L6, C8

Introduced and read first time: February 3, 2021 Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 State and Local Housing Programs – Affirmatively Furthering Fair Housing

3 FOR the purpose of requiring the Department of Housing and Community Development to 4 provide a certain report to the General Assembly and the Governor on or before a $\mathbf{5}$ certain date each year; requiring the Department to administer certain programs to 6 affirmatively further fair housing and prohibiting the Department from taking any 7 action that is materially inconsistent with the obligation to affirmatively further fair 8 housing; requiring the Department to require certain political subdivisions, housing 9 authorities, and private entities to affirmatively further fair housing; requiring 10 certain political subdivisions, housing authorities, and private entities to submit an 11 assessment of fair housing to the Department under certain circumstances; 12requiring an assessment of fair housing to contain certain information; providing 13 that certain requirements do not require or prohibit certain actions; imposing a duty 14on local jurisdictions to affirmatively further fair housing through certain housing 15and urban development programs; requiring a comprehensive plan enacted or 16 amended on or after a certain date to include an assessment of fair housing in the 17comprehensive plan's housing element; requiring a local jurisdiction that completed 18 a certain assessment or analysis to incorporate relevant portions of the assessment 19or analysis into the local jurisdiction's comprehensive plan the next time the local 20jurisdiction amends its comprehensive plan on or after a certain date; defining 21certain terms; providing for a delayed effective date for certain provisions of this Act; 22and generally relating to affirmatively furthering fair housing.

- 23 BY adding to
- 24 Article Housing and Community Development
- Section 2–302; and 2–401 and 2–402 to be under the new subtitle "Subtitle 4.
 Affirmatively Furthering Fair Housing"
- 27 Annotated Code of Maryland
- 28 (2019 Replacement Volume and 2020 Supplement)
- 29 BY repealing and reenacting, with amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.





1	Article – Land Use
2	Section 3–114
3	Annotated Code of Maryland
4	(2012 Volume and 2020 Supplement)

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Preamble

6 WHEREAS, The federal Fair Housing Act of 1968 was intended to end housing 7 discrimination and to promote diverse, inclusive communities; and

8 WHEREAS, Over the past 50 years, most states and local housing programs that 9 receive federal funding from the U.S. Department of Housing and Urban Development have 10 failed to fulfill their obligations to affirmatively further fair housing under the Fair Housing 11 Act because the Act has not been enforced effectively and its intent has not been achieved; 12 and

13 WHEREAS, Discrimination in housing and concentrated poverty persist in 14 Maryland today; and

15 WHEREAS, The segregation and institutionalization of people with disabilities 16 persists in part because of barriers to housing in integrated community settings; and

WHEREAS, The General Assembly recognizes that equality, fairness, and
opportunity for Maryland residents often require government action and that security,
mobility, and economic opportunity are enhanced by the location of a person's home; and

WHEREAS, Segregated neighborhoods of concentrated poverty are often lacking in economic opportunities and experience greater crime, while integrated, mixed-income neighborhoods are more likely to be healthy, thriving communities; and

WHEREAS, This Act seeks to deconcentrate poverty and take proactive steps to combat discrimination and segregation and to increase opportunities for low-income communities; and

WHEREAS, Maryland should ensure that it is implementing and enforcing the abolished federal Affirmatively Furthering Fair Housing regulations within the State as part of the State's duties under the Fair Housing Act because a framework will help local communities receiving federal Housing and Urban Development funds make concrete, data and community member-driven plans to foster thriving communities for everyone, regardless of race, color, religion, national origin, gender, sexual orientation, family status, or disability; now, therefore,

33 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 34 That the Laws of Maryland read as follows:

Article – Housing and Community Development

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1 **2–302.**

2 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS 3 INDICATED.

4 (2) "Assisted project" has the meaning stated in § 7–101 of 5 this article.

6 (3) "Assisted unit" has the meaning stated in § 7–101 of this 7 Article.

8 (4) "MARYLAND ACCESSIBILITY CODE" MEANS THE BUILDING CODE 9 ADOPTED UNDER § 12–202 OF THE PUBLIC SAFETY ARTICLE.

10 (B) ON OR BEFORE DECEMBER 1, 2021, AND EACH DECEMBER 1 11 THEREAFTER, THE DEPARTMENT, IN CONSULTATION WITH POLITICAL 12 SUBDIVISIONS AND HOUSING AUTHORITIES, SHALL SUBMIT A REPORT TO THE 13 GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT 14 ARTICLE, TO THE GENERAL ASSEMBLY ON:

15(1) THE TOTAL NUMBER OF HOUSEHOLDS THAT RECEIVED FINANCIAL16ASSISTANCE THROUGH STATE OR LOCAL HOUSING AND RENTAL ASSISTANCE17PROGRAMS, DISAGGREGATED BY RACE, DISABILITY STATUS, AND INCOME;

18 (2) THE AGGREGATE AMOUNT OF FINANCIAL ASSISTANCE PROVIDED 19 TO HOUSEHOLDS THROUGH STATE AND LOCAL HOUSING AND RENTAL ASSISTANCE 20 PROGRAMS, DISAGGREGATED BY RACE, DISABILITY STATUS, AND INCOME;

21

(3) HOUSING ACCESSIBILITY FOR DISABLED RESIDENTS, INCLUDING:

(I) THE NUMBER OF ASSISTED PROJECTS AND ASSISTED UNITS
 THAT COMPLY WITH THE DESIGN AND CONSTRUCTION REQUIREMENTS UNDER § 504
 OF THE FEDERAL REHABILITATION ACT, THE FEDERAL FAIR HOUSING ACT, AND
 THE MARYLAND ACCESSIBILITY CODE;

(II) THE FEATURES OF ASSISTED PROJECTS AND ASSISTED
 UNITS THAT COMPLY WITH THE DESIGN AND CONSTRUCTION REQUIREMENTS
 UNDER § 504 OF THE FEDERAL REHABILITATION ACT, THE FEDERAL FAIR HOUSING
 ACT, AND THE MARYLAND ACCESSIBILITY CODE; AND

30(III) THE SUPPLY AND THE DEMAND IN THE STATE FOR ASSISTED31PROJECTS AND ASSISTED UNITS THAT ARE ACCESSIBLE FOR DISABLED RESIDENTS;

1 (4) AFFIRMATIVE MARKETING EFFORTS BY THE DEPARTMENT, 2 POLITICAL SUBDIVISIONS, AND HOUSING AUTHORITIES TO SUPPORT PEOPLE OF 3 COLOR AND VOUCHER HOLDERS IN GAINING ACCESS TO ASSISTED HOUSING 4 LOCATED IN HIGHER OPPORTUNITY AREAS; AND

5 (5) THE EFFORTS BY POLITICAL SUBDIVISIONS AND HOUSING 6 AUTHORITIES TO PROMOTE FAIR HOUSING CHOICE AND RACIAL AND ECONOMIC 7 HOUSING INTEGRATION, AND THE RESULTS OF THOSE EFFORTS, INCLUDING:

8 (I) THE RACIAL COMPOSITION AND DISABILITY STATUS OF THE
 9 OCCUPANTS OF AND INDIVIDUALS ON THE WAITING LIST FOR ASSISTED PROJECTS;
 10 AND

11(II) THE RACIAL COMPOSITION OF THE CENSUS TRACT WHERE12EACH ASSISTED PROJECT IS LOCATED.

13(C)THE INFORMATION PROVIDED IN THE REPORT REQUIRED UNDER THIS14SECTION SHALL BE DISAGGREGATED BY PROJECT, PROGRAM OR SUBSIDY TYPE, AND15OCCUPANCY TYPE, INCLUDING GENERAL OCCUPANCY OR RESTRICTED OCCUPANCY.

16 SUBTITLE 4. AFFIRMATIVELY FURTHERING FAIR HOUSING.

17 **2–401.**

18 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS 19 INDICATED.

20 (B) (1) "AFFIRMATIVELY FURTHER FAIR HOUSING" MEANS TO TAKE 21 MEANINGFUL ACTIONS, IN ADDITION TO ACTIONS AIMED AT COMBATING 22 DISCRIMINATION, TO:

- 23
- (I) OVERCOME PATTERNS OF SEGREGATION; AND

(II) FOSTER INCLUSIVE COMMUNITIES FREE FROM BARRIERS
 THAT RESTRICT ACCESS TO HOUSING AND OPPORTUNITY BASED ON PROTECTED
 CHARACTERISTICS.

27 (2) "AFFIRMATIVELY FURTHER FAIR HOUSING" INCLUDES TO TAKE 28 MEANINGFUL ACTIONS THAT, TAKEN TOGETHER:

29 (I) ADDRESS SIGNIFICANT DISPARITIES IN HOUSING NEEDS 30 AND ACCESS TO OPPORTUNITY;

1(II) REPLACE SEGREGATED LIVING PATTERNS WITH TRULY2INTEGRATED AND BALANCED LIVING PATTERNS;

3 (III) TRANSFORM RACIALLY AND ETHNICALLY CONCENTRATED
 4 AREAS OF POVERTY INTO AREAS OF OPPORTUNITY; AND

5 (IV) FOSTER AND MAINTAIN COMPLIANCE WITH CIVIL RIGHTS 6 AND FAIR HOUSING LAWS.

7 (C) "MEANINGFUL ACTION" MEANS A SIGNIFICANT ACTION THAT IS 8 DESIGNED AND CAN BE REASONABLY EXPECTED TO ACHIEVE A MATERIAL POSITIVE 9 CHANGE BY, FOR EXAMPLE, INCREASING FAIR HOUSING CHOICE OR DECREASING 10 DISPARITIES IN ACCESS TO OPPORTUNITY.

11 **2–402.**

12 (A) THE DEPARTMENT:

13(1)SHALL ADMINISTER ITS PROGRAMS AND ACTIVITIES RELATED TO14HOUSING AND COMMUNITY DEVELOPMENT TO AFFIRMATIVELY FURTHER FAIR15HOUSING; AND

16(2) MAY NOT TAKE ANY ACTION THAT IS MATERIALLY INCONSISTENT17WITH THE OBLIGATION TO AFFIRMATIVELY FURTHER FAIR HOUSING.

18 **(B) (1)** THE DEPARTMENT SHALL REQUIRE POLITICAL SUBDIVISIONS, 19 HOUSING AUTHORITIES, AND PRIVATE ENTITIES THAT RECEIVE FINANCIAL 20 ASSISTANCE THROUGH THE DEPARTMENT TO AFFIRMATIVELY FURTHER FAIR 21 HOUSING.

22(2) TO ENSURE THAT POLITICAL SUBDIVISIONS, HOUSING 23AUTHORITIES, AND PRIVATE ENTITIES AFFIRMATIVELY FURTHER FAIR HOUSING, 24THE DEPARTMENT SHALL, IN ACCORDANCE WITH SUBSECTION (C) OF THIS SECTION, **REQUIRE A POLITICAL SUBDIVISION, HOUSING AUTHORITY, OR PRIVATE ENTITY TO** 25SUBMIT AN ASSESSMENT OF FAIR HOUSING TO THE DEPARTMENT BEFORE THE 26 DEPARTMENT MAY PROVIDE FINANCIAL ASSISTANCE TO THE POLITICAL 27SUBDIVISION, HOUSING AUTHORITY, OR PRIVATE ENTITY FOR HOUSING OR 2829COMMUNITY DEVELOPMENT PURPOSES.

30(C)AN ASSESSMENT OF FAIR HOUSING REQUIRED UNDER SUBSECTION (B)31OF THIS SECTION SHALL INCLUDE:

- 32
- (1) A SUMMARY OF FAIR HOUSING ISSUES IN THE POLITICAL

SUBDIVISION AND AN ASSESSMENT OF THE POLITICAL SUBDIVISION'S POLICIES AND
 PRACTICES RELATING TO HOUSING AND COMMUNITY DEVELOPMENT, FAIR HOUSING
 ENFORCEMENT, AND FAIR HOUSING OUTREACH CAPACITY;

4 (2) AN ANALYSIS OF AVAILABLE FEDERAL, STATE, AND LOCAL DATA 5 AND KNOWLEDGE TO IDENTIFY INTEGRATION AND SEGREGATION PATTERNS AND 6 TRENDS, RACIALLY OR ETHNICALLY CONCENTRATED AREAS OF POVERTY, 7 DISPARITIES IN ACCESS TO OPPORTUNITY, AND DISPROPORTIONATE HOUSING 8 NEEDS WITHIN THE POLITICAL SUBDIVISION, INCLUDING DISPLACEMENT RISK;

9 (3) AN ASSESSMENT OF THE FACTORS THAT CONTRIBUTE TO THE 10 ISSUES AND IMPEDIMENTS IDENTIFIED UNDER ITEM (2) OF THIS SUBSECTION;

11 (4) AN IDENTIFICATION OF THE POLITICAL SUBDIVISION'S FAIR 12 HOUSING PRIORITIES AND GOALS, GIVING HIGHEST PRIORITY TO THE FACTORS 13 IDENTIFIED UNDER ITEM (3) OF THIS SUBSECTION THAT LIMIT OR DENY FAIR 14 HOUSING CHOICE OR ACCESS TO OPPORTUNITY, OR NEGATIVELY IMPACT FAIR 15 HOUSING OR CIVIL RIGHTS COMPLIANCE, AND IDENTIFYING THE METRICS AND 16 MILESTONES FOR DETERMINING WHAT FAIR HOUSING RESULTS WILL BE ACHIEVED; 17 AND

18(5) STRATEGIES AND ACTIONS TO IMPLEMENT THE PRIORITIES AND19GOALS, INCLUDING:

20(I)ENHANCING MOBILITY STRATEGIES AND ENCOURAGING21DEVELOPMENT OF NEW AFFORDABLE HOUSING IN AREAS OF OPPORTUNITY; AND

22(II) ENHANCING PLACE-BASED **STRATEGIES** AND 23ENCOURAGING COMMUNITY REVITALIZATION, INCLUDING PRESERVING EXISTING 24HOUSING AND PROTECTING EXISTING AFFORDABLE RESIDENTS FROM 25DISPLACEMENT.

26 (D) THIS SECTION DOES NOT:

27 (1) REQUIRE A POLITICAL SUBDIVISION, HOUSING AUTHORITY, OR
28 PRIVATE ENTITY TO TAKE A SPECIFIC ACTION TO AFFIRMATIVELY FURTHER FAIR
29 HOUSING; OR

30 (2) PROHIBIT A POLITICAL SUBDIVISION, HOUSING AUTHORITY, OR
 31 PRIVATE ENTITY FROM TAKING A SPECIFIC ACTION TO AFFIRMATIVELY FURTHER
 32 FAIR HOUSING.

33 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read 34 as follows:

1	Article – Land Use
2	3–114.
3	(a) (1) In this section the following words have the meanings indicated.
45	(2) "Affirmatively further fair housing" has the meaning stated in § 2–401 of the Housing and Community Development Article.
6 7	[(2)] (3) "Area median income" has the meaning stated in § 4–1801 of the Housing and Community Development Article.
8 9	[(3)] (4) "Low-income housing" means housing that is affordable for a household with an aggregate annual income that is below 60% of the area median income.
10 11	[(4)] (5) "Workforce housing" has the meaning stated in § 4–1801 of the Housing and Community Development Article.
$\begin{array}{c} 12\\ 13 \end{array}$	(b) A housing element may include goals, objectives, policies, plans, and standards.
$\begin{array}{c} 14 \\ 15 \end{array}$	(c) A housing element shall address the need for affordable housing within the local jurisdiction, including:
16	(1) workforce housing; and
17	(2) low–income housing.
18 19 20	(D) (1) LOCAL JURISDICTIONS HAVE A DUTY TO AFFIRMATIVELY FURTHER FAIR HOUSING THROUGH THEIR HOUSING AND URBAN DEVELOPMENT PROGRAMS.
$21 \\ 22 \\ 23 \\ 24 \\ 25$	(2) THE HOUSING ELEMENT OF A COMPREHENSIVE PLAN THAT IS ENACTED OR AMENDED ON OR AFTER JANUARY 1, 2022, SHALL INCLUDE AN ASSESSMENT OF FAIR HOUSING, AS DESCRIBED UNDER § 2–402 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE, TO ENSURE THAT THE LOCAL JURISDICTION IS AFFIRMATIVELY FURTHERING FAIR HOUSING.
26 27 28	(3) THIS SUBSECTION DOES NOT REQUIRE A LOCAL JURISDICTION TO TAKE, OR PROHIBIT A LOCAL JURISDICTION FROM TAKING, A SPECIFIC ACTION TO AFFIRMATIVELY FURTHER FAIR HOUSING.

29 SECTION 3. AND BE IT FURTHER ENACTED, That:

1 A local jurisdiction that completed or revised an Assessment of Fair Housing (a) $\mathbf{2}$ under the federal Department of Housing and Urban Development's Affirmatively 3 Furthering Fair Housing Rule, published in the Federal Register on July 16, 2015, or an 4 analysis of impediments to fair housing prior to the Affirmatively Furthering Fair Housing Rule, shall incorporate relevant portions of the Assessment of Fair Housing or analysis of $\mathbf{5}$ 6 impediments into the housing element of the local jurisdiction's comprehensive plan, as 7described under § 3–114 of the Land Use Article, the next time the local jurisdiction amends 8 its comprehensive plan.

9 (b) Subsection (a) of this section applies only to a comprehensive plan that is 10 amended on or after January 1, 2022.

11 SECTION 4. AND BE IT FURTHER ENACTED, That Sections 2 and 3 of this Act 12 shall take effect January 1, 2022.

SECTION 5. AND BE IT FURTHER ENACTED, That, except as provided in Section
 4, this Act shall take effect October 1, 2021.