

SENATE BILL 281

C8

8lr1840
CF HB 742

By: ~~Senator Dyson~~ **Senators Dyson and Harrington**

Introduced and read first time: January 25, 2008

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 21, 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 of certain housing units under certain circumstances; requiring the
8 Department of Housing and Community Development to report to the General
9 Assembly on or before a certain date; providing for the termination of this Act;
10 and generally relating to the authority of counties and municipalities to take
11 action to support, foster, and promote affordable housing.

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

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

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

20 21–101.

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

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

5 (2) **WAIVE OR MODIFY IMPACT BUILDING PERMIT OR**
6 **DEVELOPMENT FEES AND CHARGES FOR CONSTRUCTION OF LOWER INCOME**
7 **HOUSING UNITS BY A NONPROFIT ORGANIZATION THAT HAS BEEN EXEMPT**
8 **FROM TAXATION UNDER § 503(C)(3) OF THE INTERNAL REVENUE CODE FOR A**
9 **PERIOD OF AT LEAST 3 YEARS, IF:**

10 (I) **THE NONPROFIT ORGANIZATION RECEIVES PUBLIC**
11 **FUNDING WITH MORTGAGE RESTRICTIONS OR RECORDED COVENANTS**
12 **RESTRICTING THE RENTAL OR SALE OF THE HOUSING UNITS TO LOWER INCOME**
13 **RESIDENTS IN ACCORDANCE WITH SPECIFIC GOVERNMENT PROGRAM**
14 **REQUIREMENTS; OR**

15 (II) **THE NONPROFIT ORGANIZATION REQUIRES THE**
16 **HOMEBUYER TO PARTICIPATE IN THE CONSTRUCTION OR REHABILITATION OF**
17 **THE HOUSING UNIT;**

18 [(2)] (3) Enact legislation that restricts cost and resale prices and
19 requires development of affordable housing units as part of any subdivision in return
20 for added density;

21 [(3)] (4) Provide land or property from the inventory of the county or
22 municipality; and

23 [(4)] (5) Support PILOT (payment in lieu of taxes) programs to
24 encourage construction of affordable housing.

25 **SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1,**
26 **2010, the Department of Housing and Community Development shall report to the**
27 **General Assembly, in accordance with § 2-1246 of the State Government Article, on:**

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

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

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

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

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

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.