



## House Bill 395

Date: February 11, 2026

Committee: House Environment & Transportation

**Position: Favorable**

---

Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees, and families.

House Bill 395 (HB 395) would repeal a requirement that a person hold a concentrated animal feeding operation (CAFO) general discharge permit before the person may begin construction on any part of a new CAFO.

The State's general CAFO permit expired in mid-2025 without a replacement permit in effect. While existing permit holders were able to maintain coverage through an administrative extension, the Maryland Department of the Environment has taken the position that it lacks authority to issue new permits during that interim period. Compounding the problem, current statute prohibits construction of CAFO facilities prior to permit issuance and prevents the Department from permitting facilities that were constructed without an active permit.

The combined effect has been a de facto moratorium on new and replacement facilities, stalling construction projects, delaying financing, and disrupting normal cycles of reinvestment in modern, more efficient agricultural infrastructure. As a result, tens of millions of dollars in private business investment that could have supported economic development, job creation, and local tax bases were left on the table. This outcome was not the result of environmental noncompliance, but of administrative timing and statutory rigidity.

HB 395 provides a commonsense solution. The bill allows construction and financing to proceed when a permit renewal is pending, while maintaining the clear and critical requirement that no operation may begin, and no animals may be placed, until full permit coverage is issued. Environmental standards, public input, and regulatory oversight remain fully intact.

Importantly, this legislation does not expand production, weaken water quality protections, or limit agency authority. It simply restores limited discretion to prevent economic harm caused by administrative delays and ensures that farmers and related businesses are not penalized for circumstances beyond their control.

For these reasons, the Chamber respectfully requests a **favorable report** on **HB 395**.