

February 28, 2020

The Honorable Kumar Barve
Chairman, House Environment and Transportation Committee
House Office Building, Room 251
6 Bladen Street
Annapolis, MD 21401

RE: Opposition of House Bill 1149 (Department of Housing and Community Development - Social Housing Subprogram (Social Housing Act))

Dear Chairman Barve:

The Maryland Building Industry Association, representing 100,000 employees of the building industry across the State of Maryland, opposes House Bill 1149 (Department of Housing and Community Development - Social Housing Subprogram (Social Housing Act)).

This measure establishes a Social Housing Subprogram within the Department of Housing and Community Development (DHCD). While we appreciate the intent of this legislation and we agree that we need more affordable housing, we have concerns with this approach. We have a shortage of all types of housing in this state and making housing more expensive by increasing the transfer tax is problematic. We appreciate the exemption for housing under \$250,000; however housing of all types is important to our state and the economy. Affordable housing is important, but so is housing affordability.

Finally, in 2019, the housing element legislation (HB 1045: 2019) was adopted. This requires each jurisdiction to have a housing element in all Comprehensive plans moving forward. We would like to see the effects of this on affordable housing.

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: House Environment and Transportation Committee Members