

**DATE:** April 2, 2026  
**BILL NO:** Senate Bill 274  
**TITLE:** Fair Housing and Housing Discrimination - Regulations, Intent, and Discriminatory Effect  
**COMMITTEE:** House Economic Matters Committee

### Letter of Support

#### Description of Bill:

SB 274 authorizes the Department of Housing and Community Development to adopt regulations to carry out its programs and activities related to the agency's commitment to affirmatively further fair housing. The legislation also prohibits a person from acting "in a manner that has a discriminatory effect" against a person in the terms, conditions, or privileges of the sale or rental of a dwelling [and provision of services] ...because of race, color, religion, sex, disability, marital status, familial status, sexual orientation, gender identity, national origin, source of income, or military status. Though, a person does not violate this if the action was taken without discriminatory intent, was justified by a legitimate business necessity, and could not have been achieved in a less discriminatory manner.

#### Background and Analysis:

DHCD currently has a reporting requirement in the AFFH statute (hcd § 2-402 and § 2-302). This report discusses:

- The efforts by the State, political subdivisions, and housing authorities to promote fair housing choice and racial and economic housing integration, and the results of those efforts, delineated by county; and
- Any assessment of fair housing required under § 3-114(d)(2) of the Land Use Article completed since the most recent report, including any assessment of fair housing completed or revised under the federal Department of Housing and Urban Development's most recently published affirmatively furthering Fair Housing Rule.

Allowing DHCD to write regulations to carry out the AFFH statute will ensure that a priority of the Moore-Miller administration, and a public good for the state, is protected under state law. As the Department of Housing and Urban Development rescinds AFFH guidance at the federal level, it is imperative that the State responds by enshrining those priorities.

SB274 clarifies how DHCD can enforce fair housing protections. It would prohibit actions that result in discrimination based on protected characteristics which recognize not all outcomes are intentional. A person's actions are not considered a violation if they were unintentional, necessary for business reasons, and there was no less discriminatory way to achieve the same goal. This balances protections for tenants while giving landlords and considerations as well.

#### DHCD Position

The Department of Housing and Community Development respectfully requests a **favorable** report on SB 274.