
MARYLAND DEPARTMENT OF LABOR TESTIMONY ON HOUSE BILL 239

TO: Economic Matters Committee Members
FROM: Maryland Department of Labor
DATE: February 12, 2026
BILL: Starter and Silver Homes Act of 2026

MD LABOR POSITION: SUPPORT WITH DEPARTMENT AMENDMENTS

The Maryland Department of Labor (MD Labor) supports HB239, the Starter and Silver Homes Act, an investment in Maryland that will ensure our skilled workforce can *stay* in our State and contribute to the economy.

MD Labor spends millions of dollars annually preparing workers for in-demand occupations; however, if Maryland's workforce, especially young people under the age of 35, cannot afford to purchase a home here, they will move to locations with more affordable options, taking their talent with them.

In 2022 alone, 8,000 more Marylanders under the age of 35 left the State rather than staying here, a process known as outmigration. Those former Marylanders earned \$422,887,000 in income that they took with them to their new States. (See Appendix A for more details.) Many of these individuals *would have* stayed in Maryland—and paid taxes if they had been able to find housing that was 1) within their budget and 2) appropriately sized to meet their needs.

HB239 will incentivize construction of affordable, moderately-sized housing, including townhomes, that will encourage Maryland's young workers to stay in the State and contribute to the economy.

Over **half (53.4%)** of the population loss in Maryland among people ages 17-34 years old is a **direct result** of the unavailability of housing (See Appendix B for more details). Similarly, nearly half (**44.9%**) of the individuals in this age group identified their commute in Maryland as a reason for leaving the State, a direct consequence of housing not being built near where our young Marylanders work.

Maryland's young workforce is skilled and dedicated to providing vital public services to our communities; however, the median price of a home in Maryland is far outpacing the median wages of Maryland's workers. As a result, our essential public servants, including firefighters, teachers, and nurses, are unable to afford single family homes in the communities they serve.

Statewide, the median price of a single family detached home is \$518,100, while the median firefighter only makes \$70,580. The median price for a townhome, however, is 32% lower than a single family home, at only \$352,000, much more affordable for the median firefighter. (See Appendix C for more details.)

HB239 removes unnecessary burdens that prevent the construction of these more affordable dwellings, including townhomes, and will lead to more of Maryland's workforce being able to afford to stay in the State and contribute to our economy.

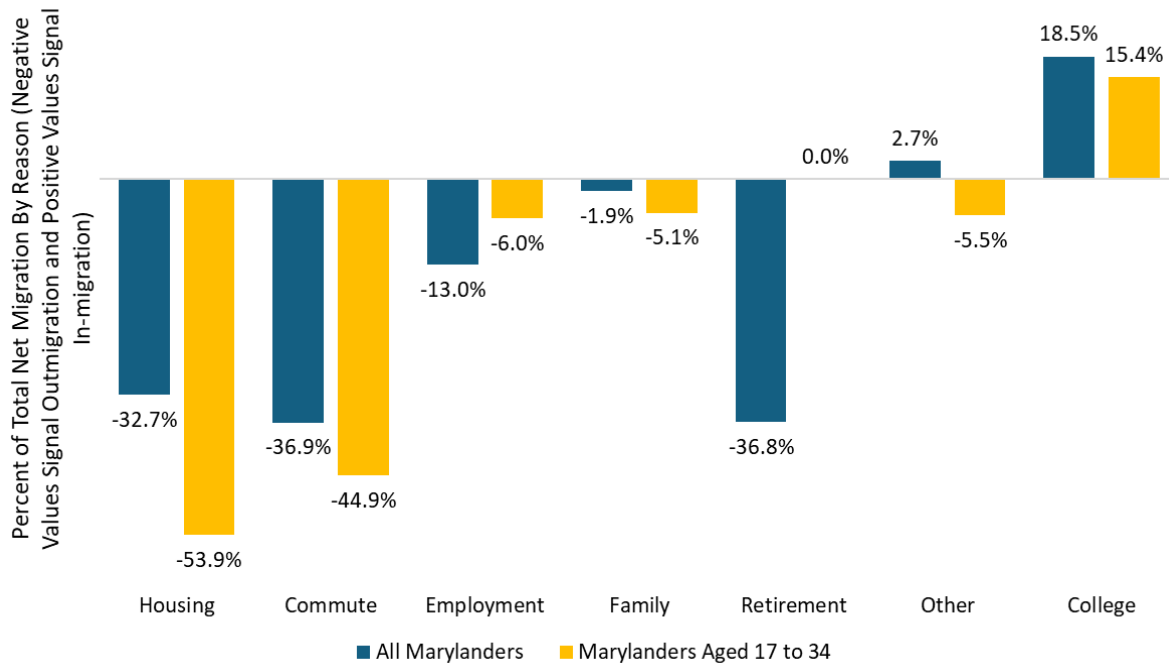
The Department respectfully requests that the Committee issue a **Favorable with Amendments** report on HB239, as explained by DHCD. For questions, please contact Andrew Fulginiti, at **Andrew.Fulginiti@maryland.gov**.

Appendix A: Maryland Revenue Loss from Outmigration, 2022

Income	Migration From Maryland in 2022 (Residents Aged Under 35)	Migration to Maryland in 2022 (Residents Aged Under 35)	Net Migration in 2022 (Residents Aged Under 35)	Adjusted Gross Income Change From Domestic Migration for Residents Aged Under 35 in 2022
\$1 under \$10,000	5,419	4,603	-816	-\$3,162,000
\$10,000 under \$25,000	12,487	11,126	-1,361	-\$18,382,000
\$25,000 under \$50,000	20,187	18,756	-1,431	-\$55,573,000
\$50,000 under \$75,000	12,466	11,257	-1,209	-\$82,255,000
\$75,000 under \$100,000	7,881	6,597	-1,284	-\$95,608,000
\$100,000 under \$200,000	10,029	8,081	-1,948	-\$161,652,000
\$200,000 or more	2,597	2,579	-18	-\$6,255,000
Total	71,066	62,999	-8,067	-\$422,887,000

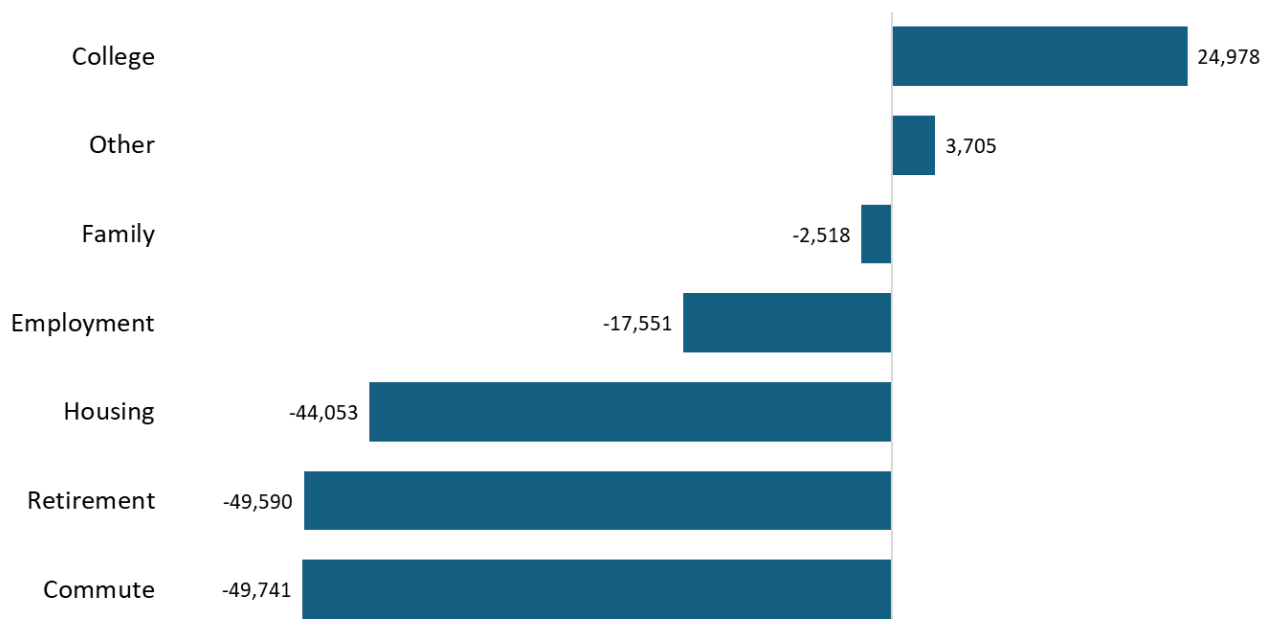
Source: MD Labor, Labor Market Information (LMI) Division

Appendix B Percentages of Maryland's Total Net Migration By Reason, 2020-2025



Source: MD Labor, Labor Market Information (LMI) Division

Net Maryland Migration by Reason, 2020-2025



Estimated Net Domestic Migration To/From Maryland by Reason for Migration, 2020 - 2025

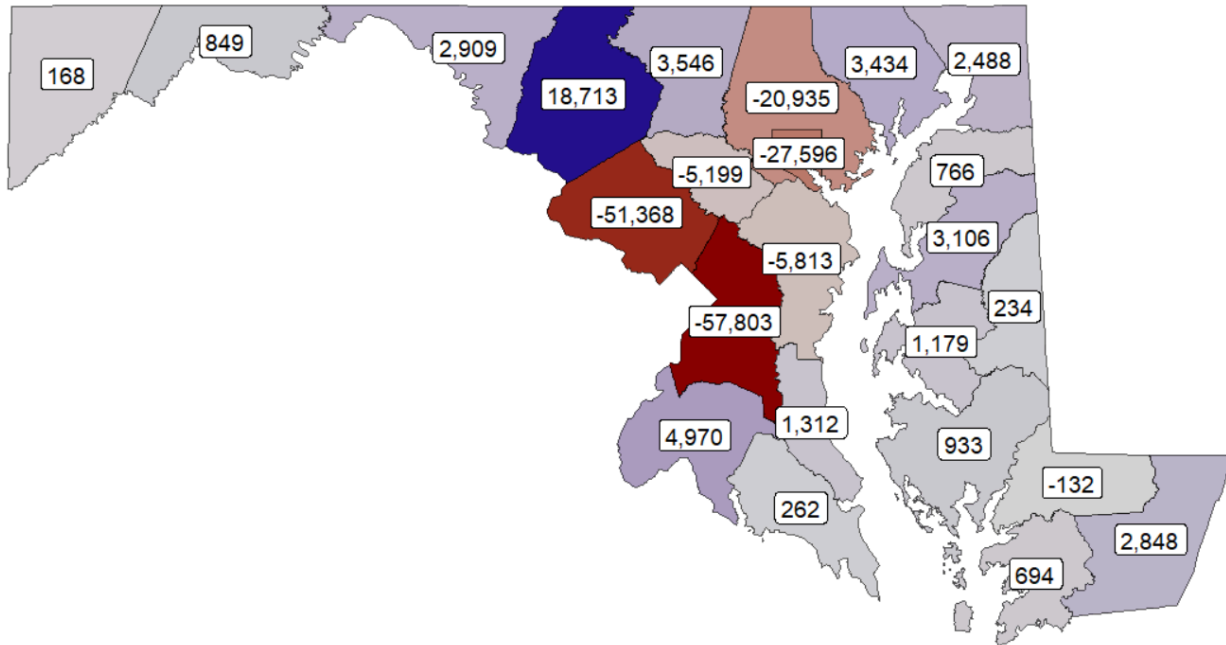
Source: MD Labor, Labor Market Information (LMI) Division

Appendix C: Median Maryland Home Prices vs. Median Public Service Salaries, 2025

Jurisdiction	Median Sales Price Single Family Detached (December 2025)	Median Sales Price Townhome (December 2025)	Percent Difference	Median Firefighter Salary, 2024	Median Elementary Teacher Salary, 2024	Median Nurse Salary, 2024
Maryland	\$509,000	\$366,000	-28.1%	\$70,580	\$74,720	\$96,830
Anne Arundel	\$525,000	\$457,000	-13.0%	\$68,973	n/a	\$94,878
Baltimore City	\$318,000	\$220,000	-30.8%	\$82,211	\$61,669	\$100,366
Baltimore County	\$401,000	\$300,000	-25.2%	n/a	\$74,431	\$97,248
Calvert	\$502,000	\$418,000	-16.7%	\$67,101	\$74,598	\$90,780
Dorchester	\$295,000	\$273,000	-7.5%	\$61,709	\$65,094	\$84,927
Frederick	\$580,000	\$425,000	-26.7%	\$51,527	\$76,059	\$86,675
Howard	\$780,000	\$473,000	-39.4%	n/a	\$75,219	\$94,050
Montgomery	\$755,000	\$520,000	-31.1%	\$77,704	\$64,887	\$101,803
Prince George's	\$480,000	\$440,000	-8.3%	\$64,807	\$76,081	\$101,019
Washington	\$320,000	\$240,000	-25.0%	\$46,142	\$63,501	\$87,177

Source: MD Labor, Labor Market Information (LMI) Division

Appendix D: Maryland Net Migration by County, 2020-2024



Source: MD Labor Labor Market Information (LMI) Division