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DATE: February 6, 2024
BILL NO.: House Bill 131
TITLE: Housing Development Permit Applications – Local Reporting Requirements
COMMITTEE: House Environment and Transportation Committee

Letter of Support

Description of Bill:

House Bill 131 requires local jurisdictions with at least 250,000 residents to report yearly to DHCD and the Maryland Department of Planning information about housing development permit applications, including the number of applications received, approved, and rejected; the mean and median processing times for permit applications; any type of expedited permit application process the jurisdiction employs for housing development projects; and the number of development projects that benefited from said expedited permit application processes. Jurisdictions subject to this legislation are also required to publish the yearly report on their websites.

Background and Analysis:

Uncertainty, lack of transparency, and inconsistency in residential development permitting processes increases the financial cost and risk associated with the construction of new housing units and is a major factor suppressing overall housing supply. House Bill 131 will help address the 96,000-unit housing shortage Maryland faces.

The 250,000-resident requirement currently limits the effect of this legislation to 8 large jurisdictions likely to already have the capacity to implement the reporting requirements: Baltimore City, and Anne Arundel, Baltimore, Frederick, Harford, Howard, Montgomery and Prince George's counties. These 8 jurisdictions comprise the vast majority of Maryland's population.

Reporting statistical and other information on housing development permit processing to MDP and DHCD will allow the departments to gain a more complete picture of the challenges and barriers to housing in Maryland and adjust policies and practices accordingly.

Reducing uncertainty and increasing transparency in development permitting processes will also benefit smaller development firms by making the permitting process more accessible to them. This will increase their ability to compete with larger firms that have the capital and other resources needed to navigate the current complexities and uncertainties in that process.

Finally, the downstream effects of this reporting requirement will benefit low-income households in Maryland through increased housing production.

DHCD Position:

The Department of Housing and Community Development respectfully requests a **favorable** report on House Bill 131.

