

SENATE BILL 296

C9

3lr1165
CF HB 79

By: **Senator McKay**

Introduced and read first time: January 27, 2023

Assigned to: Education, Energy, and the Environment

A BILL ENTITLED

1 AN ACT concerning

2 **Housing and Community Development – Whole–Home Repairs Act of 2023**

3 FOR the purpose of establishing the Whole–Home Repairs Program in the Department of
4 Housing and Community Development to award grants to certain local
5 administering agencies for the purposes of ensuring that owner–occupied and rental
6 units are free of habitability concerns, improving coordination across home repairs
7 programs, and increasing retention in workforce development programs;
8 establishing the Whole–Home Repairs Fund as a special, nonlapsing fund; and
9 generally relating to the Whole–Home Repairs Program.

10 BY adding to

11 Article – Housing and Community Development
12 Section 4–512; and 4–2901 through 4–2904 to be under the new subtitle “Subtitle 29.
13 Whole–Home Repairs Program”
14 Annotated Code of Maryland
15 (2019 Replacement Volume and 2022 Supplement)

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

18 **Article – Housing and Community Development**

19 **4–512.**

20 (A) **IN THIS SECTION, “FUND” MEANS THE WHOLE–HOME REPAIRS FUND.**

21 (B) **THERE IS A WHOLE–HOME REPAIRS FUND.**

22 (C) **THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS TO LOCAL**
23 **ADMINISTERING AGENCIES UNDER THE WHOLE–HOME REPAIRS PROGRAM.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (D) THE DEPARTMENT SHALL ADMINISTER THE FUND.

2 (E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
3 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

4 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,
5 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

6 (F) THE FUND CONSISTS OF:

7 (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

8 (2) FEDERAL FUNDING RECEIVED BY THE STATE FOR PURPOSES OF
9 FUNDING THE PROGRAM; AND

10 (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
11 THE BENEFIT OF THE FUND.

12 (G) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN
13 THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

14 (H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE
15 WITH THE STATE BUDGET.

16 SUBTITLE 29. WHOLE-HOME REPAIRS PROGRAM.

17 4-2901.

18 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
19 INDICATED.

20 (B) "AFFORDABLE" MEANS HOUSING COSTS DO NOT EXCEED 30% OF A
21 HOUSEHOLD'S INCOME.

22 (C) "AFFORDABLE UNITS" MEANS UNITS WHERE RENT IS AFFORDABLE TO
23 TENANTS AT OR BELOW 60% OF THE AREA MEDIAN INCOME, ADJUSTED FOR
24 HOUSEHOLD SIZE, AS PUBLISHED AND ANNUALLY UPDATED BY THE U.S.
25 DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

26 (D) (1) "HOME REPAIRS PROGRAMS" MEANS FEDERAL AND STATE
27 PROGRAMS, OTHER THAN THE WHOLE-HOME REPAIRS PROGRAM, THAT PROVIDE
28 FINANCIAL ASSISTANCE FOR REPAIRS OR IMPROVEMENTS TO RESIDENTIAL

1 PROPERTY.

2 (2) "HOME REPAIRS PROGRAMS" INCLUDE:

3 (I) WEATHERIZATION ASSISTANCE PROGRAMS ADMINISTERED
4 AS A PART OF THE PROGRAMS AUTHORIZED UNDER THE FEDERAL LOW-INCOME
5 HOME ENERGY ASSISTANCE ACT OR THE FEDERAL ENERGY CONSERVATION IN
6 EXISTING BUILDINGS ACT OF 1976;

7 (II) THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
8 ESTABLISHED UNDER THE FEDERAL HOUSING AND COMMUNITY DEVELOPMENT
9 ACT OF 1974;

10 (III) THE LEAD HAZARD REDUCTION GRANT PROGRAM AND
11 THE LEAD HAZARD REDUCTION LOAN PROGRAM ESTABLISHED UNDER SUBTITLE 7
12 OF THIS TITLE;

13 (IV) THE MARYLAND HOUSING REHABILITATION PROGRAM
14 ESTABLISHED UNDER SUBTITLE 9 OF THIS TITLE; AND

15 (V) NEIGHBORHOOD REVITALIZATION PROGRAMS
16 ESTABLISHED UNDER TITLE 6 OF THIS ARTICLE.

17 (E) "LOCAL ADMINISTERING AGENCY" MEANS A LOCAL GOVERNMENTAL
18 UNIT OR NONPROFIT AGENCY RESPONSIBLE FOR ADMINISTERING HOME REPAIRS
19 PROGRAMS WITHIN A COUNTY OR MUNICIPAL CORPORATION.

20 (F) "PROGRAM" MEANS THE WHOLE-HOME REPAIRS PROGRAM.

21 (G) "SERIOUS VIOLATION" MEANS A VIOLATION OF STATE LAW THAT POSES
22 AN IMMINENT THREAT TO THE HEALTH AND SAFETY OF THE OCCUPANTS OF A
23 DWELLING, THE OCCUPANTS OF SURROUNDING STRUCTURES, OR PASSERSBY.

24 (H) "SMALL LANDLORD" MEANS A LANDLORD THAT:

25 (1) HAS AN OWNERSHIP INTEREST IN NOT MORE THAN FIVE
26 RESIDENTIAL PROPERTIES AND NOT MORE THAN 15 RENTAL UNITS; AND

27 (2) RENTS THOSE PROPERTIES OR UNITS FOR USE AS A PRIMARY
28 RESIDENCE FOR A FEE, REGARDLESS OF THE LENGTH OR FORM OF THE LEASE.

29 4-2902.

1 **(A) THERE IS A WHOLE-HOME REPAIRS PROGRAM IN THE DEPARTMENT.**

2 **(B) THE PURPOSE OF THE PROGRAM IS TO PROVIDE FUNDING TO LOCAL**
3 **ADMINISTERING AGENCIES TO:**

4 **(1) ENSURE OWNER-OCCUPIED AND RENTAL UNITS ARE FREE OF**
5 **HABITABILITY CONCERNS;**

6 **(2) IMPROVE COORDINATION ACROSS HOME REPAIR PROGRAMS; AND**

7 **(3) INCREASE RETENTION IN WORKFORCE DEVELOPMENT**
8 **PROGRAMS.**

9 **4-2903.**

10 **(A) (1) THE DEPARTMENT SHALL MAKE AVAILABLE AN APPLICATION**
11 **FOR LOCAL ADMINISTERING AGENCIES TO APPLY FOR FUNDING UNDER THE**
12 **PROGRAM.**

13 **(2) THE APPLICATION MAY BE ACCEPTED ELECTRONICALLY.**

14 **(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,**
15 **THE DEPARTMENT SHALL AWARD GRANTS TO NOT MORE THAN ONE LOCAL**
16 **ADMINISTERING AGENCY PER COUNTY.**

17 **(2) THIS SUBSECTION SHALL NOT BE CONSTRUED TO PROHIBIT THE**
18 **DEPARTMENT FROM AWARDING:**

19 **(I) MORE THAN ONE GRANT TO A LOCAL ADMINISTERING**
20 **AGENCY THAT SERVES MULTIPLE COUNTIES; OR**

21 **(II) A GRANT TO A LOCAL ADMINISTERING AGENCY THAT**
22 **SERVES A MUNICIPAL CORPORATION, PROVIDED THAT THE MUNICIPAL**
23 **CORPORATION IS NOT SERVED BY ANOTHER LOCAL ADMINISTERING AGENCY.**

24 **(C) LOCAL ADMINISTERING AGENCIES SHALL USE GRANTS PROVIDED**
25 **UNDER THIS SECTION:**

26 **(1) SUBJECT TO SUBSECTIONS (D) AND (E) OF THIS SECTION, TO**
27 **PROVIDE FINANCIAL ASSISTANCE, NOT TO EXCEED \$50,000 PER UNIT, TO**
28 **RESIDENTIAL PROPERTY OWNERS FOR THE PURPOSE OF:**

29 **(I) ADDRESSING HABITABILITY CONCERNS;**

1 (II) IMPROVING ENERGY OR WATER EFFICIENCY; AND

2 (III) MAKING UNITS ACCESSIBLE FOR INDIVIDUALS WITH
3 DISABILITIES;

4 (2) TO INVEST IN WORKFORCE DEVELOPMENT PROGRAMS THAT WILL
5 CONNECT TRAINEES TO JOBS THROUGH COMMITTED EMPLOYER PARTNERSHIPS
6 RELATED TO IMPROVING THE HABITABILITY AND PERFORMANCE OF RESIDENTIAL
7 PROPERTIES, INCLUDING THROUGH:

8 (I) PROVIDING CASH STIPENDS FOR TRAINEES; AND

9 (II) PAYING COSTS RELATED TO THE DESIGN AND
10 IMPLEMENTATION OF PRE-APPRENTICESHIP, APPRENTICESHIP, AND PUBLICLY
11 FUNDED ON-THE-JOB TRAINING PROGRAMS; AND

12 (3) TO OFFSET THE COSTS TO THE LOCAL ADMINISTERING AGENCY OF
13 ADMINISTERING THE PROGRAM AND OTHER HOME REPAIRS PROGRAMS,
14 INCLUDING:

15 (I) STAFFING COSTS;

16 (II) COSTS RELATED TO IMPLEMENTING SYSTEMS AND DATA
17 MANAGEMENT TOOLS DESIGNED TO MAXIMIZE ENROLLMENT IN THE PROGRAM AND
18 OTHER HOME REPAIRS PROGRAMS; AND

19 (III) THE PROVISION AND ENHANCEMENT OF:

20 1. TECHNICAL ASSISTANCE AND CASE MANAGEMENT
21 SERVICES FOR HOMEOWNERS, RENTERS, AND SMALL LANDLORDS;

22 2. A UNIVERSAL HOME REPAIRS PROGRAM APPLICATION
23 PROCESS EVIDENCED BY A SINGLE POINT OF CONTACT FOR HOMEOWNERS,
24 RENTERS, AND SMALL LANDLORDS;

25 3. COORDINATION ACROSS WAITLISTS FOR HOME
26 REPAIRS PROGRAMS;

27 4. PUBLIC POLICY ANALYSIS, OUTCOMES REPORTING,
28 AND PROGRAM EVALUATION; AND

29 5. REFERRALS, WHERE APPROPRIATE, TO LEGAL AID,

1 SOCIAL SERVICES PROVIDERS, AND OTHER RELEVANT COMMUNITY-BASED
2 SERVICES.

3 (D) (1) FINANCIAL ASSISTANCE PROVIDED UNDER SUBSECTION (C)(1) OF
4 THIS SECTION TO A HOMEOWNER WHOSE HOUSEHOLD INCOME DOES NOT EXCEED
5 50% OF THE AREA MEDIAN INCOME SHALL BE IN THE FORM OF A GRANT.

6 (2) (I) FINANCIAL ASSISTANCE PROVIDED UNDER SUBSECTION
7 (C)(1) OF THIS SECTION TO A SMALL LANDLORD RENTING AFFORDABLE UNITS
8 SHALL BE IN THE FORM OF A FORGIVABLE LOAN THAT IS RECORDED AGAINST A
9 RESIDENTIAL PROPERTY IN A MORTGAGE SECURITY.

10 (II) A LOAN MADE TO A SMALL LANDLORD SHALL BE FORGIVEN
11 IF:

12 1. THE SMALL LANDLORD OFFERED TO EXTEND THE
13 LEASE OF THE TENANT OCCUPYING THE UNIT WHEN THE FUNDS WERE ACCEPTED BY
14 3 YEARS OR MORE;

15 2. IN THE PRECEDING 15 YEARS, THE SMALL LANDLORD
16 HAS CORRECTED ANY SERIOUS VIOLATION AT THE LANDLORD'S RENTAL
17 PROPERTIES WITHIN 6 MONTHS AFTER NOTIFICATION OF THE VIOLATION;

18 3. THE SMALL LANDLORD HAS MAINTAINED OWNERSHIP
19 OF THE UNIT FOR 15 YEARS OR MORE; AND

20 4. FOR 15 YEARS OR MORE, THE ANNUAL INCREASE IN
21 MONTHLY RENT FOR THE UNIT HAS NOT EXCEEDED 3% OF THE BASE RENT, OR THE
22 UNIT HAS BEEN OCCUPIED BY A TENANT PARTICIPATING IN THE RENTAL
23 ASSISTANCE PROGRAM.

24 (III) A LOCAL ADMINISTERING AGENCY SHALL RECAPTURE ANY
25 LOAN MADE TO A SMALL LANDLORD THAT HAS NOT MAINTAINED COMPLIANCE WITH
26 THE CONDITIONS IN SUBPARAGRAPH (II) OF THIS PARAGRAPH.

27 (E) (1) WHENEVER POSSIBLE, LOCAL ADMINISTERING AGENCIES SHALL
28 PRIORITIZE THE USE OF FUNDS FROM OTHER HOME REPAIRS PROGRAMS FOR THE
29 PURPOSES SPECIFIED IN SUBSECTION (C)(1) OF THIS SECTION.

30 (2) PROGRAM FUNDS SHALL NOT SUPPLANT EXISTING RESOURCES
31 DEDICATED TO HOME REPAIRS PROGRAMS, BUT MAY BE USED TO SUPPORT, EXPAND,
32 AND ENHANCE HOME REPAIRS PROGRAMS AS PROVIDED UNDER THIS SECTION.

1 4-2904.

2 (A) ON OR BEFORE SEPTEMBER 1, 2024, AND EACH YEAR THEREAFTER, THE
3 DEPARTMENT SHALL REPORT, IN ACCORDANCE WITH § 2-1257 OF THE STATE
4 GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY ON:

5 (1) THE TOTAL NUMBER OF UNITS, AND THE AVERAGE COST PER UNIT
6 FOR WHICH A HOMEOWNER WAS ASSISTED UNDER THE PROGRAM;

7 (2) THE TOTAL NUMBER OF UNITS AND THE AVERAGE COST PER UNIT
8 FOR WHICH A SMALL LANDLORD WAS ASSISTED UNDER THE PROGRAM;

9 (3) THE TOTAL AMOUNT OF FUNDS INVESTED IN ADDRESSING
10 HABITABILITY CONCERNS, INSTALLING ENERGY EFFICIENT MEASURES, AND
11 MAKING UNITS ACCESSIBLE FOR INDIVIDUALS WITH DISABILITIES;

12 (4) THE TOTAL NUMBER OF GRANT AND LOAN APPLICATIONS THAT
13 WERE RECEIVED, APPROVED, AND DENIED BY LOCAL ADMINISTERING AGENCIES;

14 (5) A SUMMARY OF THE MOST COMMON REASONS FOR DENIAL OF
15 APPLICATIONS;

16 (6) THE INCOME AND DEMOGRAPHIC INFORMATION FOR
17 HOUSEHOLDS ASSISTED UNDER THE PROGRAM;

18 (7) THE TOTAL AMOUNT OF FUNDS INVESTED TO IMPROVE
19 COORDINATION ACROSS HOME REPAIRS PROGRAMS; AND

20 (8) THE TOTAL AMOUNT OF FUNDS INVESTED IN WORKFORCE
21 DEVELOPMENT PROGRAMS.

22 (B) THE DEPARTMENT MAY REQUIRE LOCAL ADMINISTERING AGENCIES
23 AWARDED GRANTS UNDER THIS PROGRAM TO SUBMIT REPORTS CONTAINING
24 INFORMATION REQUIRED FOR THE DEPARTMENT TO COMPLY WITH SUBSECTION (A)
25 OF THIS SECTION.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2023.