



January 30, 2024

The Honorable Marc Korman, Chair
The Honorable Regina Boyce, Vice Chair
House Environment and Transportation Committee
House Office Building Room 251
Annapolis, Maryland 21401

**HB 7: Housing Innovation Pilot Program and Housing Innovation Fund -
Establishment (Housing Innovation Pilot Program Act of 2024)
Position - Support**

Thank you Chair Korman and Vice Chair Boyce and members of the House Environment and Transportation Committee for the opportunity to submit written testimony in support of HB 7.

My name is Victoria Leonard, Political and Legislative Director for the Baltimore-Washington area of the Philadelphia/Baltimore/Washington Laborers' District Council (PBWLDC), an affiliate of the Laborers' International Union of North America (LiUNA). The PBWLDC represents more than 13,000 members. Our members are proudly employed on many infrastructure construction projects across the region. Nationwide, LiUNA represents more than 500,000 members.

We support HB 7. It establishes a much-needed Housing Innovation Pilot Program in the Department of Housing and Community Development. The purpose of the pilot program is to establish a Housing Innovation Fund to provide loans to local housing authorities to develop mixed-income, cross-subsidized housing. The program requires local housing authorities to provide a dollar-for-dollar match to get the funds. The program also requires the Department to prioritize projects that are not receiving other types of subsidies.

What we especially appreciate is that HB 7 requires loan recipients to commit to prevailing wage requirements. This means that the construction jobs created by the Housing Innovation Pilot Program will be quality jobs paying decent wages.

Comptroller Brooke Lierman's *State of the Economy Report* released earlier this month found that the lack of affordable housing for lower- and middle-income households is driving Maryland residents to move to other states. Both the [Forbes Advisor Index](#) and [Missouri Economic Research and Information Center Index](#) place Maryland among the states with the highest cost of living. The median home price in Maryland was \$411,200 compared to the national median home price of \$348,600 in 2022. The cost of housing is impacted by housing inventory. Between 2019 and 2022, the housing inventory dropped between 40% and 75% in every county (57% on average, statewide) while median home prices increased 27% statewide.

We clearly need to increase the supply of affordable housing in Maryland, and HB 7 helps with that.

We urge the committee to issue a favorable report on HB 7 and send it over to the Senate.