public Participation (Cumulative Harms for Environmental Restoration for Improving Shared Health - CHERISH Our Communities Act)

Dear Chair Feldman,

The Maryland Building Industry Association, representing 100,000 employees of the building industry across the State of Maryland, appreciates the opportunity to participate in the discussion surrounding **SB 781 Environmental Permits - Requirements for Burden Analysis, Issuance and Renewal, and Public Participation (Cumulative Harms for Environmental Restoration for Improving Shared Health - CHERISH Our Communities Act)**.

If enacted, this bill will make it significantly more difficult to invest and redevelop in the very communities it is intended to protect. By increasing penalties and layering additional permitting requirements in designated at-risk census tracts, the bill risks discouraging reinvestment, modernization of existing facilities, and new housing development in those areas.

This bill establishes a new cumulative impact framework for covered individual permits in designated at-risk census tracts. It also requires applicants to prepare burden reports, mandates new determinations by the Department of the Environment (MDE), expands public participation requirements, increases civil penalties, and creates a new “compelling public interest” standard for permit approval when there is a pollution increase. MBIA supports environmental protection and meaningful public engagement but we have concerns with this bill due to the regulatory uncertainty and procedural complexity that will negatively affect housing production, infrastructure development, and economic growth in Maryland.

The required burden report and cumulative impact determination process will create longer permitting timelines. The analysis required under the bill extends traditional environmental review beyond what is normally required and requires applicants to assess broad environmental and public health stressors within a 1.5-mile radius. This level of review will require specialized consultants, technical modeling, and extended agency review time, which will lead to increased costs and delays in housing development projects that Maryland desperately needs.

The bill also requires a new compelling public interest standard for projects that may increase pollution in at-risk areas. This standard is not clearly defined in the bill and creates uncertainty for applicants, lenders, and investors. Even projects that comply with every existing environmental standard could still be denied

based on a subjective determination. This will discourage investment in redevelopment and infill projects that often occur in the very communities the bill seeks to protect. In addition, the bill applies not only to new projects but also to the renewal of existing covered individual permits, including renewals that do not propose an increase in pollution, thereby expanding its impact to currently operating facilities.

The bill's expanded enforcement such as increased civil penalties and mandated consideration of supplemental environmental projects will create an additional financial burden for permit holders operating in designated areas. Increasing penalties in specific geographic areas will discourage reinvestment and redevelopment in communities that would otherwise benefit from economic activity and modernization of facilities.

Maryland is currently facing a severe housing shortage. According to the [report released by Comptroller Brooke Lierman](#), Maryland is short 100,000 housing units and is considered the 6th most regulated state for housing development. If we continue to add more barriers to housing development, Marylanders will continue to leave to neighboring states like Pennsylvania and Virginia. Increasing permitting complexity, extending public comment periods, expanding judicial review records, and layering additional analytical requirements simply makes it more difficult to build more housing and raises development costs. These costs are always passed directly on to homebuyers.

For these reasons, MBIA respectfully requests the Committee give this measure an unfavorable 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 Senate Education, Energy, and the Environment Committee