

March 2nd, 2026

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

RE: MBIA Letter of Support HB 1216 Insurance – Certificates of Guarantee for County Bond Requirements – All Counties

Dear Chairwoman Wells,

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **HB 1216 Insurance – Certificates of Guarantee for County Bond Requirements – All Counties**. MBIA supports the Act in its current version.

This bill would authorize every county in Maryland to honor Certificates of Guarantee in addition to traditional bonds. MBIA strongly supports this measure. Certificates of Guarantee have several advantages over traditional bonds. First, they are cheaper allowing the cost savings to be passed onto consumers and allowing more people access to housing. Second it provides a guarantee of completion including grading, paving, driveways, storm drains, sediment control and stormwater management all organized by industry professionals. This has the advantage of having experts available to provide labor and advice in the event of a difficulty arising during the project. This means when difficulties arise they are likely to get corrected much more quickly and efficiently. This program currently offers certificates of guaranty to Prince George’s County, Howard County, Montgomery County, The City of Gaithersburg, the Town of Poolsville, State Highway, WSSC and MNCPPC with excellent results. Developers all over the state should be allowed to take advantage of this wonderful tool.

In 2023, the General Assembly passed a bill to include Baltimore City in this program. On Page 1 line 23 and Page 2 line 11, after “a county,” we are requesting the committee to add “and Municipalities” to make sure developers in municipalities still have the ability to use this program (if the jurisdiction so chooses).

For these reasons, MBIA respectfully urges the Committee to give this measure a favorable 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 House Government, Labor and Elections Committee