

DATE: February 3, 2026
BILL NO.: Senate Bill 274
TITLE: Fair Housing and Housing Discrimination - Regulations, Intent, and Discriminatory Effect
COMMITTEE: Senate Judicial Proceedings Committee

Letter of Support

Description of Bill:

SB 274 authorizes the Department of Housing and Community Development to adopt regulations to carry out its programs and activities related to the agency's commitment to affirmatively further fair housing. The legislation also prohibits a person from acting "in a manner that has a discriminatory effect against a person in the terms, conditions, or privileges of the sale or rental of a dwelling [and provision of services] ...because of race, color, religion, sex, disability, marital status, familial status, sexual orientation, gender identity, national origin, source of income, or military status. This prohibition applies regardless of the stated intent of the accused unless "the action was justified by a legitimate business necessity" and "the person could not have achieved the substantial, legitimate, and nondiscriminatory interests by less discriminatory means".

Background and Analysis:

DHCD currently has a reporting requirement in the AFFH statute (hcd § 2-402 and § 2-302). This report discusses:

- The efforts by the State, political subdivisions, and housing authorities to promote fair housing choice and racial and economic housing integration, and the results of those efforts, delineated by county; and
- Any assessment of fair housing required under § 3-114(d)(2) of the Land Use Article completed since the most recent report, including any assessment of fair housing completed or revised under the federal Department of Housing and Urban Development's most recently published affirmatively furthering Fair Housing Rule.

Allowing DHCD to write regulations to carry out the AFFH statute will ensure that a priority of the Moore-Miller administration, and a public good for the state, is protected under state law. As the Department of Housing and Urban Development rescinds AFFH guidance at the federal level, it is imperative that the State responds by enshrining those priorities.

DHCD's ability to combat discrimination, whether in overcoming patterns of segregation or fostering "inclusive communities that are free from barriers that restrict access to housing and opportunity based on a protected characteristic" is also given clarity with the provision to prohibit discriminatory acts regardless of intent. In specifying that intent is not enough to defend a discriminatory act, the state would be rightfully providing the most protections for the most vulnerable.

DHCD Position

The Department of Housing and Community Development respectfully requests a **favorable** report on SB 274.