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March 5, 2026

The Honorable Kriselda Valderrama  
Chair, Economic Matters Committee  
230 Taylor House Office Building  
Annapolis, MD 21401

***RE: Letter of Information – House Bill 1175 – Land Use – Residential House – Oversight, Regulation, and Taxation (Building Affordably in My Back Yard)***

Dear Chair Valderrama and Committee Members:

The Maryland Department of Transportation State Highway Administration (SHA) offers the following letter of information for the Committee's consideration of House Bill 1175.

HB 1175 establishes certain policies and processes to facilitate the development of affordable residential housing in the State and, generally, relates to the oversight, regulation, development, and taxation of residential real estate.

Section Four of the bill requires Maryland Department of Planning (MDP) to consult with the Maryland Department of Transportation (MDOT) on a reporting requirement relating to housing development growth impact on transportation infrastructure. Further, Section Five requires MDOT to conduct a comprehensive internal review of processes, procedures, policies, or approval requirements impacting the permitting, review, funding, or development of housing. MDOT would also be required to coordinate with other departments to align reforms and reduce redundant reviews. An interim report is due to the Governor and Maryland General Assembly (MGA) by December 31, 2026, and a final report is due to the MDP by July 1, 2027.

It is expected that SHA would be primarily responsible for the implementation of Sections Four and Five as SHA is responsible under Maryland law and the Code of Maryland Regulations to protect public safety and roadway infrastructure investments by requiring access permits for entrances to roadways, requiring improvements, and imposing conditions to mitigate adverse impacts to roadway safety and function. This includes access management and permitting for residential developments along state highways.

SHA notes that the requirements in Sections Four and Five of HB 1175 largely replicate the efforts already being implemented as required by the Governor's Executive Order 01.01.2025.19 (Addressing Maryland's Affordable Housing Crisis). SHA has worked closely with local, regional, and state partners to advance improvements to access management and the permitting process. This includes developing an optional expedited third-party review process for residential developments that enables developers to pay for the expedited review of their permit applications, traffic impact study, plan review, and issuance of approved permit. This process is currently being piloted and is anticipated to be available for all residential developments in Spring 2026.

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The SHA would be happy to share the November 2025 and January 2026 reports submitted to the Governor's Office as required by EO 01.01.2025.19 with the committee for reference into SHA's investment and support to advance Maryland's affordable housing and residential development goals.

The Maryland Department of Transportation respectfully requests the Committee consider this information during their deliberations of House Bill 1175.

Respectfully submitted,

April Moeller  
Director  
Office of Government Affairs  
Maryland State Highway Administration  
410-210-5780

Matthew Mickler  
Director  
Office of Government Affairs  
Maryland Department of Transportation  
410-865-1090