

DATE: February 26, 2026
BILL NO: House Bill 778
TITLE: Land Use - Middle Housing Options - Requirements
COMMITTEE: House Economic Matters

Letter of Support

Description of Bill:

House Bill 778 establishes requirements for local jurisdictions to expand opportunities for middle housing development, including duplexes, quadplexes, cottage clusters, and townhouses, on land zoned for single family residential use. The bill requires local jurisdictions to evaluate unused, vacant, or underutilized land, especially commercial or industrial properties for potential housing development and to update comprehensive plans accordingly. Additionally, the bill limits local governments from imposing unreasonable restrictions on middle housing applications, such as excessive lot size or parking requirements, while maintaining public health, safety, and building standards.

Background and Analysis:

As Maryland's housing shortage continues to limit access to affordable and attainable housing, the state must pursue flexible, cost-effective solutions. HB 778 addresses these challenges by removing barriers and promoting the efficient use of existing land infrastructure, rather than creating new programs or expenditures.

This legislation encourages the development of middle housing – duplexes, triplexes, quadplexes, townhouses, and cottage clusters – which helps bridge the gap between single family homes and large multifamily developments. These housing types can provide more attainable options for middle income and workforce households while remaining compatible with existing neighborhoods.

By requiring local jurisdictions to evaluate vacant or underutilized commercial and industrial land for residential use, this legislation recognizes that we need to focus development where it can be supported, and local governments have determined they can prioritize growth: In areas that already contain public infrastructure. This will expand the housing supply and diversify the available options of renters and homeowners, which will improve overall affordability and support more inclusive communities.

DHCD Position

The Maryland Department of Housing and Community Development respectfully requests a **favorable** report on HB 778.