

Department of Legislative Services
 Maryland General Assembly
 2026 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 267

(Senator Brooks)

Education, Energy, and the Environment and
 Budget and Taxation

Economic Matters

**Land Use - Residential Housing - Oversight and Approval (Building Affordably
 in My Back Yard Act)**

This bill requires specified (business) entities that own residential property in the State that they rent or intend to rent for residential use to file, under oath, a certificate with the Department of Housing and Community Development (DHCD) disclosing the correct contact information for a representative of the entity authorized to communicate with the public about the entity. DHCD must provide the contact information to a local government on request. The bill also authorizes the governing body of a local jurisdiction – after making a determination that there is a shortage of affordable housing in the local jurisdiction – to establish, by local law, an administrative process to review, approve, modify, or deny a housing development project application.

Fiscal Summary

State Effect: General fund expenditures at DHCD increase by \$74,100 in FY 2027, as discussed below. Future year expenditures increase to \$98,500 by FY 2031. Revenues are not affected.

(in dollars)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	74,100	86,200	90,200	94,300	98,500
Net Effect	(\$74,100)	(\$86,200)	(\$90,200)	(\$94,300)	(\$98,500)

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

Local Effect: Local government expenditures may be affected, as discussed below.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary:

Business Entity Disclosure of Contact Information for an Authorized Representative

An “entity” that owns residential real property in the State that the entity rents or intends to rent for residential use must file a certificate with DHCD, at least once per year, disclosing the correct contact information for a representative of the entity who has the authority to communicate with the public about the entity. The certificate must be (1) in writing and (2) affirmed or acknowledged under oath. DHCD must provide this information on request by a unit of local government in the State.

“Entity” means a corporation, a limited liability company, a limited liability partnership, a limited partnership, a limited liability limited partnership, a professional corporation, a trade name filer, or a business trust.

The requirement does not apply to an entity that provides contact information for an authorized representative to communicate with the public about the entity to a unit of local government at least once per year in accordance with the requirements of a local ordinance or program.

Administrative Review Process – Housing Development Projects

The bill authorizes the governing body of a local jurisdiction – after making a determination that there is a shortage of affordable housing in the local jurisdiction – to establish, by local law, an administrative process to review, approve, modify, or deny a housing development project application. A local law establishing the administrative process must include specified provisions, including (1) procedures, criteria, and conditions for the administrative process; (2) required reasonable public notice and opportunity for public comment during the administrative process; and (3) a process to appeal a decision made through the administrative process.

The bill’s authorization for the establishment of an administrative process may not be construed to (1) limit the authority of a local jurisdiction to review, approve, or deny any matter under its jurisdiction or (2) transfer the authority of a local jurisdiction to make a final decision regarding a matter decided through the administrative process, unless authorized by local law.

“Housing development project” means the new construction or substantial renovation of a residential real estate project.

“Housing development project application” means an application for a building permit, certification, authorization, site plan approval, subdivision approval, conceptual plan, or any other determination by a local jurisdiction relating to a housing development project that has been submitted to a local jurisdiction in compliance with applicable requirements.

Current Law:

Land Use – Generally

The regulation of land use in the State, through planning and zoning, is implemented by local governments, subject to applicable State law. Planning and zoning authority is delegated by the State to local governments primarily under the Land Use Article and, for certain counties, the Express Powers Act (Title 10 of the Local Government Article).

Both the Land Use Article and Express Powers Act contain the State’s policy statement that (1) the orderly development and use of land and structures requires comprehensive regulation through implementation of planning and zoning controls and (2) planning and zoning controls must be implemented by local government. State law includes various provisions authorizing local governments to regulate the location, size, and use of structures through zoning regulations.

Housing Production Targets

The Governor issued a September 2025 executive order – Executive Order [01.01.2025.19](#) (“Addressing Maryland’s Affordable Housing Crisis”) – that requires DHCD to (1) designate a State Housing Ombudsman to facilitate and monitor housing production in the State; (2) publish housing production targets by January 1, 2026, and every five years thereafter for the State and each local jurisdiction, including a methodology and supporting basis for calculating the targets; and (3) publish an annual report on January 1, 2027, and annually thereafter, assessing the progress of the State and each local jurisdiction toward meeting the targets. DHCD published a [report](#) on January 1, 2026, establishing housing production targets for the State and each local jurisdiction through 2030.

Housing Development Permit Applications – Local Reporting Requirements

Section 7-105 of the Land Use Article requires a local jurisdiction with at least 150,000 residents to report, by July 1 each year, to DHCD and the Maryland Department of Planning, specified information for each building or development permit application that includes a residential housing component that was considered by the local jurisdiction during the immediately preceding calendar year. The report must include, among other things, (1) the amount of time spent processing applications, including the time spent by agencies reviewing applications, by applicants making edits, and any public notice or

comment time periods and (2) any type of expedited permit application process that the local jurisdiction employed to accelerate residential housing development projects and the number of projects that benefited from an expedited process.

State Permitting Acceleration

Executive Order 01.01.2025.19 also required each principal department of the Executive Branch that issues permits related to housing construction to take specified actions relating to accelerating the issuance of such permits, including providing to the Governor’s Office by November 21, 2025, (1) standards and procedures for third-party review of applications for State-issued permits to help expedite permitting timelines at the applicant’s expense; (2) a written enumeration and assessment of additional potential legislative, regulatory, and administrative actions to increase efficiency in permitting processes; and (3) written recommendations for ways to increase predictability and transparency related to applications for permits related to housing construction.

State Expenditures: General fund expenditures increase by \$74,124 in fiscal 2027, which accounts for the bill’s October 1, 2026 effective date. This estimate reflects the cost for DHCD to hire a communications assistant to handle work associated with administering the bill’s filing requirement, including (1) identification of, and outreach to, entities that own residential properties that they rent or intend to rent for residential use; (2) receipt and organization of the filed contact information; (3) any efforts needed to ensure compliance with the requirement; and (4) responding to local government requests for the filed contact information. The Department of Legislative Services notes the overall level of work required to implement the filing requirement is unclear, but it appears the full-time position included in this estimate could be needed. DHCD indicates that it cannot handle this additional work with existing staff. The estimate includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Position	1.0
Salary and Fringe Benefits	\$64,983
Operating Expenses	<u>9,141</u>
Total FY 2027 State Expenditures	\$74,124

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

Local Expenditures: Local government expenditures may increase to the extent that (1) local jurisdictions undertake an administrative process intended to expedite review of housing development applications, as a result of the bill, to address a shortage of affordable housing, and (2) the process requires additional personnel or other resources to implement. The extent of any impact on local government expenditures cannot be reliably determined,

in part because the undertaking of a new administrative process and the scope of the administrative changes associated with the process are subject to an individual jurisdiction's discretion.

Small Business Effect: Small businesses involved in residential housing development may meaningfully benefit to the extent the bill results in more efficiency in local development review processes for affordable housing and other residential development.

Additional Information

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

Designated Cross File: None.

Information Source(s): Frederick, Harford, Montgomery, Prince George's, Queen Anne's, Talbot, and Wicomico counties; Maryland Association of Counties; Maryland-National Capital Park and Planning Commission; Washington Suburban Sanitary Commission; Cities of College Park and Frostburg; Maryland Municipal League; Comptroller's Office; Governor's Office; Maryland State Department of Education; Interagency Commission on School Construction; Maryland Department of Agriculture; Maryland Department of the Environment; Maryland Department of Health; Department of Housing and Community Development; Maryland Department of Labor; Department of Natural Resources; Maryland Department of Planning; Maryland Department of Transportation; Department of Legislative Services

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