

SENATE BILL 267

L6, Q2, Q6

6lr1390
CF 6lr2313

By: Senator Brooks

Introduced and read first time: January 19, 2026

Assigned to: Education, Energy, and the Environment and Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Land Use – Residential Housing – Oversight, Regulation, and Taxation**
3 **(Building Affordably in My Back Yard Act)**

4 FOR the purpose of establishing certain policies and processes to facilitate the development
5 of residential housing in the State; requiring an entity that owns residential real
6 property in the State to make a certain certification to the Department of Housing
7 and Community Development; authorizing a local jurisdiction to establish an
8 administrative process to review, approve, modify, or deny certain housing
9 development project applications; requiring certain local jurisdictions and the
10 Maryland–National Capital Park and Planning Commission to establish processes
11 to evaluate the completeness of residential or mixed–use development project
12 applications; specifying the standards applicable to certain complete and approved
13 development project applications; providing for the establishment of certain housing
14 production targets; requiring certain local jurisdictions and the Commission to adopt
15 local project design guidelines for certain qualified affordable housing projects;
16 requiring local jurisdictions and the Commission to implement certain pre–approval
17 building permit application processes for standardized model home designs;
18 authorizing a county to reduce the fee or tax rate of certain housing–sensitive taxes
19 or fees imposed on a qualified affordable housing project; authorizing a county to
20 increase the fee or tax rate of certain housing–sensitive taxes or fees on classes of
21 property that are not part of a qualified affordable housing project; allowing a county
22 or municipality to require the payment of a certain percentage of certain
23 development excise taxes and development impact fees before a housing development
24 project is completed; limiting the entities from which a certain person may accept
25 offers on residential real property during a certain period of time; authorizing a
26 county, after making a certain determination, to impose a transfer tax on the
27 transfer of certain owner–occupied properties; authorizing the Mayor and City
28 Council of Baltimore or the governing body of a county to establish, by law, certain
29 subclasses of real property and to set a special property tax rate for the subclasses
30 of real property; requiring the Comptroller, in consultation with the State
31 Department of Assessments and Taxation, to evaluate and report on disincentives to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 homeowners to downsize or transition to smaller homes; requiring the Department
2 of Planning to conduct a study and publish a comprehensive report on housing
3 infrastructure; requiring certain departments to conduct a comprehensive internal
4 review of certain approval processes that impact housing; and generally relating to
5 the oversight, regulation, development, and taxation of residential real estate.

6 BY adding to
7 Article – Housing and Community Development
8 Section 1–103
9 Annotated Code of Maryland
10 (2019 Replacement Volume and 2025 Supplement)

11 BY repealing and reenacting, with amendments,
12 Article – Land Use
13 Section 1–401 and 10–103
14 Annotated Code of Maryland
15 (2012 Volume and 2025 Supplement)

16 BY adding to
17 Article – Land Use
18 Section 7–106; and 12–101 through 12–404 to be under the new title “Title 12.
19 Housing Regulations, Targets, and Affordability”
20 Annotated Code of Maryland
21 (2012 Volume and 2025 Supplement)

22 BY adding to
23 Article – Local Government
24 Section 20–128
25 Annotated Code of Maryland
26 (2013 Volume and 2025 Supplement)

27 BY adding to
28 Article – Real Property
29 Section 10–804
30 Annotated Code of Maryland
31 (2023 Replacement Volume and 2025 Supplement)

32 BY repealing and reenacting, with amendments,
33 Article – Tax – Property
34 Section 6–202.1 and 6–302
35 Annotated Code of Maryland
36 (2019 Replacement Volume and 2025 Supplement)

37 BY adding to
38 Article – Tax – Property
39 Section 13–601 and 13–602 to be under the new subtitle “Subtitle 6. Transfer Tax on
40 Transfers of Owner–Occupied Properties”

Annotated Code of Maryland (2019 Replacement Volume and 2025 Supplement)

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

Article – Housing and Community Development

6 1-103.

(A) IN THIS SECTION, “ENTITY” MEANS:

(1) A CORPORATION;

(2) A LIMITED LIABILITY COMPANY;

(3) A LIMITED LIABILITY PARTNERSHIP;

(4) A LIMITED PARTNERSHIP;

(5) A LIMITED LIABILITY LIMITED PARTNERSHIP;

(6) A PROFESSIONAL CORPORATION;

(7) A TRADE NAME FILER; OR

(8) A BUSINESS TRUST.

(B) (1) AT LEAST ONCE PER YEAR, EACH ENTITY THAT OWNS
DENTIAL REAL PROPERTY IN THE STATE SHALL FILE WITH THE DEPARTMENT
ERTIFICATE DISCLOSING THE CORRECT CONTACT INFORMATION FOR A
ESENTATIVE OF THE ENTITY WHO HAS THE AUTHORITY TO COMMUNICATE
THE PUBLIC ABOUT THE ENTITY.

(2) THE CERTIFICATE SHALL BE:

(I) IN WRITING; AND

(II) AFFIRMED OR ACKNOWLEDGED UNDER OATH.

24 (C) THE DEPARTMENT SHALL PROVIDE THE INFORMATION PROVIDED
25 UNDER SUBSECTION (B) OF THIS SECTION ON REQUEST BY A UNIT OF LOCAL
26 GOVERNMENT IN THE STATE.

Article – Land Use

2 1-401.

5 (b) The following provisions of this division apply to a charter county:

6 (1) this subtitle, including Parts II and III (Charter county –
7 Comprehensive plans),

8 (2) § 1-101(l), (m), and (o) (Definitions – “Plan”, “Priority funding area”,
9 and “Sensitive area”);

10 (3) § 1–201 (Visions);

11 (4) § 1–206 (Required education);

12 (5) § 1–207 (Annual report – In general);

13 (6) § 1–208 (Annual report – Measures and indicators);

(7) Title 1, Subtitle 3 (Consistency);

15 (8) Title 1, Subtitle 5 (Growth Tiers);

16 (9) § 4–104(c) (Limitations – Bicycle parking);

17 (10) § 4–104(d) (Limitations – Manufactured homes and modular dwellings);

18 (11) § 4-208 (Exceptions – Maryland Accessibility Code);

19 (12) § 4-210 (Permits and variances – Solar panels);

20 (13) § 4-211 (Change in zoning classification – Energy generating systems);

21 (14) § 4–212 (Agritourism);

22 (15) § 4–213 (Alcohol production);

23 (16) § 4–214 (Agricultural alcohol production);

24 (17) § 4–215 (Pollinator-friendly vegetation management);

25 (18) § 4-216 (Limitations – Family child care homes and large family child
26 care homes);

- (19) Title 4, Subtitle 5 (Accessory Dwelling Units);
- (20) § 5–102(d) (Subdivision regulations – Burial sites);
- (21) § 5–104 (Major subdivision – Review);
- (22) Title 7, Subtitle 1 (Development Mechanisms);
- (23) Title 7, Subtitle 2 (Transfer of Development Rights);
- (24) except in Montgomery County or Prince George’s County, Title 7, Development Rights and Responsibilities Agreements);
- (25) Title 7, Subtitle 4 (Inclusionary Zoning);
- (26) Title 7, Subtitle 5 (Housing Expansion and Affordability);
- (27) § 8–401 (Conversion of overhead facilities);
- (28) for Baltimore County only, Title 9, Subtitle 3 (Single–County Provisions County);
- (29) for Frederick County only, Title 9, Subtitle 10 (Single–County Frederick County);
- (30) for Howard County only, Title 9, Subtitle 13 (Single–County Provisions County);
- (31) for Talbot County only, Title 9, Subtitle 18 (Single–County Provisions County); [and]
- (32) Title 11, Subtitle 2 (Civil Penalty); AND
- (33) TITLE 12 (HOUSING REGULATIONS, TARGETS, AND LIABILITY).**

This section supersedes any inconsistent provision of Division II of this article.

(1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS

(2) "HOUSING DEVELOPMENT PROJECT" MEANS THE NEW CONSTRUCTION OR SUBSTANTIAL RENOVATION OF A RESIDENTIAL REAL ESTATE PROJECT.

10 (B) AFTER MAKING A DETERMINATION THAT THERE IS A SHORTAGE OF
11 AFFORDABLE HOUSING IN A LOCAL JURISDICTION, THE GOVERNING BODY OF A
12 LOCAL JURISDICTION MAY ESTABLISH, BY LOCAL LAW, AN ADMINISTRATIVE
13 PROCESS TO REVIEW, APPROVE, MODIFY, OR DENY A HOUSING DEVELOPMENT
14 PROJECT APPLICATION.

15 (C) A LOCAL LAW THAT ESTABLISHES AN ADMINISTRATIVE PROCESS UNDER
16 SUBSECTION (B) OF THIS SECTION SHALL:

23 (4) ESTABLISH A PROCESS TO APPEAL A DECISION MADE THROUGH
24 THE ADMINISTRATIVE PROCESS.

25 (D) THIS SECTION MAY NOT BE CONSTRUED TO:

26 (1) LIMIT THE AUTHORITY OF A LOCAL JURISDICTION TO REVIEW,
27 APPROVE, OR DENY ANY MATTER UNDER ITS JURISDICTION; OR

1 (a) Except as provided in this section, this division does not apply to Baltimore
2 City.

3 (b) The following provisions of this division apply to Baltimore City:

4 (1) this title;

5 (2) § 1-101(m) (Definitions – “Priority funding area”);

6 (3) § 1-101(o) (Definitions – “Sensitive area”);

7 (4) § 1–201 (Visions);

8 (5) § 1–206 (Required education);

9 (6) § 1–207 (Annual report – In general);

10 (7) § 1–208 (Annual report – Measures and indicators);

11 (8) Title 1, Subtitle 3 (Consistency);

(9) Title 1, Subtitle 4, Parts II and III (Home Rule Counties – Comprehensive Plans; Implementation);

14 (10) § 4-104(c) (Limitations – Bicycle parking);

15 (11) § 4–104(d) (Limitations – Manufactured homes and modular dwellings);

16 (12) § 4–205 (Administrative adjustments);

17 (13) § 4-208 (Exceptions – Maryland Accessibility Code);

18 (14) § 4-210 (Permits and variances – Solar panels);

19 (15) § 4-211 (Change in zoning classification – Energy generating systems);

(16) § 4–215 (Pollinator–friendly vegetation management);

(17) § 4-216 (Limitations – Family child care homes and large family child care homes);

23 (18) Title 4, Subtitle 5 (Accessory Dwelling Units);

24 (19) § 5-102(d) (Subdivision regulations – Burial sites);

25 (20) Title 7, Subtitle 1 (Development Mechanisms);

(21) Title 7, Subtitle 2 (Transfer of Development Rights);

2 (22) Title 7, Subtitle 3 (Development Rights and Responsibilities
3 Agreements);

4 (23) Title 7, Subtitle 4 (Inclusionary Zoning);

5 (24) Title 7, Subtitle 5 (Housing Expansion and Affordability); [and]

6 (25) Title 11, Subtitle 2 (Civil Penalty); AND

7 (26) TITLE 12, SUBTITLE 4 (QUALIFIED AFFORDABLE HOUSING
8 PROJECTS).

TITLE 12. HOUSING REGULATIONS, TARGETS, AND AFFORDABILITY.

SUBTITLE 1. DEFINITIONS.

11 12-101.

12 (A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS
13 INDICATED.

14 (B) "COMMISSION" MEANS THE MARYLAND-NATIONAL CAPITAL PARK AND
15 PLANNING COMMISSION.

16 (C) "COMPLETE APPLICATION" MEANS THE INITIAL SUBMITTAL OF AN
17 APPLICATION WITH ALL MATERIALS AND INFORMATION REQUIRED FOR
18 PROCESSING AND SUBSTANTIVE REVIEW AS DEFINED AND DETERMINED BY THE
19 LOCAL JURISDICTION OR THE COMMISSION.

20 (D) "MIXED-USE" MEANS ANY COMBINATION OF A RESIDENTIAL USE WITH
21 RETAIL, COMMERCIAL, OFFICE, OR SERVICE USES IN THE SAME BUILDING OR ON
22 THE SAME SITE, WITH PERCENTAGES, DETERMINED BY THE LOCAL JURISDICTION
23 OR THE COMMISSION, ALLOCATED FOR EACH USE.

24 (E) "RESIDENTIAL" MEANS ANY USE APPROVED BY A LOCAL JURISDICTION
25 OR THE COMMISSION THAT IS FOR EXISTING OR PROPOSED DWELLING UNITS.

SUBTITLE 2. REGULATORY AND CONSTRUCTION CERTAINTY.

27 12-201

THIS SUBTITLE APPLIES ONLY TO:

4 (2) A MUNICIPAL CORPORATION.

5 12-202.

10 (2) (I) WITHIN 30 DAYS AFTER RECEIPT OF A HOUSING
11 DEVELOPMENT PROJECT APPLICATION, A LOCAL JURISDICTION OR THE
12 COMMISSION SHALL MAKE A DETERMINATION AS TO WHETHER THE APPLICATION IS
13 A COMPLETE APPLICATION.

14 (II) AFTER MAKING A DETERMINATION UNDER THIS
15 PARAGRAPH, THE LOCAL JURISDICTION OR THE COMMISSION SHALL:

1 AND FOR A PERIOD NOT TO EXCEED 3 YEARS UNLESS EXTENDED BY THE LOCAL
2 JURISDICTION OR THE COMMISSION:

3 (I) A LOCAL JURISDICTION OR THE COMMISSION SHALL
4 PROCESS AND REVIEW ANY APPLICATION FOR ZONING, SUBDIVISION, OR LAND
5 DEVELOPMENT APPROVAL USING THE LAND USE REGULATIONS, ZONING
6 ORDINANCES, AND DEVELOPMENT STANDARDS IN EFFECT ON THE DATE THE
7 APPLICATION IS VERIFIED TO BE COMPLETE; AND

8 (II) THE STATE MAY NOT IMPOSE NEW REGULATORY
9 DEVELOPMENT STANDARDS ON THE RESIDENTIAL OR MIXED-USE DEVELOPMENT
10 PROJECT APPLICATION.

11 (2) FOR PURPOSES OF THIS SUBSECTION, LOCAL REGULATIONS
12 ESTABLISHING IMPACT FEES OR DEVELOPMENT EXCISE TAXES MAY NOT BE
13 CONSIDERED LAND USE REGULATIONS, ZONING ORDINANCES, OR DEVELOPMENT
14 STANDARDS.

15 (C) FOR THE PURPOSE OF ESTABLISHING CONSTRUCTION CERTAINTY,
16 AFTER RECEIPT OF FINAL APPROVAL OF A RESIDENTIAL OR MIXED-USE
17 DEVELOPMENT PROJECT APPLICATION BY A LOCAL JURISDICTION OR THE
18 COMMISSION:

19 (1) THE LOCAL JURISDICTION OR THE COMMISSION MAY NOT IMPOSE
20 NEW DEVELOPMENT STANDARDS OR DOWNZONE LAND DURING THE APPROVAL
21 PERIOD OF THE DEVELOPMENT PROJECT APPLICATION; AND

22 (2) THE LOCAL JURISDICTION, THE COMMISSION, OR THE STATE MAY
23 NOT IMPOSE NEW DEVELOPMENT STANDARDS DURING THE APPROVAL PERIOD OF
24 THE DEVELOPMENT PROJECT APPLICATION.

25 (D) NOTHING IN THIS SECTION MAY BE CONSTRUED TO:

26 (1) PREVENT THE APPLICATION OF REGULATIONS THAT ARE
27 ADOPTED IN ACCORDANCE WITH APPLICABLE LAW AND NECESSARY TO PROTECT
28 PUBLIC HEALTH AND SAFETY;

29 (2) EXTEND ANY ADEQUATE PUBLIC FACILITY APPROVAL
30 REQUIREMENTS BEYOND THE TIME FRAME APPROVED BY THE LOCAL JURISDICTION
31 OR THE COMMISSION;

10 (I) EXTEND THE DURATION OF A VALID PERMIT FOR A
11 RESIDENTIAL OR MIXED-USE DEVELOPMENT PROJECT;

12 (II) EXECUTE A DEVELOPMENT RIGHTS AND RESPONSIBILITIES
13 AGREEMENT UNDER TITLE 7, SUBTITLE 3 AND TITLE 25, SUBTITLE 5 OF THIS
14 ARTICLE; OR

15 (III) APPROVE A ZONING TEXT AMENDMENT, APPLICATION FOR
16 REZONING, OR OTHER LOCAL EQUIVALENT TO INCREASE THE DENSITY OF A
17 RESIDENTIAL OR MIXED-USE DEVELOPMENT PROJECT BEYOND THE MAXIMUM
18 ALLOWABLE AMOUNT AT THE TIME A COMPLETE APPLICATION IS VERIFIED.

19 (E) THE REQUIREMENTS OF THIS SECTION APPLY TO A LOCAL
20 JURISDICTION AND THE COMMISSION ONLY TO THE EXTENT THAT THE
21 REQUIREMENTS DO NOT CONFLICT WITH OTHER STATE OR FEDERAL LAWS OR
22 REGULATIONS.

SUBTITLE 3. HOUSING PRODUCTION TARGETS.

24 12-301.

25 (A) ON OR BEFORE JANUARY 1, 2031, AND EACH JANUARY 1 FOLLOWING A
26 UNITED STATES DECENTNIAL CENSUS THROUGH JANUARY 1, 2051, THE GOVERNOR
27 OR THE GOVERNOR'S DESIGNEE SHALL ESTABLISH HOUSING PRODUCTION TARGETS
28 FOR:

29 (1) THE STATE:

30 (2) EACH COUNTY; AND

(3) EACH MUNICIPAL CORPORATION THAT EXERCISES ZONING OR
PLANNING AUTHORITY.

3 **(B) IN ESTABLISHING THE HOUSING PRODUCTION TARGETS UNDER**
4 **SUBSECTION (A) OF THIS SECTION, THE GOVERNOR SHALL:**

5 (1) ANALYZE DATA AND FORECASTS RELATED TO:

6 (I) EMPLOYMENT DEMAND;

7 (II) HOUSING DEMAND;

8 (III) POPULATION GROWTH;

(iv) INFRASTRUCTURE CAPACITY AND CONSTRAINTS; AND

10 (V) ANY OTHER RELATED INFORMATION:

16 (c) THE GOVERNOR SHALL:

17 (1) REEVALUATE AND REVISE THE ESTABLISHED HOUSING
18 PRODUCTION TARGETS; AND

22 (D) (1) THE GOVERNOR SHALL PUBLISH THE CURRENT HOUSING
23 PRODUCTION TARGETS ESTABLISHED UNDER THIS SECTION ON THE GOVERNOR'S
24 WEBSITE AND NOTIFY EACH APPLICABLE LOCAL JURISDICTION AND THE
25 COMMISSION OF THE TARGETS IN A TIMELY MANNER.

6 (E) (1) ON OR BEFORE JANUARY 1 FOLLOWING PUBLICATION OF THE
7 HOUSING PRODUCTION TARGETS AND ON OR BEFORE JANUARY 1 EACH YEAR
8 THEREAFTER, THE GOVERNOR SHALL PUBLISH A REPORT THAT:

9 (I) IDENTIFIES THE HOUSING PRODUCTION TARGETS FOR THE
10 STATE AND EACH LOCAL JURISDICTION:

21 (IV) PROVIDES A SUPPORTING BASIS FOR ANY ALTERATION TO
22 AN ESTABLISHED HOUSING PRODUCTION TARGET.

30 12-302.

31 (A) (1) IF THE COMMISSION OR A LOCAL JURISDICTION DISAGREES WITH
32 THE HOUSING PRODUCTION TARGET ESTABLISHED UNDER § 12-301 OF THIS
33 SUBTITLE, THE LOCAL JURISDICTION MAY PROPOSE AN ALTERNATIVE HOUSING
34 PRODUCTION TARGET IN ACCORDANCE WITH THIS SECTION.

6 (I) LOCAL DATA ON HOUSING NEED AND DEMAND;

7 (II) PLANNING AND ZONING CAPACITY;

8 (III) INFRASTRUCTURE AVAILABILITY OR CONSTRAINTS:

(V) ANY OTHER RELEVANT LOCAL CONSIDERATIONS.

11 (B) (1) ON RECEIPT OF A PROPOSED ALTERNATIVE HOUSING
12 PRODUCTION TARGET, THE GOVERNOR SHALL:

16 (II) CONSIDER THE WRITTEN JUSTIFICATION PROVIDED BY THE
17 LOCAL JURISDICTION.

18 (C) (1) WITHIN 30 DAYS AFTER RECEIPT OF THE PROPOSED
19 ALTERNATIVE HOUSING PRODUCTION TARGET, THE GOVERNOR SHALL ISSUE A
20 WRITTEN DECISION ADOPTING, MODIFYING, OR REJECTING THE PROPOSED
21 ALTERNATIVE HOUSING PRODUCTION TARGET.

5 (II) INCLUDE THE LOCAL JURISDICTION'S PROPOSED
6 ALTERNATIVE HOUSING PRODUCTION TARGET AND THE JUSTIFICATION FOR THE
7 TARGET AS AN APPENDIX TO THE ANNUAL REPORT REQUIRED UNDER § 12-301(D)
8 OF THIS SUBTITLE.

SUBTITLE 4. QUALIFIED AFFORDABLE HOUSING PROJECTS.

10 12-401.

11 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
12 INDICATED.

13 (B) “AFFORDABLE DWELLING UNIT” MEANS A DWELLING UNIT THAT IS
14 AFFORDABLE TO HOUSEHOLDS EARNING 60% OR LESS OF THE AREA MEDIAN
15 INCOME.

16 (C) "AREA MEDIAN INCOME" MEANS THE MEDIAN HOUSEHOLD INCOME FOR
17 THE AREA ADJUSTED FOR HOUSEHOLD SIZE AS PUBLISHED AND ANNUALLY
18 UPDATED BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

19 (D) "HOUSING-SENSITIVE FEE" MEANS A DEVELOPMENT IMPACT FEE
20 AUTHORIZED UNDER TITLE 20, SUBTITLE 7 OF THE LOCAL GOVERNMENT ARTICLE
21 OR ANY OTHER LAW.

22 (E) (1) "HOUSING-SENSITIVE TAX" INCLUDES:

26 (II) THE RECORDATION TAX IMPOSED UNDER TITLE 12 OF THE
27 TAX – PROPERTY ARTICLE: AND

3 (I) A COUNTY CHARTER; OR

6 (F) "QUALIFIED AFFORDABLE HOUSING PROJECT" MEANS A RESIDENTIAL
7 PROJECT THAT:

12 (2) CONTAINS AT LEAST 25% OF UNITS THAT ARE AFFORDABLE; AND

15 12-402.

16 THIS SUBTITLE APPLIES ONLY TO:

20 (2) A MUNICIPAL CORPORATION.

21 12-403.

22 (A) (1) ON OR BEFORE JULY 1, 2027, EACH LOCAL JURISDICTION AND
23 THE COMMISSION SHALL ADOPT LOCAL PROJECT DESIGN GUIDELINES FOR
24 QUALIFIED AFFORDABLE HOUSING PROJECTS THAT INCLUDE REQUIREMENTS
25 CONCERNING:

26 (I) PARKING;

27 (II) MAXIMUM HEIGHT;

28 (III) SETBACK;

- 1 (IV) LOT AREA;
- 2 (V) OPEN SPACE;
- 3 (VI) INTERNAL VEHICLE AND PEDESTRIAN MOVEMENT;
- 4 (VII) LANDSCAPING;
- 5 (VIII) LIGHTING;
- 6 (IX) ARCHITECTURE; AND
- 7 (X) SIGNAGE.

8 (2) THIS SUBSECTION MAY NOT BE CONSTRUED TO PROHIBIT A
9 LOCAL JURISDICTION OR THE COMMISSION FROM REQUIRING A QUALIFIED
10 AFFORDABLE HOUSING PROJECT APPLICATION TO COMPLY WITH STANDARDS THAT
11 ARE MORE DETAILED OR STRINGENT THAN LOCAL PROJECT DESIGN GUIDELINES.

12 (B) (1) ON OR BEFORE JULY 1, 2027, EACH LOCAL JURISDICTION AND
13 THE COMMISSION SHALL IMPLEMENT A PRE-APPROVAL BUILDING PERMIT
14 APPLICATION PROCESS FOR STANDARDIZED MODEL HOME DESIGNS.

15 (2) THE PROCESS REQUIRED UNDER THIS SUBSECTION SHALL:

16 (I) ALLOW BUILDERS AND DEVELOPERS TO SUBMIT MODEL
17 HOME DESIGNS FOR REVIEW AND APPROVAL BEFORE THE SUBMISSION OF
18 INDIVIDUAL BUILDING PERMIT APPLICATIONS;

19 (II) ENSURE THAT APPROVED MODEL PLANS ARE RETAINED BY
20 THE LOCAL JURISDICTION OR THE COMMISSION FOR REFERENCE AND REUSE
21 THROUGHOUT THE DURATION OF ANY DEVELOPMENT PROJECT;

22 (III) ELIMINATE REDUNDANT PLAN REVIEWS FOR EACH
23 SUBSEQUENT PERMIT APPLICATION USING AN APPROVED MODEL DESIGN,
24 PROVIDED THAT NO SUBSTANTIVE CHANGES ARE MADE TO THE APPLICATION;

25 (IV) REDUCE PERMIT PROCESSING TIMES FOR PRODUCTION
26 HOMES IN APPROVED SUBDIVISIONS; AND

27 (V) MAINTAIN COMPLIANCE WITH APPLICABLE BUILDING
28 CODES, ZONING REGULATIONS, AND DESIGN STANDARDS.

1 12-404.

2 (A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW THAT LIMITS A
3 HOUSING-SENSITIVE TAX OR HOUSING-SENSITIVE FEE, ON A FINDING BY A COUNTY
4 THAT THE COUNTY HAS A SHORTFALL IN TOTAL HOUSING UNITS OR A CLASS OF
5 AFFORDABLE HOUSING UNITS THE COUNTY MAY ESTABLISH, BY LOCAL LAW:

6 (1) A REDUCED HOUSING-SENSITIVE TAX RATE OR
7 HOUSING-SENSITIVE FEE FOR A QUALIFIED AFFORDABLE HOUSING PROJECT; OR

8 (2) AN EXEMPTION FOR A QUALIFIED AFFORDABLE HOUSING
9 PROJECT.

10 (B) A LOCAL LAW THAT ESTABLISHES A REDUCED RATE OR EXEMPTION
11 UNDER SUBSECTION (A) OF THIS SECTION SHALL BE OF LIMITED DURATION OR
12 SUBJECT TO TERMINATION BASED ON QUANTIFIABLE FACTORS THAT DETERMINE
13 THE EXISTENCE OF A SHORTFALL IN TOTAL HOUSING UNITS OR A CLASS OF
14 AFFORDABLE HOUSING UNITS IN THE COUNTY.

15 (C) NOTWITHSTANDING ANY OTHER PROVISION OF LAW THAT LIMITS A
16 HOUSING-SENSITIVE TAX OR HOUSING-SENSITIVE FEE, A COUNTY THAT ADOPTS A
17 REDUCED HOUSING-SENSITIVE TAX RATE UNDER SUBSECTION (A) OF THIS SECTION
18 MAY ESTABLISH HIGHER HOUSING-SENSITIVE TAX RATES OR HOUSING-SENSITIVE
19 FEES FOR CLASSES OF REAL PROPERTY THAT ARE NOT PART OF A QUALIFIED
20 AFFORDABLE HOUSING PROJECT.

21 Article – Local Government

22 20-128.

23 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
24 INDICATED.

25 (2) “DEVELOPMENT EXCISE TAX” MEANS AN EXCISE TAX IMPOSED BY
26 A COUNTY OR MUNICIPALITY ON THE CONSTRUCTION OR IMPROVEMENT OF A
27 BUILDING.

28 (3) “DEVELOPMENT IMPACT FEE” MEANS A FEE IMPOSED BY A
29 COUNTY OR MUNICIPALITY FOR THE PURPOSE OF FINANCING THE CAPITAL COSTS
30 OF ADDITIONAL OR EXPANDED PUBLIC WORKS, IMPROVEMENTS, AND FACILITIES
31 REQUIRED TO ACCOMMODATE NEW CONSTRUCTION OR DEVELOPMENT.

1 **(B) THIS SECTION APPLIES ONLY TO:**

2 **(1) BALTIMORE CITY;**

3 **(2) A COUNTY WITH A POPULATION OF AT LEAST 150,000 RESIDENTS,**
4 **NOT INCLUDING ANY RESIDENTS OF A MUNICIPALITY WITHIN THE COUNTY; AND**

5 **(3) A MUNICIPALITY.**

6 **(C) (1) A COUNTY OR MUNICIPALITY MAY REQUIRE UP TO 50% OF THE**
7 **FULL PAYMENT OF A DEVELOPMENT EXCISE TAX OR DEVELOPMENT IMPACT FEE**
8 **IMPOSED ON A RESIDENTIAL UNIT, INCLUDING A RESIDENTIAL UNIT THAT IS PART**
9 **OF A MIXED-USE PROJECT, AS A PRECONDITION FOR THE ISSUANCE OF A BUILDING**
10 **PERMIT.**

11 **(2) A COUNTY OR MUNICIPALITY MAY REQUIRE THE REMAINING OR**
12 **FULL PAYMENT OF A DEVELOPMENT EXCISE TAX OR DEVELOPMENT IMPACT FEE**
13 **IMPOSED ON A RESIDENTIAL UNIT, INCLUDING A RESIDENTIAL UNIT THAT IS PART**
14 **OF A MIXED-USE PROJECT AS A PRECONDITION BEFORE THE ISSUANCE OF A**
15 **CERTIFICATE OF OCCUPANCY, OCCUPANCY PERMIT, OR OTHER LOCAL EQUIVALENT**
16 **APPLICABLE TO THE RESIDENTIAL UNIT.**

17 **Article – Real Property**

18 **10–804.**

19 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
20 **INDICATED.**

21 **(2) “COMMUNITY DEVELOPMENT ORGANIZATION” HAS THE MEANING**
22 **STATED IN § 6–201 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE.**

23 **(3) “REAL ESTATE ENTERPRISE” MEANS A BUSINESS THAT:**

24 **(I) IS CONDUCTED BY ONE OR MORE INDIVIDUALS;**

25 **(II) OWNS REAL PROPERTY, INCLUDING IN A TENANCY BY THE**
26 **ENTIRETY; AND**

27 **(III) IS INVOLVED IN BUYING, SELLING, LEASING, OR MANAGING**
28 **REAL PROPERTY.**

1 (B) (1) THIS SECTION APPLIES ONLY TO THE SALE OF IMPROVED,
2 SINGLE-FAMILY RESIDENTIAL REAL PROPERTY.

5 (C) DURING THE FIRST 30 DAYS AFTER A PERSON OFFERS A PROPERTY
6 SUBJECT TO THIS SECTION FOR SALE TO A THIRD PARTY, THE PERSON MAY ACCEPT
7 AN OFFER TO PURCHASE THE PROPERTY MADE ONLY BY:

Article – Tax – Property

15 SUBTITLE 6. TRANSFER TAX ON TRANSFERS OF OWNER-OCCUPIED PROPERTIES.

16 13-601.

IN THIS SUBTITLE, “OWNER–OCCUPIED PROPERTY”:

18 (1) MEANS REAL PROPERTY THAT IS USED AS THE PRIMARY
19 RESIDENCE BY THE OWNER OF THE REAL PROPERTY;

25 13-602.

26 (A) (1) ON A FINDING BY A COUNTY THERE IS A SHORTFALL IN TOTAL
27 HOUSING UNITS OR A CLASS OF AFFORDABLE HOUSING UNITS THE COUNTY MAY
28 ESTABLISH, BY LOCAL LAW, A TAX ON THE TRANSFER OF OWNER-OCCUPIED

1 PROPERTY IF FOLLOWING THE TRANSFER THE PROPERTY IS NO LONGER
2 OWNER-OCCUPIED.

3 (2) THE TAX AUTHORIZED UNDER PARAGRAPH (1) OF THIS
4 SUBSECTION IS IN ADDITION TO THE AUTHORITY TO IMPOSE A TRANSFER TAX
5 AUTHORIZED UNDER THIS TITLE.

6 (3) THE RATE OF THE TAX AUTHORIZED UNDER PARAGRAPH (1) OF
7 THIS SUBSECTION MAY NOT EXCEED 5% OF THE CONSIDERATION PAYABLE FOR THE
8 TRANSFER.

9 (B) IF A TRANSFER OF A PROPERTY RESULTS IN A PORTION OF THE
10 PROPERTY BEING OWNER-OCCUPIED AND A PORTION OF THE PROPERTY NOT BEING
11 OWNER-OCCUPIED, THE TAX APPLIES TO THE CONSIDERATION PAID FOR THE
12 PORTION OF THE PROPERTY THAT WILL NOT BE OWNER-OCCUPIED PROPERTY.

13 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
14 as follows:

15 **Article – Tax – Property**

16 6–202.1.

17 (A) The Mayor and City Council of Baltimore City or the governing body of a
18 county may establish, by law, a subclass of real property consisting of vacant lots or
19 improved property cited as vacant and unfit for habitation or other authorized use on a
20 housing or building violation notice.

21 (B) (1) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE
22 GOVERNING BODY OF A COUNTY MAY ESTABLISH, BY LAW, A SUBCLASS OF REAL
23 PROPERTY LOCATED IN A PRIORITY FUNDING AREA, AS DESIGNATED IN TITLE 5,
24 SUBTITLE 7B OF THE STATE FINANCE AND PROCUREMENT ARTICLE, THAT
25 CONSISTS OF UNDEVELOPED, UNDERUTILIZED, OR VACANT LAND THAT IS ZONED
26 FOR RESIDENTIAL OR MIXED-USE DEVELOPMENT.

27 (2) A LAW AUTHORIZED UNDER PARAGRAPH (1) OF THIS SUBSECTION
28 THAT ESTABLISHES A SUBCLASS OF REAL PROPERTY SHALL:

29 (I) DEFINE UNDEVELOPED, UNDERUTILIZED, AND VACANT
30 LAND; AND

31 (II) BE DESIGNED TO DISCOURAGE SPECULATIVE
32 LANDHOLDING AND PROMOTE TIMELY DEVELOPMENT CONSISTENT WITH THE
33 LOCAL MASTER PLAN AND INFRASTRUCTURE SUPPORT.

1 (c) (1) IN THIS SUBSECTION, "PRINCIPAL RESIDENCE" MEANS A
2 PROPERTY THAT AN INDIVIDUAL PRIMARILY RESIDES IN AND IS THE ADDRESS
3 LISTED ON THE INDIVIDUAL'S VOTING CARD, DRIVER'S LICENSE, AND INCOME TAX
4 RETURN.

5 (2) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE
6 GOVERNING BODY OF A COUNTY MAY ESTABLISH, BY LAW, A SUBCLASS OF REAL
7 PROPERTY THAT IS:

10 (II) OWNED BY AN INDIVIDUAL OR ENTITY THAT OWNS AT LEAST
11 **20** RESIDENTIAL REAL PROPERTIES WITHIN BALTIMORE CITY OR THE COUNTY.

15 (I) ACTIVELY RENTED AT AFFORDABLE HOUSING RATES AS
16 DEFINED BY THE LOCAL LAW; OR

17 (II) SUBJECT TO HOUSING AFFORDABILITY COVENANTS OR
18 SUBSIDIES.

19 6-302.

25 (b) (1) Except as provided in [subsection (c)] **SUBSECTIONS (C), (E), AND (F)**
26 of this section and §§ 6–305 and 6–306 of this subtitle:

27 (i) there shall be a single county property tax rate for all real
28 property subject to county property tax except for operating real property described in §
29 8-109(c) of this article; and

(2) Paragraph (1) of this subsection does not affect a special rate prevailing in a taxing district or part of a county.

- (i) the special rate set under paragraph (1) of this subsection;
- (ii) the number of properties to which the special rate applies;
- (iii) the revenue change resulting from the special rate;
- (iv) the use of the revenue from the special rate; and
- (v) whether properties subject to the special rate are viable as defined in § 1–102 of the Housing and Community Development Act, or not viable properties.

18 (d) The Mayor and City Council of Baltimore City may, by law, impose on real
19 property that would otherwise be exempt from property tax under § 7-202 or § 7-204 of
20 this article the general property tax rate set under subsection (b)(1)(i) of this section and
21 the special rate authorized under subsection (c)(1) of this section if the real property is:

22 (1) a vacant lot; or

23 (2) improved property cited as vacant and unfit for habitation or other

24 authorized use on a housing or building violation notice.

25 (E) (1) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE
26 GOVERNING BODY OF A COUNTY MAY SET A SPECIAL RATE FOR REAL PROPERTY
27 LOCATED IN A PRIORITY FUNDING AREA, AS DESIGNATED IN TITLE 5, SUBTITLE 7B
28 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, THAT CONSISTS OF
29 UNDEVELOPED, UNDERUTILIZED, OR VACANT LAND THAT IS ZONED FOR
30 RESIDENTIAL OR MIXED-USE DEVELOPMENT.

1 (F) (1) IN THIS SUBSECTION, "PRINCIPAL RESIDENCE" MEANS A
2 PROPERTY THAT AN INDIVIDUAL PRIMARILY RESIDES IN AND IS THE ADDRESS
3 LISTED ON THE INDIVIDUAL'S VOTING CARD, DRIVER'S LICENSE, AND INCOME TAX
4 RETURN.

5 (2) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE
6 GOVERNING BODY OF A COUNTY MAY SET A SPECIAL RATE FOR REAL PROPERTY
7 THAT IS:

10 (II) OWNED BY AN INDIVIDUAL OR ENTITY THAT OWNS AT LEAST
11 **20 RESIDENTIAL REAL PROPERTIES WITHIN BALTIMORE CITY OR THE COUNTY.**

16 SECTION 3. AND BE IT FURTHER ENACTED, That:

22 (b) The report required under subsection (a) of this section shall;

23 (1) include recommendations regarding capital gains taxation and tax
24 deferrals or exemptions; and

25 (2) consider the impact of property tax reassessment practices and housing
26 turnover rates.

27 SECTION 4. AND BE IT FURTHER ENACTED, That:

28 (a) (1) The Department of Planning shall conduct a study and publish a
29 comprehensive report on housing infrastructure to assess how existing and planned
30 infrastructure systems support or constrain housing development across the State.

31 (2) The comprehensive report on housing infrastructure shall be organized
32 into the following four primary parts:

- (i) water and sewer infrastructure;
- (ii) school facility capacity;
- (iii) transportation infrastructure; and
- (iv) policy recommendations.

(b) (1) The water and sewer infrastructure part of the report shall:

(i) evaluate the interrelationship between current and projected housing development patterns and the availability, condition, and capacity of water and wastewater infrastructure; and

(ii) include an analysis of:

10 1. existing public water and sewer service areas, including
11 coverage gaps;

2. capacity constraints of wastewater treatment plants;

3. the availability and sustainability of private wells;

4. the use and environmental impact of septic systems; and

(2) The Department of Planning shall consult and coordinate with the cities in developing the water and sewer infrastructure part of the report:

19 (i) the Department of Environment

20 (ii) the Maryland Department of Health;

21 (iii) the Department of Housing and Community Development;

22 (iv) the Maryland Municipal League;

23 (v) the Maryland Association of Counties;

24 (vi) the Maryland Building Industry Association;

25 (vii) the Maryland Association of Housing and Community
26 Development Agencies;

1 (viii) the Maryland Association of Municipal Wastewater Agencies;
2 and

3 (ix) the Washington Suburban Sanitary Commission.

4 (c) (1) The school facility capacity part of the report shall:

5 (i) assess the impact of housing development on public school
6 capacity across jurisdictions, including the ability of local education systems to
7 accommodate projected student enrollment growth associated with new housing; and

8 (ii) include an analysis of:

9 1. local and regional school facility utilization and capacity;

15 (2) The Department of Planning shall consult and coordinate with the
16 following entities in developing the school facility capacity part of the report:

17 (i) the Interagency Commission on School Construction;

18 (ii) the State Department of Education;

19 (iii) the Public School Superintendents' Association of Maryland;

20 (iv) the Maryland Association of Board of Education; and

21 (v) the Maryland Association of Counties.

22 (d) (1) The transportation infrastructure part of the report shall:

23 (i) analyze how access to safe, reliable, and efficient transportation
24 infrastructure influences housing development; and

25 (ii) include an analysis of:

26 1. the capacity and condition of existing road networks and
27 transit services;

4. opportunities for multimodal connectivity, including
walking, biking, and public transit.

9 (i) the Department of Transportation;

10 (ii) the Maryland Association of Counties;

11 (iii) the Maryland Municipal League; and

12 (iv) the Maryland Building Industry Association.

13 (e) (1) The policy recommendations part of the report shall

17 (2) The recommendations required under paragraph (1) of this subsection
18 shall:

19 (i) identify legislative, regulatory, or budgetary changes to better
20 integrate housing and infrastructure planning;

21 (ii) suggest improvements to coordination mechanisms among State
22 agencies and local governments;

23 (iii) propose incentives and funding strategies to encourage
24 infrastructure investment in priority housing areas; and

25 (iv) highlight best practices for State agencies and local
26 governments.

27 (f) On or before December 31, 2027, the Department of Planning shall publish
28 the comprehensive report on housing infrastructure on its website and provide copies to the
29 Governor and, in accordance with § 2-1257 of the State Government Article, the General
30 Assembly.

31 SECTION 5. AND BE IT FURTHER ENACTED, That:

- (1) the Department of Agriculture;
- (2) the Department of the Environment;
- (3) the Maryland Department of Health;
- (4) the Department of Housing and Community Development;
- (5) the Maryland Department of Labor;
- (6) the Department of Natural Resources;
- (7) the Department of Planning; and
- (8) the Department of Transportation.

15 (c) (1) A comprehensive internal review for each department required under
16 subsection (b) of this section shall:

17 (i) evaluate the department's review periods and identify instances
18 where the department consistently utilizes the maximum statutory or regulatory review
19 period and recommend bifurcated review periods to expedite approvals for simple or
20 low-risk housing projects;

25 (iii) identify and evaluate overlapping or duplicative review
26 processes including the necessity of a review process where public infrastructure currently
27 services the housing project;

28 (iv) evaluate opportunities for permit coordination and joint
29 applications to improve coordination across departments and local governments including
30 coordination between the Department of the Environment, the Maryland Department of
31 Health, the Department of Natural Resources, and local governments for the review of
32 permits related to wetlands and stormwater management;

1 (v) identify and evaluate tailored, streamlined, or alternative
2 requirements for qualified affordable housing projects particularly in priority funding areas
3 and for projects that involve infill, redevelopment, or affordable housing;

4 (vi) identify opportunities to delegate project review responsibilities
5 performed by State entities to local governments;

(vii) identify technical barriers to housing projects that unnecessarily delay housing projects and recommend alternatives;

(viii) identify State policies that prevent the funding or approval of desirable housing types and recommend alternatives; and

10 (ix) recommend updates to streamline or provide flexibility in the
11 application of regulations related to critical areas and forest conservation requirements to
12 housing development and qualified affordable housing projects;

18 (d) (1) Departments required to conduct a comprehensive internal review
19 under this section shall, to the extent practicable, coordinate with other departments to
20 align reforms and reduce redundant reviews.

25 (e) (1) On or before December 31, 2026, each department required to prepare
26 a comprehensive internal review under subsection (b) of this section shall submit an
27 interim report to the Governor and, in accordance with § 2-1257 of the State Government
28 Article, the General Assembly, that includes:

29 (i) a list of the department's policies and procedures that have been
30 reviewed;

31 (ii) a summary of the delays or inefficiencies identified;

32 (iii) recommended statutory, regulatory, or procedural reforms;

33 (iv) a timeline for implementation of any internal reforms; and

1 (v) any legislative or budgetary requests necessary to implement
2 any reforms.

(2) (i) On or before July 1, 2027, each department required to prepare a comprehensive internal review under subsection (b) of this section shall submit a final report on the comprehensive internal review to the Department of Planning.

6 (ii) On or before December 31, 2027, the Department of Planning
7 shall compile the final reports submitted under subparagraph (i) of this paragraph and
8 submit the compiled consolidated report to the Governor and, in accordance with § 2-1257
9 of the State Government Article, the General Assembly.

10 (iii) The Department of Planning shall make the consolidated report
11 publicly available.

12 SECTION 6. AND BE IT FURTHER ENACTED, That, if any provision of this Act or
13 the application of any provision of this Act to any person or circumstance is held invalid for
14 any reason in a court of competent jurisdiction, the invalidity does not affect other
15 provisions or any other application of this Act that can be given effect without the invalid
16 provision or application, and for this purpose the provisions of this Act are declared
17 severable.

18 SECTION 7. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall be
19 applicable to all taxable years beginning after June 30, 2026.

20 SECTION 8. AND BE IT FURTHER ENACTED, That Sections 1, 3, 4, 5, 6, and 7 of
21 this Act shall take effect October 1, 2026.

22 SECTION 9. AND BE IT FURTHER ENACTED, That, except as provided in Section
23 8 of this Act, this Act shall take effect June 1, 2026.