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DATE: February 25, 2025
BILL NO.: Senate Bill 891
TITLE: Land Use and Real Property – Accessory Dwelling Units – Requirements and Prohibitions
COMMITTEE: Senate Education, Energy and the Environment Committee

Letter of Support

Description of Bill:

Senate Bill 891 requires local jurisdictions in Maryland to adopt, by October 1, 2026, ordinances authorizing the development of accessory dwelling units (ADUs) on land zoned for single-family residential use, subject to certain requirements, and limits restrictions local jurisdictions may impose on the development of ADUs, such as setback, dimensional and parking requirements, impact fees, and building excise taxes. The bill also prohibits deed restrictions that unreasonably limit the ability of a property owner to develop an ADU on single-family zoned property.

Background and Analysis:

Accessory dwelling units – often referred to as “granny flats” or “in-law suites” – are secondary, smaller dwelling units located on the same lot as a primary home. ADUs may be attached to the primary home or physically separate. Where they are permitted, ADUs can provide lower-cost housing options in expensive markets without requiring new large-scale development, reduce sprawl by maximizing living space in existing residential areas, and provide additional income for homeowners, either through rental of the ADU or by allowing older adults to age in place by renting out the primary residence while residing in the ADU. Smaller in size than the primary home, ADUs generally have smaller environmental footprints, and increase residential density without significant impact on neighborhood character. ADUs are potentially a valuable tool in addressing Maryland’s housing shortage.

For older Marylanders, ADUs provide a means to live independently near family at a lower cost than moving to a retirement community or assisted living facility. Overall, ADUs represent a flexible, practical solution for homeowners and renters alike.

Senate Bill 891 implements many of the recommendations made by the Accessory Dwelling Unit Policy Task Force in its [final report](#) submitted in May 2024. The ADU Policy Task Force, which included members from a cross-section of state agencies, organizations and disciplines, made these recommendations after thoroughly studying and deliberating various aspects of ADU policy. Currently, only some jurisdictions in Maryland, such as Montgomery and Queen Anne’s counties, allow ADUs by right in single-family zoned areas. Expanding this right statewide will help give Maryland residents more affordable housing options, increase land use efficiency, and allow more seniors to live near family and caregivers without having to share physical living space.

DHCD Position

The Maryland Department of Housing and Community Development respectfully requests a **favorable** report on Senate Bill 891.

