

Governor Moore's Housing for Jobs Act of 2025

Overview

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The Issue

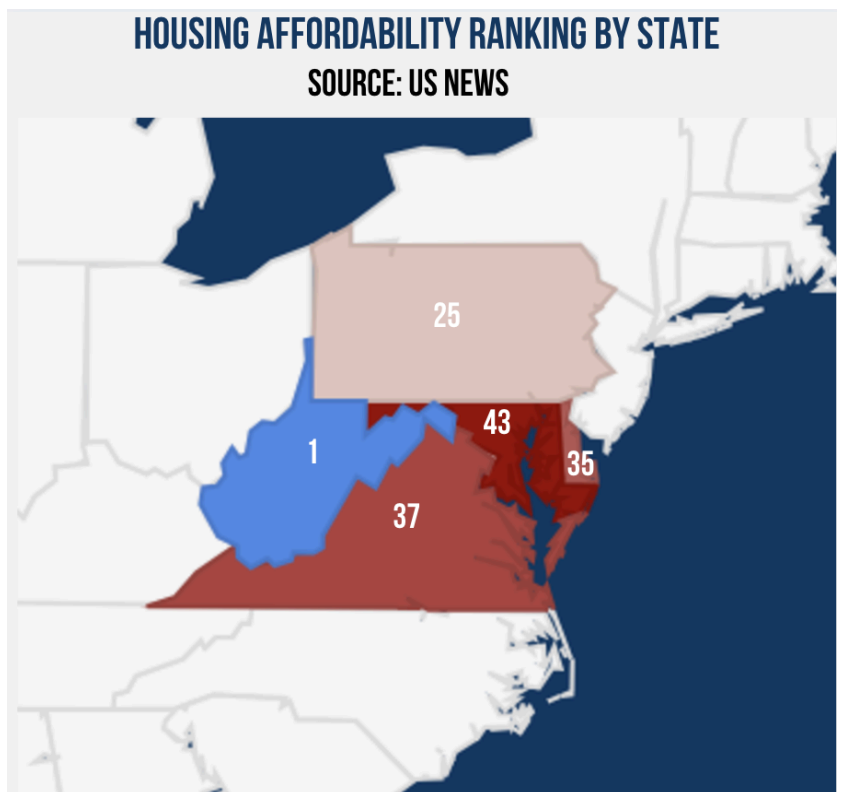
Housing costs are making Maryland *unaffordable* for Marylanders

The Housing for Jobs Act directly addresses the primary driver of unaffordability and financial insecurity in the state: housing costs. This unaffordability is particularly impacting young people who are moving out of the state at an increased rate. As we invest in Maryland's future through the Blueprint, we must ensure that we are ensuring that Marylanders can actually afford to live here.

Over the last decade, housing costs have **far outpaced inflation and wages**. As overall costs have increased by **24%**, median rents have increased **36%** and median home prices have increased by **48%**. (DHCD analysis of [Census](#) and [BLS data](#)).

1 in 3 Maryland families are cost burdened by their monthly rent or mortgage payment, including 53% of Maryland renters who pay **more than 30%** of their income on rent ([2023 ACS](#)). This means that there is less money for spending, saving, and wealth creation - and our economy is reflecting this.

Maryland ranks **43rd** among states for housing affordability and **9th** highest in total cost of living ([US News](#)), the highest among neighboring states. This is driving migration out of the state, led by young Marylanders aged 17 - 34 who made up **65%** of outmigration in 2022 with nearly **40,000 young Marylanders leaving the state that year alone**, according to the US Census. This problem is only worsening: Polling from the Maryland Association of Realtors has shown that **44% of younger renters are considering leaving Maryland due to housing costs**.



Housing Costs are *Preventing* Economic Growth

Maryland's economy has been stagnant since 2017 and cannot grow without addressing housing costs and availability.

In fact, **Maryland has only 33 workers available for every 100 open jobs**, making it difficult for businesses to operate at full capacity or grow in our state ([US Chamber of Commerce](#))

Between 2019 and 2024, the number of houses for sale each month **decreased by 59%**, blocking homeownership opportunities particularly for younger generations. (DHCD analysis of Maryland Association of Realtors data)

The construction sector remains one of the primary sectors where Maryland GDP growth is underperforming national GDP growth (6.6% nationally vs. 3.1% in Maryland). This is unsurprising given that Maryland permits 39% fewer new housing units than it did before the 2008 recession (DHCD analysis of [census](#) data).

Figure 1: Maryland Comparative Economic Growth 2016 – 2023

Geography	GDP Total Growth	Employment Total Growth	Personal Income Per Capita Growth	Real Wages Average Growth
Pennsylvania	6.6%	1.0%	5.6%	5.6%
Virginia	11.2%	5.3%	6.4%	6.5%
United States	13.9%	7.4%	9.5%	7.4%
Maryland	1.6%	1.0%	1.2%	4.3%

Sources: U.S. Bureau of Economic Analysis. U.S. Bureau of Labor Statistics, MD Bureau of Revenue Estimates

The Housing for Jobs Act of 2025

Maryland's housing costs are driven in large part due to the housing shortage, which is weighing down our economy. The situation becoming so significant necessitates a "bridge" solution to bring us to a manageable level.

Identify Housing Infrastructure Gaps

Regional housing infrastructure gaps identify shortages of housing units by comparing housing stock to the total number of jobs in the region. If there are more than 1.5 jobs per housing unit, a region has a shortage.

Local housing infrastructure gaps apportion the regional housing infrastructure gaps to local jurisdictions by their percentage share of regional jobs.

This bill **only applies** to local jurisdictions with housing infrastructure gaps. Once a gap is closed, the bill no longer applies.

Approvals and Denials

Approvals: Local jurisdictions with a housing infrastructure gap have an obligation to approve new housing units unless there is a reason for denial that outweighs the community's need for housing. This obligation includes finding ways to allow a version of a project that mitigates concerns to move forward. This requirement is intended to maximize the housing produced under existing local rules and does not require jurisdictions to increase allowed residential density outside of their own processes.

Denials: Local jurisdictions with housing infrastructure gaps can deny housing projects that are found to have specific adverse impacts that outweigh the community's need for housing, including:

- I. Specific adverse impact to the health/safety of residents of the proposed development;
- II. Insufficient school capacity (Excess of 100% capacity at school in attendance area or adjacent schools);
- III. Inadequate water or sewer facilities;
- IV. Necessary for compliance with State or Federal law;
- V. Development is located in an area zoned for heavy industrial use, conservation, or agricultural land; or
- VI. Development does not comply with objective development standards at the time of application submission. Objective development standards are defined as those that are not subject to discretionary judgment and facilitate development at the density permitted on the site.

Reductions in Gaps

Standard Reductions: Each standard housing unit built will reduce the regional housing gap on a one-to-one basis.

Enhanced Local Reductions for Targeted Development: A local gap reduction of 1.5 units will be achieved for each unit developed that meets at least one of the following:

- I. 1.5 unit reduction for every 1 affordable housing unit built (deed-restricted to be affordable to a household earning 60% or less of the area median income for a period of at least 40 years.)
- II. 1.5 unit reduction for every 1 unit built within 0.75 miles of a passenger rail station

Enforcement

Reporting: When denying a housing development, local jurisdictions must provide in writing the specific reasons for denial. Should these reasons comply with allowable denials for jurisdictions with gaps, the denial is final.

Determinations: Should the denial of a housing development not hold up to scrutiny, a builder may appeal to a Circuit Court judge to enforce this policy. In such a case, if the judge finds that the developer has standing after reviewing the denial report, the judge will be empowered to determine whether the denial was legal. This simply ensures that building and land use laws are applied as advertised and that plans established during the zoning and planning processes are broadly applied once a builder is prepared to move forward.

Taken together, these policies will directly address affordability, expand economic opportunity, and stimulate economic growth.

The Gaps

County	Jobs	% Share Regional Jobs	Current Housing Units	Jobs to Housing Ratio	Total Housing Units Needed for <1.5 ratio	Target: New Units Needed
Baltimore Region	1,903,043	-	1,179,056	1.61	1,268,696	89,640
Anne Arundel County	432,915	23%	236,486		256,878	20,392
Baltimore County	551,655	29%	351,123		377,108	25,985
Carroll County	87,484	5%	66,545		70,666	4,121
Harford County	137,752	7%	105,205		111,694	6,489
Howard County	245,933	13%	125,818		137,402	11,584
Baltimore City	447,304	24%	293,879		314,948	21,069
Washington Region	1,409,097	-	879,832	1.6	939,398	59,566
Frederick County	158,423	11%	108,996		115,693	6,697
Montgomery County	741,956	53%	406,850		438,214	31,364
Prince George's County	508,718	36%	363,986		385,491	21,505
Southern Maryland Region (Calvert, Charles, St. Mary's)	175,474	-	146,484	1.20	116,983	0
Western Maryland Region (Allegany, Garrett, Washington)	140,094	-	115,495	1.21	93,396	0
Upper Eastern Shore Region (Caroline, Cecil, Kent, Queen Anne's, Talbot)	131,777	-	109,193	1.21	87,851	0
Lower Eastern Shore Region (Dorchester, Somerset, Wicomico, Worcester)	127,406	-	127,806	1.00	84,937	0
Statewide						149,206

Data sources: Jobs, [U.S. Bureau of Economic Analysis](#) (2022); Housing units, [American Community Survey estimates](#) (2022)

The Goals

Creating market-wide opportunities to build more housing near jobs and transit in Maryland can be expected to have the following benefits:

Increase Maryland's economic competitiveness; research has [consistently shown](#) that when job growth exceeds housing supply growth, there is a reduction in economic output, productivity, innovation and business recruitment and retention.

Direct measurable new investment, jobs, taxes, and transit revenues across the state through an increase in housing construction, which will support other key priorities (including funding the Blueprint and constructing new public schools).

Increase the purchasing power of households by addressing families' single biggest monthly cost; high housing costs have been [shown to stifle consumer demand](#) across a wide range of sectors, causing ripple effects throughout the economy.

Reduce traffic congestion to enhance quality of life. Ensuring that Marylanders can live near their work will relieve traffic on our roads and enhance the ability to build public transportation solutions.

Reduce greenhouse gas emissions, facilitating Maryland's statewide climate goals, by increasing the number of people who live close to their jobs and public transit options.

The analysis below shows the fiscal impact of both a 20% and 30% increase in housing unit construction, which would still be below returning to pre-2008 recession building levels (29,000 annually authorized units).

Jurisdiction	Current Average Annual Authorized Units	Total Estimated Construction with 20% Increase	Total Estimated Construction with 30% Increase	Estimated Sales Tax on Construction Materials at 20% Increase (\$M)	Estimated Sales Tax on Construction Materials at 30% Increase (\$M)
Anne Arundel	1,885	2,262	2,451	4.1	6.2
Baltimore County	1,328	1,593	1,726	3.7	5.7
Carroll	378	454	492	1.2	1.8
Harford	1,118	1,342	1,454	2.6	4.0
Howard	1,165	1,398	1,515	3.7	5.7
Baltimore City	1,456	1,747	1,893	2.3	3.4
Frederick	2,333	2,800	3,033	5.7	8.6
Montgomery	2,017	2,420	2,621	5.3	8.0
Prince George's	3,160	3,792	4,108	6.2	9.4
Statewide	14,840	17,808	19,292	\$35M	\$53M