



Senate Bill 814 – Local Government - Development Impact Fees, Surcharges, and Excise Taxes – Reporting

Position: Support

Maryland REALTORS® supports SB 814, to provide greater transparency on the amounts and uses of development impact fees.

Impact fees assessed against new housing developments ensure that the public services stemming from the new development can accommodate the additional housing units. Counties require developers to pay their “fair share” of these costs so that they are not absorbed by the existing county residents.

New developments should only be responsible for their “fair share” rather than shouldering the costs attributable to a larger population. This has been confirmed in the courts, where property owners have successfully challenged impact fees that did not have a nexus to the development on which they were charged, or that were not proportionate to the impacts of new housing on local infrastructure.

With SB 814, home builders and property owners will have a clear understanding of what fees and taxes are being charged and what they will be used for and provide clarity on the often hidden costs that are imposed on housing.

For these reasons, Maryland REALTORS® recommends a favorable report.

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