



Letter of Support
Senate Bill 325 — Maryland Housing Certainty Act
Senate Education, Energy, and the Environment Committee
February 17, 2026

Chair Feldman, Vice Chair Kagan, and members of the Education, Energy, and the Environment Committee:

Thank you for the opportunity to submit this letter in support of Senate Bill 325, the Maryland Housing Certainty Act.

What this bill does

SB 325 establishes a clear, predictable framework for housing development project approval by requiring that applications be governed only by the laws and regulations in effect at the time a substantially complete application is submitted. It creates statutory vested rights for approved housing development projects, ensuring that developers can proceed with confidence for a defined period without facing retroactive regulation. The bill also prohibits collection of development excise taxes and development impact fees until after construction is complete and requisite occupancy certifications have been issued.

Why this is important

This legislation aligns with the Office of the Comptroller's findings in *Housing & the Economy in Maryland*, which demonstrated that legal and administrative uncertainty in land-use and zoning processes suppresses effective housing supply even when demand and land capacity suggest growth should occur. When local regulatory environments are unpredictable — with shifting rules, lengthy review periods, and retroactive changes — developers face elevated risk, financing costs increase, and projects are delayed or canceled.

By requiring that approvals be governed by the rules in place at the time of a substantially complete application, SB 325 reduces regulatory risk and improves certainty, thereby lowering barriers to housing production in constrained markets. This approach complements targeted reform efforts like transit-oriented development incentives by ensuring that when capacity exists, developers can act on it rather than being deterred by regulatory ambiguity.

Predictability and vested rights established by this legislation are tools that enhance rational land-use outcomes without supplanting core local planning authority. They provide a clearer corridor for investment where vacancy is low and affordable supply is most needed, especially near employment centers and transit infrastructure.

From a budget perspective, increasing housing supply through reduced regulatory friction supports long-term revenue growth. More housing in high-demand markets broadens the tax base, fosters local economic activity, and lessens pressures on services that result from artificially constrained growth. Additionally, SB 325 advances equity by lowering barriers that disproportionately affect small builders and affordably priced housing. Predictable permitting frameworks help reduce cost escalation, enabling a broader range of housing types to be delivered in markets where vacancy suppression drives cost spikes.

For these reasons, I respectfully urge a favorable report on Senate Bill 325.



If you have any questions, please do not hesitate to contact Stephen Harrington at sharrington@marylandtaxes.gov.

My best,

Brooke E. Lierman
Comptroller of Maryland