

DATE: March 26, 2025
BILL NO.: House Bill 1151
TITLE: Residential Real Property Sales – Appraisal
COMMITTEE: Senate Judicial Proceedings Committee

Letter of Support

Background and Analysis:

In 2022, House Bill 1097 created the Taskforce on Property Appraisal and Valuation Equity to address the persistent undervaluation of minority-owned property. The taskforce focused on several areas to address and improve equity, one of the focus areas being creating government oversight and industry standards to ensure equitable practices. House Bill 1151 incorporates some of the taskforce's findings, including incorporating increased transparency into the appraisal process, to prevent discriminatory appraisals.

Though discriminatory housing practices are illegal on a state and federal level, these legal protections do not wholly prevent discriminatory biases disrupting certain housing-related processes, such as property appraisals and borrowing. Implementing the taskforce's recommendations for increased valuation equity, as House Bill 1151 does, will target biased and inequitable practices within the housing industry that still exist despite legal protections against housing discrimination.

Passage of House Bill 1151 introduces accountability and transparency into the property appraisal process for both borrowers and sellers. Providing the right to complement an appraisal with more accurate and timely information directly from the seller increases protections for those who are being subject to discriminatory appraisals and ensures a better industry standard as Maryland continues to address valuation equity.

DHCD Position:

The Department of Housing and Community Development respectfully requests a **favorable** report on House Bill 1151.