# **Department of Legislative Services**

Maryland General Assembly 2025 Session

## FISCAL AND POLICY NOTE First Reader

House Bill 1193

(Delegate Wolek, et al.)

**Environment and Transportation** 

#### Housing Development Permits - Local Reporting Requirements (Maryland Housing Data Transparency Act)

This bill requires each local jurisdiction that issues at least 50 building or development permits for new residential units each year to report to the Maryland Department of Planning (MDP), monthly, beginning January 1, 2027, specified information relating to building or development permits that include a residential housing component. A local jurisdiction must make the report publicly available. By July 1, 2027, and thereafter, MDP must publish reported information on a public, interactive, and searchable website and annually report to the Governor and the General Assembly on information collected under the bill as well as information collected under current law. **The bill takes effect July 1, 2025**.

## **Fiscal Summary**

**State Effect:** General fund expenditures increase by \$86,100 in FY 2026. Future years reflect annualization and inflation. Revenues are not affected.

(in dollars)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	86,100	102,500	107,000	111,800	116,500
Net Effect	(\$86,100)	(\$102,500)	(\$107,000)	(\$111,800)	(\$116,500)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

**Local Effect:** Local government expenditures may be affected in some jurisdictions, as discussed below. Revenues are not affected. **This bill may impose a mandate on a unit of local government**.

Small Business Effect: None.

# Analysis

### **Bill Summary:**

## Local Jurisdiction – Permit Reporting Requirements

The bill requires each local jurisdiction that issues at least 50 building or development permits for new residential units each year, beginning January 1, 2027, and on the first day of each month thereafter, to report to MDP the following information for each building or development permit, that includes a residential housing component as part of the development, issued by the local jurisdiction during the immediately preceding month:

- the permit number;
- the permit approval date;
- the date on which the use and occupancy permit was issued;
- the parcel tax identification number;
- the site address;
- the housing type authorized under the permit;
- the permit type;
- the total number of residential units authorized under the permit;
- a general description of the work authorized;
- the total cost of construction; and
- any other information the jurisdiction considers relevant.

A local jurisdiction must make the report required by the bill publicly available on its website unless it does not maintain a website, in which case the report must be made available through any other reasonable method. An announcement posted to a local jurisdiction's website stating that a person should contact the relevant local department for access to the report does not meet this requirement.

## Maryland Department of Planning – Website and Reporting Requirements

By July 1, 2027, and as the information becomes available thereafter, MDP must publish the information reported by local jurisdictions for the immediately preceding fiscal year: (1) on a public, interactive, and searchable website; (2) by housing type, specifically labeled as single family townhouses, apartments, duplexes, triplexes, or quadplexes; (3) by the total built and existing housing supply, organized by housing type, in each county in the State; and (4) by data source.

By December 31 each year, MDP must submit a report to the Governor and the General Assembly on the building permit information collected under the bill, and the information currently collected by July 1 each year, from local jurisdictions with at least 150,000 residents, on building or development permit applications, which include a residential housing component.

MDP may adopt regulations to carry out the bill's provisions and the existing provisions requiring reporting by local jurisdictions with at least 150,000 residents.

## **Current Law:**

Local Jurisdictions – Annual Reports to the Maryland Department of Planning

## Development – Measures and Indicators

A local planning commission must file an annual report with the local legislative body and the Secretary of Planning by July 1 of each year. Among other requirements, the report must (1) index and locate on a map any changes in development patterns; (2) contain recommendations for improving the planning and development process within the local jurisdiction; and (3) state which local laws or regulations have been adopted or changed to implement planning visions.

In addition, for jurisdictions that issue 50 or more building permits for new residential units each year, the annual report must contain certain "measures and indicators," including (1) the amount, share, and net density of growth inside and outside priority funding areas; (2) the creation of new lots and the issuance of residential and commercial building permits inside and outside priority funding areas; and (3) a development capacity analysis, updated every three years and whenever there is a significant change in zoning or land use patterns. MDP must <u>report</u> on the measures and indicators collected from the local jurisdictions each year.

## Building or Development Permit Applications

Chapter 213 of 2024 requires each local jurisdiction with at least 150,000 residents to file an annual report with the Department of Housing and Community Development and MDP by July 1 each year. The report must include – for building or development permit applications during the immediately preceding calendar year that include a residential housing component – among other things, (1) the total number of complete applications received, issued, and rejected, by type; (2) the net total number of residential units approved; and (3) any type of expedited permit application process that the local jurisdiction employed to accelerate residential housing development projects.

HB 1193/ Page 3

A local jurisdiction must make the report publicly available on its website unless it does not maintain a website, in which case the report must be made available through any other reasonable method. An announcement posted to a local jurisdiction's website stating that a person should contact the relevant local department for access to the report does not meet this requirement. To the extent practicable, a local jurisdiction may submit and transmit the report required under the bill as part of another report required to be filed under the Land Use Article.

**State Expenditures:** General fund expenditures increase by \$86,109 in fiscal 2026, which accounts for a 90-day start-up delay. This estimate reflects the cost for MDP to hire one geographic information systems (GIS) administrator to establish and maintain a building/development permit database and online dashboard, to meet the requirements of the bill. Despite the reporting under the bill by local jurisdictions beginning January 1, 2027, MDP indicates that the GIS administrator needs to begin working with local jurisdictions in fiscal 2026 to convert their building permit data into a common format that will allow MDP to combine all of the data into one reporting structure. The estimate includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Position	1.0
Salary and Fringe Benefits	\$78,740
Operating Expenses	<u>7,369</u>
Total FY 2026 State Expenditures	\$86,109

Future year expenditures reflect a full salary with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

**Local Fiscal Effect:** Some local jurisdictions subject to the bill's requirements that do not already use building permit software capable of performing the reporting with limited modifications may incur costs; however, the extent of any costs incurred has not been quantified. It appears many jurisdictions may only incur minimal, if any, costs based on indications from (1) MDP, which surveyed counties and municipalities in 2020 regarding their building permit software systems and has worked with a small number of jurisdictions for the past few years under a pilot project to determine what building permit data is available and how easily it could be compiled into a common database and (2) information received by the Department of Legislative Services from a small number of local governments.

MDP notes that the U.S. Census Annual Report of New Housing Units Authorized for Construction by Building Permits indicated that in Maryland, 28 local jurisdictions in 2023, and 33 local jurisdictions in 2022, issued building permits for 50 or more residential units.

## **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** SB 944 (Senator Hettleman) - Education, Energy, and the Environment.

**Information Source(s):** Anne Arundel, Baltimore, Cecil, Frederick, and Montgomery counties; Maryland Association of Counties; City of Frederick; Maryland Municipal League; Department of Housing and Community Development; Maryland Department of Planning; Department of Legislative Services

**Fiscal Note History:** First Reader - February 24, 2025 js/sdk

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