

DATE: March 5, 2026

BILL NO.: House Bill 1175

TITLE: Land Use - Residential Housing - Oversight, Regulation, and Taxation (Building Affordably in My Back Yard Act)

COMMITTEE: House Economic Matters Committee

Letter of Information

Description of Bill:

House Bill 1175 would:

- Require corporate owners of residential real property in the state to provide contact information to the Department of Housing and Community Development and require DHCD to provide this information to local jurisdictions upon request;
- Authorize local jurisdictions, upon a finding of a shortage of affordable housing in the jurisdiction, to establish an administrative review process for approval of housing development projects;
- Require municipalities and certain counties to establish schedules and procedures for evaluation of housing development project applications and prohibit those jurisdictions and the state from imposing new development standards on or downzoning approved projects during the period of approval;
- Require municipalities and certain counties to adopt project design guidelines for qualified affordable housing projects and implement a pre-approval building permit application process for standardized model home designs;
- Allow certain counties to establish reduced housing-sensitive tax rates and fees for qualified affordable housing projects;
- Prohibit sellers of improved single-family residential real property from accepting offers from large corporate entities within the first 30 days after offering the property for sale;
- Authorize counties to, upon a finding that the county has a shortfall in housing units, impose a special transfer tax rate on the transfer of certain residential property from owner-occupied to non-owner-occupied;
- Authorize counties and Baltimore City to establish a special tax rate on certain residential property located in Priority Funding Areas to discourage speculative landholding and to promote development and require that special tax revenue be used for certain purposes related to school and housing construction;
- Require the Comptroller, in consultation with SDAT, to evaluate and report to the Governor and General Assembly on potential changes to state tax policies to reduce disincentives to older homeowners to downsize or transition to more affordable housing;
- Require the Department of Planning to conduct a study and publish a report on how infrastructure systems support or constrain housing development in Maryland; and
- Require certain state agencies and executive departments to conduct a comprehensive review of any internal process that impacts permitting, review, funding or development of housing in the State.

Background and Analysis:

Several elements of House Bill 1175 have significant overlap with other bills currently before the General Assembly as well as Governor Moore's Housing Starts Here Executive Order of September 2025. Specifically, the requirement for the state to set housing targets in coordination with local jurisdictions overlaps with the Housing Starts Here executive order's requirement for the Department of Housing and Community Development to establish housing targets for the state and each county and municipality therein every five years, beginning January 1, 2026. While there are some differences between the two targets mandates, a statutory requirement for the State to set housing targets would be redundant with the existing executive order. The requirement for certain State executive agencies to review and evaluate internal procedures relating to review, funding of development of housing in the State also overlaps with the Housing Starts Here's mandate for agencies that issue permits related to housing development to develop updated and accelerated permitting procedures and timelines, including digitization of permit application processes. Agencies such as MDOT and MDE have already submitted these revised procedures and updated permitting timelines per the order.

Requiring corporate owners of residential real property in the State to register contact information with DHCD (and requiring DHCD to provide this information to local jurisdictions upon request) would create a significant administrative (and likely budgetary) burden on the Department.

Authorizing local jurisdictions to establish an administrative review process for housing development projects under certain circumstances and requiring some jurisdictions to adopt design guidelines for qualified projects and standardized designs would likely be positive steps toward accelerating housing production, but the impact of those provisions would likely be limited.

The authorization to set special property tax rates and adjust transfer and recordation taxes, and the prohibition against homeowners accepting offers from large corporate landlords or real estate speculators within the first 30 days of the home being on the market are intended to disincentivize the transfer of single-family homes from owner-occupied to non-owner-occupied status, and to encourage the development of owner-occupied housing. The potential impact of these measures on Maryland's housing supply and housing market is unclear.

Finally, the requirements for studies/reports on state tax policies and infrastructure will likely create significant staffing and administrative burdens for the agencies subject to those requirements.



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