

Department of Legislative Services  
Maryland General Assembly  
2020 Session

FISCAL AND POLICY NOTE  
First Reader

House Bill 815  
Appropriations

(Chair, Joint Committee on Ending Homelessness)

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**Workgroup on Funding for a Low- or No-Interest Mortgage Program**

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This bill establishes the Workgroup on Funding for a Low- or No-Interest Mortgage Program within the Joint Committee on Ending Homelessness. The workgroup must explore (1) options for providing State funding to provide low- or no-interest mortgages to families that spend 30% or more of the family's income on housing and do not make more than a set amount of income, as determined by the workgroup, and (2) similar low- and no-interest mortgage programs in other jurisdictions. By December 31, 2020, the workgroup must report its findings and recommendations to the Joint Committee on Ending Homelessness. **The bill takes effect June 1, 2020, and terminates June 30, 2021.**

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**Fiscal Summary**

**State Effect:** The Department of Legislative Services (DLS), as staff to the Joint Committee on Ending Homelessness, can staff the workgroup with existing budgeted resources. Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law/Background:** Chapter 427 of 2014 established the Joint Committee on Ending Homelessness to ensure that public resources, programs, and policies are coordinated and effective in preventing, mitigating the effects of, and ending homelessness in Maryland. The committee must:

- study issues relating to homelessness, including housing, income, health care, education, government supports, and veterans experiencing homelessness;
- consult with governmental agencies, community-based organizations, and other stakeholders to identify State policies, programs, and actions that should or could prevent, mitigate the effects of, and end homelessness in Maryland;
- review and make recommendations to align State statutes, regulations, programs, services, and budgetary priorities with State policies and actions that should or could prevent, mitigate the effects of, and end homelessness in Maryland;
- search for any intradepartmental or interdepartmental gaps, inconsistencies, and inefficiencies in the implementation or attainment of State policies, programs, and actions that should or could prevent, mitigate the effects of, and end homelessness in Maryland; and
- identify new laws, regulations, programs, services, and budgetary priorities that are needed.

The committee must submit a report to the General Assembly by December 1 of each year that includes a description of the committee’s work and any recommendations. DLS provides staff to the committee.

The Maryland Mortgage Program (MMP), administered by the Community Development Administration within the Department of Housing and Community Development, provides below-market, fixed-rate mortgages through private lending institutions to low- and moderate-income households. The program is financed through the sale of mortgage revenue bonds, targeted to first-time homebuyers, and includes eligibility limits on both household income and the cost of the home. MMP has annual income requirements limiting who can apply for a loan through the program. Income requirements vary by location and whether the home is in a “targeted area.”

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### **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** SB 568 (Chair, Joint Committee on Ending Homelessness) - Education, Health, and Environmental Affairs.

**Information Source(s):** Department of Housing and Community Development; Department of Legislative Services

**Fiscal Note History:** First Reader - February 25, 2020  
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