

**DATE:** January 18, 2021

**BILL NO.:** House Bill 81

**COMMITTEE:** House Committee on Environment and Transportation

**TITLE:** Community Development Administration - Live Near Where You Teach Program - Establishment

**SPONSORS:** Del. Amprey

### **Letter of Information**

#### **Description of Bill:**

House Bill 81 authorizes the Department of Housing and Community Development to establish a downpayment assistance program in conjunction with an employer partner match for teachers. This program would be offered as an add-on for eligible loans under the Maryland Mortgage Program.

#### **Background and Analysis:**

The Department currently operates an employer-based downpayment assistance match program called House Keys 4 Employees (<https://mmp.maryland.gov/pages/downpayment.aspx>), which is substantially similar to this proposal. Our Partner Match Programs offer additional down payment and/or closing cost assistance for qualified borrowers who meet the criteria established by the partner. DHCD will match the partner's assistance with up to \$2,500 in additional downpayment or closing cost assistance above our standard downpayment assistance.

There are currently multiple participating schools or school systems who participate including Calvert County Public Schools, Charles County Public Schools, Baltimore City Public Schools, as well as at least one private school, and a number of colleges, universities, and local governments, all participate in the House Keys 4 Employees program (<https://mmp.maryland.gov/Pages/Partner-Employers.aspx>). Should other schools or school systems choose to participate, they may contact our MMP team at any time.

Employees of a participating employer, are eligible, including school faculty and staff, subject to the conditions of the employer and general eligibility for the Maryland Mortgage Program.

If this is intended to be operated as a separate program, the fiscal and operational impact of standing up a new mortgage product would be significant and would include staffing, capitalization, and marketing costs.

#### **Conclusion**

In order to avoid duplication of effort, the Department recommends your consideration of the existing program when reviewing this proposal.