



Senate Bill 325

Land Use – Permitting – Development Rights (Maryland Housing Certainty Act)

Hearing before the Senate Education, Energy, and the Environment Committee

On February 17, 2026

Position: Favorable

Maryland Legal Aid submits its written testimony on SB 325 at the request of bill sponsor Senator Malcolm Augustine.

Maryland Legal Aid is a non-profit law firm that provides free legal services to the State’s low-income and vulnerable residents. Our 12 offices serve residents in each of Maryland’s 24 jurisdictions and manage a range of civil legal matters, including housing. The state is strapped by a shortage of 275,000 homes for Marylanders earning 80% AMI.¹ Notably, nearly half the shortage (128,675 units) impacts renters earning 30% AMI.² As the costs of housing continue to outpace wage growth in Maryland, our clients struggle to make ends meet, facing impossible budgeting choices, and often having to accepting substandard conditions and predatory landlord practices to maintain their housing. Many others end up in Maryland’s vast eviction system wherein 42 cases were filed per 100 renter households in 2025.³

Amid this unaffordable housing crisis, renters need a “both/and” policymaking strategy – in which policymakers steer the state toward housing justice through (1) policies that promote affordable housing development and (2) policies that protect tenants from displacement. Maryland Legal Aid therefore urges the Committee to report favorably on SB 325, the Housing Certainty Act, which aims to spur production of housing by promoting regulatory certainty in the development process.

SB 325 focuses on two areas of reform that developers have identified as substantial obstacles to building housing in Maryland: late vesting and impact fees. Currently, Maryland

¹ National Center for Smart Growth, *Maryland Housing Needs Assessment Update: Housing Gap Analysis 2* (Summer 2025), <https://dhcd.maryland.gov/Documents/Research/Housing-Needs-Assessment/Report-2-v0627-SHNA-2025.pdf>.

² *Id.* at 7.

³ There were 328,188 actions filed in 2025 for Failure to Pay Rent, Tenant Holding Over, or Breach of Lease eviction types. Maryland Judiciary, *About District Court: Statistics* (link to Calendar Year 2025). There were 773,227 renter households in 2024. U.S. Census Bureau. "Tenure." *American Community Survey, ACS 1-Year Estimates Detailed Tables, Table B25003*, [https://data.census.gov/table/ACSDT1Y2024.B25003?t=Owner/Renter+\(Tenure\)](https://data.census.gov/table/ACSDT1Y2024.B25003?t=Owner/Renter+(Tenure)). Accessed on 13 Feb. 2026.

allows late vesting, whereby localities can alter land use rules and requirements for housing development projects up until “visible construction” commences.”⁴ Developers are then subjected to moving targets, delays, and unforeseen costs. SB 325 requires “early vesting” through a 5-year vesting period triggered when the locality approves a housing development project. From that point, a locality may not withdraw approval based on an intervening zoning or other rules changes.

SB 325 also shifts collection of impact fees from the development planning stage to the post-construction stage. This change reduces substantial up-front expenses of the developer while still generating revenue for localities after the development has entered the income-generating phase.

The Housing Certainty Act answers key concerns of developers. It provides sensible supply-side reforms that, notably, do not weaken tenants’ rights. As Maryland awaits future housing development and affordability, the General Assembly must continue to advance policies that keep renters rooted in their communities, protect them from unsafe housing, and assure them due process.

Maryland Legal Aid urges the Committee’s **favorable** report on SB 325.

If you have any questions, please contact:

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⁴ *Prince George’s County v. Sunrise Development Ltd. Partnership*, 330 Md. 297, 314 (1993).