



SENATE EDUCATION, HEALTH & ENVIRONMENTAL AFFAIRS COMMITTEE

Senate Bill 637

Community Development Administration – Live Near Your School Program – Establishment

February 23, 2021

Urging a Favorable Report

Chair Pinsky, Vice Chair Kagan, and members of the committee, thank you for the opportunity to share our thoughts regarding Senate Bill 637. The bill requires the Community Development Administration in the Department of Housing and Community Development to administer a home buyer assistance program that assists current students and recent graduates of public institutions of higher education to receive low-interest mortgages for the purchase of homes near their schools.

Alternately, the “Live Near Your Work (LNYW)” movement is a form of employer assisted housing program to not only support an employee toward buying a home, but also encourage them to live closer to their job. The LNYW program proposal pairs a homeownership grant for down-payment and closing cost assistance in partnership between a municipality and participating employers within the area. The municipality or county will often match contributions made by a participating employer with the primary purpose of encouraging employees (or students or recent graduates in the case of Senate Bill 637) to live close to their place of employment, study or transit. Senate Bill 637 encourages prospective homebuyers to live within walking and/or transit distance to their place of employment or educational study in order to reduce not only household travel and energy costs, but to reduce the impact of long commutes on roads, congestion, and air quality.

Nationally, the LNYW program was initially targeted towards the employees of large employers, such as the federal government, major universities and health-hospital campuses in order to have significant impact on commuting levels (since many workers might be eligible for such a program), and to allow employers to offer the program as a tradeoff for employee parking or other commuter benefits.

The cities and counties that are home to University System of Maryland (USM) institutions continue to evolve and welcome new residents. From Mountain Maryland, to Baltimore City and Somerset County – all boast an unrivaled sense of community and intimacy without sacrificing diversity or dynamism. A home, sold to a qualified applicant under fair lending terms, is one of the best investments anyone can make and a way to establish a financial foundation for future generations.

If Senate Bill 637 were to become law, purchasing a home in a qualifying neighborhood would allow students and recent graduates to:

- Become involved, active, and civically-engaged in ever-growing communities.
- Shorten lengthy commutes to work or class.
- Live within walking distance of restaurants, stores, stadiums, and cultural centers.
- Choose from a variety of housing types, ranging from historic single-family homes, to rowhouses to newly constructed condos.

The USM urges a favorable report on Senate Bill 637.