

DATE: January 30, 2024

BILL NO.: House Bill 241

TITLE: Housing and Community Development - Just Community Designation

COMMITTEE: House Environment and Transportation Committee

Letter of Support

Description of Bill:

House Bill 241 creates a Just Community designation for the prioritization of state funding. A "Just Community" is a geographic area that has: (1) past and current economic and housing trends that demonstrate a need for reinvestment in the area; and (2) demonstrated impact from a history of forms of legal racial segregation such as redlining, urban renewal and federal highway construction, high state imprisonment rates, or unequal exposure to environmental and health hazards. Applicants for state funding located within these areas will receive priority consideration for competitive state funding. Existing program scoring and evaluation requirements will still apply to projects located within Just Communities. The Governor designates Just Communities on the recommendation of the Secretary of DHCD, and the Governor shall identify the state programs under which a Just Community will receive priority consideration. A Just Community designation lasts for 5 years.

Background and Analysis:

For decades, federal, state and local governments have enacted racially exclusionary place-based policies. This has included redlining that limited investment in certain areas based on race, racially restrictive covenants that segregated neighborhoods, urban renewal initiatives that demolished and separated communities, high rates of incarceration (especially for low-level, nonviolent drug offenses), and the deliberate placement of environmental pollutants near BIPOC communities.

A Just Community geographic data layer and designation is intended to help reverse decades of disinvestment and exclusionary policies through a proactive approach to right the wrongs of the past. Enacting a Just Community layer is anticipated to:

1. Affirmatively advance equity, civil rights, racial justice, and equal opportunity in the state of Maryland;
2. Create opportunities for the improvement of communities that have been historically underserved, with anticipated benefits for the entire state; and
3. Right the wrongs of the past, wherein the State systematically excluded certain groups from equal participation in the benefits of public resources.

DHCD Position

The Maryland Department of Housing and Community Development respectfully requests a **favorable** report on House Bill 241.