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Environment and Transportation Committee

Subcommittees

Chair, Land Use and Ethics

Motor Vehicle and Transportation



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THE MARYLAND HOUSE OF DELEGATES ANNAPOLIS, MARYLAND 21401

Testimony in Support of HB 131

Testimony by Delegate Vaughn Stewart February 6, 2024 • House Environment & Transportation Committee

What the Bill Does:

HB 131 requires each local jurisdiction with over 250,000 residents to submit an annual report about housing permits to the Department of Housing and Community Development (DHCD) and the Department of Planning (DoP). The reports would include:

- 1) The total number of complete applications received;
- 2) The total number of complete applications approved;
- 3) The total number of complete applications rejected;
- 4) The total number of residential units approved;
- 5) Data on the processing times for permit applications;
- 6) Details of any expedited processes that the jurisdiction provided for applications; and
- 7) How many housing projects benefited from any expedited processes.

Why the Bill is Important:

Maryland is facing an affordable housing crisis. A 2021 report commissioned by the Maryland Department of Housing and Community Development found that the state <u>currently lacks 85,000</u> rental units for low-income families — a figure that's expected to get even worse over the next ten years, as the 2020 Maryland Housing Needs Assessment expects an additional 97,200 households making less than 50% of AMI to move to Maryland by 2030. As rents in the state have skyrocketed by more than 30 percent in the last decade, low income families are finding themselves left behind, as they face housing insecurity, difficulties paying rent, and potentially homelessness. Meanwhile, housing production has been down across the state. In March 2005, the highest production month this century, permits for 3,200 new units were issued to residential building projects. In September 2023, permits for a mere 851 units were issued. As this crisis continues to grow, we need state and local

governments to work together to find creative solutions to the housing crisis and innovate ways to build new units of housing.

In the future, the state might consider encouraging local jurisdictions to build more housing and streamline their permitting processes. Indeed, many other states have taken steps to prod locals to both build more housing and lower construction costs by eliminating unnecessary red tape. However, Maryland's ability to adopt (or reject) proposals to, for example, reward especially efficient counties is hamstrung by the lack of data. We simply do not have enough reliable information on which counties are overproducing new supply and which counties are lagging behind. We don't know which counties are creating a seamless process and which counties are erecting unnecessary hurdles. HB131 would fill this knowledge gap by asking counties to produce this data on an annual basis.

Why the Committee Should Vote Favorably:

HB 131 represents a modest step toward gaining a better understanding of how housing supply looks across the distinct regions of our diverse state. **I urge a favorable report.**