



Delegate Melissa Wells, Chair
Government, Labor, and Elections Committee
145 Lowe House Office Building
Annapolis, MD 21401

March 4, 2026

RE: HB 1216 – UNFAVORABLE – Insurance – Certificates of Guarantee for County Bond Requirements – All Counties

Dear Chair Wells and Members of the Committee:

The Maryland Asphalt Association (MAA) represents approximately 110+ members, including 20 material producers, contractors, engineering firms, and associate members, supporting a 7,000-person workforce. MAA actively collaborates with regulatory agencies to advocate for the asphalt industry, ensuring fair regulations at both the state and federal levels. Additionally, we support adequate funding for Maryland's multimodal transportation system.

House Bill 1216 would authorize all counties in Maryland to honor certificates of guarantee issued by nonprofit associations of contractors or their approved subsidiaries in order to satisfy county bond requirements for public improvements or other county obligations. Under the bill, a county may choose to honor these certificates but is not required to do so. The legislation expands the current law, which only applies to certain specified counties, to allow any county the option to accept these instruments as an alternative to traditional bonds.

MAA opposes HB 1216 because the bill introduces additional administrative processes and uncertainty for contractors and counties. By creating optional layers of approval across all counties, the bill could slow project timelines, increase paperwork, and create inconsistent application of bond requirements. This added red tape may hinder efficient project delivery without providing measurable benefits to either contractors or local governments.

For these reasons, MAA urges an unfavorable report on HB 1216.

Sincerely,

Tim E. Smith, P.E.
President
Maryland Asphalt Association