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DATE: February 4, 2025

BILL NO.: House Bill 38

TITLE: School Construction and Housing – School Zones and Adequate Public Facilities Ordinances

COMMITTEE: House Appropriations Committee

Letter of Support

Description of Bill:

House Bill 38 requires county boards of education to submit reports on student residency and school zones to the Department of Planning and Interagency Commission on School Construction by July 1 of each year, repeals the IAC’s authorization to make enrollment deductions for adjacent schools when calculating state construction allocations in certain circumstances, and prohibits county adequate public facilities ordinances from restricting housing developments for more than four years after their enactment.

Background and Analysis:

Local jurisdictions across Maryland frequently cite concerns about the capacity of schools and infrastructure such as roads, sewers, etc. to limit new housing development. While new infrastructure funding is a critical need for many communities, local adequate public facilities ordinances (APFOs) are currently used as a tool in Maryland to legally prohibit the construction of new housing, without providing a mechanism to address the underlying infrastructure need. The result is often less housing available to Maryland families, and a smaller tax base for jurisdictions.

Maryland faces a severe housing crisis, with a shortage of at least 96,000 residential units and rising. As a result of this shortage, housing costs are unaffordable to many of the state’s working families – many of which have school-aged children. To address this crisis, action is needed to reduce or mitigate barriers to housing construction. Establishing a four-year “sunset” provision for these ordinances will encourage local jurisdictions to address infrastructure needs rather than use blanket policies to limit housing development while neglecting the infrastructure that could support it.

Requiring boards of education to submit detailed student residency reports to the Interagency Commission on School construction will assist the IAC in allocating funding for school construction and renovation, which, in turn, will boost school capacity in areas where it is needed to support more housing. In summary, this bill helps address concerns about school funding and capacity while also limiting the use of APFOs to prevent housing development without addressing the underlying inadequate school or infrastructure capacity.

DHCD Position

The Maryland Department of Housing and Community Development respectfully requests a **favorable** report on HB 38.

