



TESTIMONY
SENATE BILL 36
Education, Energy & the Environment
February 17, 2026
Position: FAVORABLE

Chair Korman and Members of Senate Education, Energy & the Environment:

The Community Development Network of Maryland (CDN) is the voice for Maryland’s community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland’s urban, suburban and rural communities. CDN envisions a state in which all communities are thriving and where people of all incomes have abundant opportunities for themselves and their families. Our network is a state partner of the National Low Income Housing Coalition.

HB 36 -Increases housing options by allowing smaller, more affordable homes. Allow smaller single-family homes on smaller lots. Create mandates for large homes in a variety of ways (including through minimum lot sizes, minimum dimensions, and lot coverage requirements). Removing these mandates for large lots and homes in areas served by public water and sewer systems makes it possible to build smaller, less expensive homes for Maryland families, without impacting agricultural conservation areas.

Ensuring that all families live in affordable, stable homes will improve community health outcomes, thereby reducing health care and education costs. Housing is an urgent priority for economic growth. Building a firm foundation for stable homes begins with policies that increase the production of housing affordable to households making less than \$80,000 per year. Given the health, educational, and cost implications of families living in unstable homes, there is an urgent need to increase supply of affordable homes throughout the state.

According to [Out of Reach 2025](#), an annual report published by the [National Low Income Housing Coalition](#) (NLIHC) in Maryland the average fair market rent for a two-bedroom rental home was \$2,036, while in Montgomery County it was \$2,314. The report illuminates the difference between what people need to earn and rent, and shows just how out of reach affordable rental homes are for millions of low-wage workers and other families. The report calculates a “Housing Wage” – an estimate of the hourly wage full-time workers must earn to afford a rental home at fair market rent without spending more than 30 percent of their incomes.

To afford this level of rent and utilities — without paying more than 30% of income on housing — a Montgomery County household must earn \$81,434 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into an hourly Housing Wage of \$44.50 — or more than double the state minimum wage of \$15/hour. For the state, that hourly Housing Wage is \$39.15.

The Black homeownership rate is equal to what it was in 1965. Housing is the foundation of economic stability, generational wealth, and thriving communities, yet too many families are locked out of opportunity by outdated policies, rising costs, and systemic inequities. The Black homeownership rate is equal to what it was in 1965.

This legislation invests in affordability, strengthens homeownership pathways and removes barriers for underserved communities. By aligning housing policy with today's economic realities, Starter and Silver Homes Act of 2026 promotes equity, resilience, and long-term prosperity.

The Starter and Silver Homes Act of 2026 directly addresses the lack of affordability and financial insecurity in the state: housing costs. This is of particular concern to young people who are moving out of the state. Over the last decade, housing costs have far outpaced inflation and wages. These numbers also impact the costs for older adults who are dependent on social security income and benefits.

HB 36 respects the autonomy of Maryland's counties, empowering local governments to enter into agreements that meet their specific housing needs. The bill strikes a thoughtful balance between incentivizing local government, property developers and ensuring access to affordable housing for urban, suburban and rural areas of the state.

The market will not fix the lack of housing in Maryland. The housing crunch needs government intervention. Housing production is a critical part of the economic growth needed in the state of Maryland.

We urge your favorable report for HB 36.

Submitted by Claudia Wilson Randall, Executive Director, Community Development Network of MD