

SENATE BILL 117

N1, P1

(PRE-FILED)

1r0972
CF HB 58

By: **Senator Sydnor**

Requested: October 14, 2020

Introduced and read first time: January 13, 2021

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Workgroup on Minority Homeownership, Neighborhood Revitalization, and**
3 **Household Wealth Equity**

4 FOR the purpose of establishing the Workgroup on Minority Homeownership,
5 Neighborhood Revitalization, and Household Wealth Equity; providing for the
6 composition, chair, and staffing of the Workgroup; prohibiting a member of the
7 Workgroup from receiving certain compensation, but authorizing the reimbursement
8 of certain expenses; requiring the Workgroup to study and make recommendations
9 regarding certain matters; requiring the Workgroup to report its findings and
10 recommendations to the Governor and the General Assembly on or before a certain
11 date; providing for the termination of this Act; and generally relating to the
12 Workgroup on Minority Homeownership, Neighborhood Revitalization, and
13 Household Wealth Equity.

14 Preamble

15 WHEREAS, The State of Maryland, like the nation, has racial disparities in housing
16 and lending, and homeownership rates among Black and Latinx Marylanders are
17 disproportionately low and are decreasing in many areas of the State; and

18 WHEREAS, Evictions and foreclosures are proceeding around the State and are
19 disproportionately affecting Black and Latinx Marylanders, who already experience lower
20 rates of homeownership relative to the population at large; and

21 WHEREAS, Homeownership remains the single most effective way to grow and
22 transfer generational wealth; and

23 WHEREAS, Investments by homeowners and the rehabilitation of older homes for
24 homeownership are critical to advancing neighborhood revitalization in older and historic
25 neighborhoods; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 WHEREAS, In 2015, the Maryland Sustainable Growth Commission, with staff
2 support from the Maryland Department of Housing and Community Development,
3 produced a report entitled “Homeownership for Stronger Neighborhoods Statewide” that
4 included a number of constructive recommendations, but did not specifically address issues
5 of race and equity; and

6 WHEREAS, The Commission’s report should be updated to focus on communities of
7 color with low rates of homeownership; and

8 WHEREAS, State-sponsored programs have successfully increased minority
9 homeownership both in Maryland and other states, and it would be beneficial to review the
10 available resources to determine how these programs might maximize homeownership
11 rates for minority households and reinvestment in historically minority neighborhoods;
12 now, therefore,

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
14 That:

15 (a) There is a Workgroup on Minority Homeownership, Neighborhood
16 Revitalization, and Household Wealth Equity.

17 (b) The Workgroup consists of the following members:

18 (1) the following members appointed by the President of the Senate:

19 (i) one member of the Senate of Maryland;

20 (ii) one representative of the banking community;

21 (iii) two representatives of community development organizations;

22 and

23 (iv) one representative of an organization that provides housing
24 counseling services;

25 (2) the following members appointed by the Speaker of the House:

26 (i) one member of the House of Delegates;

27 (ii) one representative of the banking community;

28 (iii) two representatives of community development organizations;

29 and

30 (iv) one representative of an organization that provides housing
31 counseling services;

1 (3) two representatives of the Department of Housing and Community
2 Development, appointed by the Secretary;

3 (4) the Chair and Vice Chair of the Maryland Sustainable Growth
4 Commission, or the Chair's and Vice Chair's designees;

5 (5) one member of the Board of Directors of the Baltimore Metropolitan
6 Council;

7 (6) one member of the Maryland Association of Realtors; and

8 (7) one member of the National Association of Real Estate Brokers.

9 (c) The Secretary of Housing and Community Development shall designate the
10 chair of the Workgroup.

11 (d) The Department of Housing and Community Development shall provide staff
12 for the Workgroup.

13 (e) A member of the Workgroup:

14 (1) may not receive compensation as a member of the Workgroup; but

15 (2) is entitled to reimbursement for expenses under the Standard State
16 Travel Regulations, as provided in the State budget.

17 (f) The Workgroup shall:

18 (1) assess the availability of unoccupied housing stock in the State, by
19 location and cost, excluding rental housing;

20 (2) assess the rates of homeownership in the State, by location, racial
21 group, and socioeconomic status;

22 (3) study the barriers to homeownership for low- and moderate-income
23 households, including the need for credit and housing counseling services and the rising
24 cost of housing;

25 (4) review the mortgage application process and study the rates of denials
26 by racial group and socioeconomic status;

27 (5) study the process for assessing the value of residential real property in
28 the State, including a comparison of the average assessed value of property to the market
29 value for the property by location, and analyze the impact on homeowners when the
30 assessed and market value for properties are significantly different;

1 (6) review the processes for tax sales and foreclosures and study the impact
2 on low-income homeowners and people of color;

3 (7) study the impact of homeownership on neighborhood revitalization and
4 the building of generational wealth;

5 (8) review the use and marketing of private and government-sponsored
6 housing, lending, and community revitalization programs, including those currently
7 operated by the Department, with an emphasis on participation rates by communities of
8 color;

9 (9) review federal, State, and local legislation pertaining to the issues in
10 this subsection; and

11 (10) make recommendations to promote homeownership and create
12 wealth-building opportunities for minority households and promote community
13 revitalization through targeted investments in homeownership.

14 (g) On or before December 1, 2021, the Workgroup shall report its findings and
15 recommendations to the Governor and, in accordance with § 2-1257 of the State
16 Government Article, the General Assembly.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
18 1, 2021. It shall remain effective for a period of 1 year and, at the end of June 30, 2022, this
19 Act, with no further action required by the General Assembly, shall be abrogated and of no
20 further force and effect.