

HOUSE BILL 742

C8

8lr2210
CF SB 281

By: **Delegates Carr, Barkley, Beidle, Bobo, Bronrott, Cane, V. Clagett, Frush, Healey, Holmes, Hucker, Malone, Manno, Mizeur, Montgomery, Shewell, and Waldstreicher**

Introduced and read first time: February 4, 2008

Assigned to: Environmental Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 31, 2008

CHAPTER _____

1 AN ACT concerning

2 **Affordable Housing Programs – Waiver or Modification of Fees and Charges –**
3 **Enabling Authority for Counties and Municipalities**

4 FOR the purpose of authorizing counties and municipalities to support, foster, or
5 promote an affordable housing program for individuals or families of low or
6 moderate income by waiving or modifying certain fees and charges for
7 construction or rehabilitation of certain housing units under certain
8 circumstances; requiring the Department of Housing and Community
9 Development to report to the General Assembly on or before a certain date;
10 providing for the termination of this Act; and generally relating to the authority
11 of counties and municipalities to take action to support, foster, and promote
12 affordable housing.

13 BY repealing and reenacting, with amendments,
14 Article 24 – Political Subdivisions – Miscellaneous Provisions
15 Section 21–101
16 Annotated Code of Maryland
17 (2005 Replacement Volume and 2007 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article 24 – Political Subdivisions – Miscellaneous Provisions**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 21-101.

2 To support, foster, or promote an affordable housing program for individuals or
3 families of low or moderate income, a county or municipality may:

4 (1) Establish local trust funds or provide for the appropriation of
5 funds;

6 (2) **WAIVE OR MODIFY ~~IMPACT~~ BUILDING PERMIT OR**
7 **DEVELOPMENT IMPACT FEES AND CHARGES THAT ARE NOT MANDATED UNDER**
8 **STATE LAW FOR THE CONSTRUCTION OR REHABILITATION OF LOWER INCOME**
9 **HOUSING UNITS:**

10 (I) **IN PROPORTION TO THE NUMBER OF LOWER INCOME**
11 **HOUSING UNITS OF A DEVELOPMENT; AND**

12 (II) **THAT ARE:**

13 1. **FINANCED, IN WHOLE OR IN PART, BY PUBLIC**
14 **FUNDING THAT REQUIRES MORTGAGE RESTRICTIONS OR RECORDED**
15 **COVENANTS RESTRICTING THE RENTAL OR SALE OF THE HOUSING UNITS TO**
16 **LOWER INCOME RESIDENTS IN ACCORDANCE WITH SPECIFIC GOVERNMENT**
17 **PROGRAM REQUIREMENTS; OR**

18 2. **DEVELOPED BY A NONPROFIT ORGANIZATION**
19 **THAT:**

20 A. **HAS BEEN EXEMPT FROM FEDERAL TAXATION**
21 **UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE FOR A PERIOD OF AT**
22 **LEAST 3 YEARS; AND**

23 B. **REQUIRES THE HOMEBUYER TO PARTICIPATE IN**
24 **THE CONSTRUCTION OR REHABILITATION OF THE HOUSING UNIT;**

25 [(2)] (3) Enact legislation that restricts cost and resale prices and
26 requires development of affordable housing units as part of any subdivision in return
27 for added density;

28 [(3)] (4) Provide land or property from the inventory of the county or
29 municipality; and

30 [(4)] (5) Support PILOT (payment in lieu of taxes) programs to
31 encourage construction of affordable housing.

1 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1,
2 2010, the Department of Housing and Community Development shall report to the
3 General Assembly, in accordance with § 2-1246 of the State Government Article, on:

4 (1) The counties and municipalities that waived or modified impact
5 building permit or development fees in accordance with this Act;

6 (2) The number and type of housing units for which the fees were
7 waived or modified in accordance with this Act;

8 (3) The amount of impact building permit or development fees that a
9 county or municipality waived for the construction of housing units in accordance with
10 this Act; and

11 (4) The amount of impact building permit or development fees that a
12 county or municipality collected for the construction of housing units in accordance
13 with this Act.

14 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take
15 effect October 1, 2008. It shall remain effective for a period of 3 years and, at the end
16 of September 30, 2011, with no further action required by the General Assembly, this
17 Act shall be abrogated and of no further force and effect.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.