



SUMMARY OF 2026 REAL ESTATE LEGISLATION

REAL ESTATE BROKERAGE, LICENSING AND CONTRACTS

R[®] SB 691 Termination of Residential Real Estate Contracts – Earnest Money Deposits

PASSED – Effective October 1, 2026

POSITION: Support

Expands the expedited return-of-deposit procedure to apply to all contract contingencies and clarifies how sellers may request mediation. If the seller does not file a complaint or request mediation within 10 days of receiving the purchaser's request, the holder of the trust money must return it within 5 days.

R[®] SB 814 Homeowner Service Agreement - Defunct Service Providers

PASSED – Effective June 1, 2026

POSITION: Support

Prohibits enforcement of long-term residential "homeowner benefit" or service agreements entered into before June 1, 2023, if the service provider is not in good standing with the State Department of Assessments and Taxation. These agreements are present on 1,000 Maryland properties, and prevent real estate sales and mortgage refinance transactions.

HB 200 Sale of Residential Real Property - Required Flood Risk Disclosure

PASSED – Effective October 1, 2026

POSITION: Support with Amendments

Requires the Department of the Environment to develop a real property flood risk disclosure statement form. Beginning July 1, 2027, the completed flood risk disclosure form must be provided before entering into a contract of sale, along with a copy of the FEMA elevation certificate (if available).

HB 146/SB 165 On-Site Wastewater Systems - Inspection and Pumping Requirements

DID NOT PASS

POSITION: Oppose as Introduced

Homes served by septic systems must be inspected—and pumped as required—before transfer, with the system's condition disclosed to the buyer. Settlement cannot occur until both parties receive the inspection report and proof of pumping. Landlords must also have septic systems inspected and pumped by July 1, 2028, and before each new tenancy.

HB 557 Occupational Licensing - Criminal History Predetermination Review Process

PASSED – Effective July 1, 2026

POSITION: Support

State agencies shall establish a predetermination review process to assess an applicant's criminal history and determine whether it would disqualify them from obtaining a specific occupational license or certificate. Agencies may charge a fee of up to \$100 per review.

SB 418/HB 1120 Licensing Portability - Members of the Foreign Service and Spouses

PASSED – Effective October 1, 2026

POSITION: Support with Amendments

Authorizes members of the Foreign Service and their spouses to practice in the State under an occupational or professional license issued in another State, so long as they practice only in the discipline and scope allowed by the original license.

SB 242 Modernizing Civil Relief for Service Members Act

PASSED – Effective October 1, 2026

POSITION: Support with Amendments

Active-duty service members and their spouses who move to Maryland can apply to use their out-of-state professional licenses to work within the state. They may practice in the same ways as Maryland licensees so long as they stay within the scope of their original license.

SB 150 Notation of Veteran Status - Public Profiles

PASSED – Effective October 1, 2026

POSITION: No Position

Expands existing authority of Maryland licensing agencies both mark veteran status on licenses and certificates and designate veteran status on a person's public profile.

HOUSING SUPPLY AND AFFORDABILITY

R[®] SB 325/HB 548 Permitting - Development Rights (Maryland Housing Certainty Act)

PASSED – Effective October 1, 2026

POSITION: Support

Requires that decisions on housing development applications be based only on the laws and regulations in effect when a complete application is submitted, preventing later rule changes from affecting the project. It also grants developers a vested right to proceed with an approved project for at least five years and delays impact fees or excise taxes until construction is complete and occupancy requirements are met.

R[®] HB 778 Land Use - Middle Housing Options

DID NOT PASS

POSITION: Support

Mandates local laws to allow middle housing (duplexes, triplexes, quadplexes, cottage clusters and townhomes) by right in single-family zones served by water and sewer. It prohibits unreasonable restrictions on such developments in the areas of lot size, setbacks, parking, and permit review. Counties would be required to assess and plan for converting vacant or underused commercial and industrial land into housing within the comprehensive plan.

R[®] HB 894 Transit-Oriented Development (Maryland Transit & Housing Opportunity Act)

PASSED – Effective October 1, 2026

POSITION: Support

The bill automatically designates areas within transit-oriented developments served by rail stations with at least hourly weekday service as enterprise zones. It prohibits local governments from requiring minimum off-street parking for residential or mixed-use projects within 0.25 miles of qualifying rail stations, unless supported by a recent, data-based parking study approved by the Department of Transportation. It also bars local restrictions on State or WMATA-owned land and requires zoning changes to allow mixed-use development within 0.5 miles of qualifying rail stations.

R[®] SB 36/HB 239 Zoning - Limitations (Starter and Silver Homes Act of 2026)

DID NOT PASS

POSITION: Support

Prohibits local governments from requiring large lot sizes, minimum home sizes, excessive setbacks, or strict lot coverage limits. Localities must allow townhouses in areas zoned for single-family homes. Finally, it allows property owners to split a developed lot into up to three smaller lots in those areas.

SB 267 Land Use Oversight and Approval - Building Affordably in My Back Yard Act

DID NOT PASS

POSITION: Oppose

As introduced, this bill would have increased local transfer, recordation, and impact fees; restricted home sales to owner-occupants for the first 30 days of listing; and instituted annual taxes on investment and

second homes, among other provisions. Once amended by the Senate, the bill required residential rental property owners to submit contact information to the state and allowed local governments to create an administrative housing permit review process.

SB 829/HB 1137 Residential-in-Commercial-Zones – Study (Bring Back Main Street Act)

PASSED – Effective June 1, 2026

POSITION: Support

Requires the state housing department to study laws that allow housing in commercial areas. They must compare similar laws in other states, look at their impacts, and suggest rules for mixed-use and multifamily development. A report with findings and recommendations is due by December 1, 2026.

HB 168 Affordable Housing - Educator Workforce Housing

PASSED – Effective July 1, 2026

POSITION: Support

Allows the development of educator workforce housing as a qualified use of the Housing Innovation Fund, Housing Innovation Pilot Program, and Neighborhood and Community Assistance Program.

HB 691 Permitting Efficiency for Housing Development Projects

DID NOT PASS

POSITION: Support

Requires state agencies that issue housing construction permits to create faster, more efficient permitting processes. The State Housing Ombudsman must prepare a report to lawmakers by December 1, 2027 on development and implementation progress.

HB 343 Housing Development Projects - Housing Counseling Services

PASSED – Effective July 1, 2026

POSITION: Oppose as Introduced

Developers using certain state housing funds must give homebuyers information about housing counseling before they sign a purchase contract. As passed, this bill includes industry amendments to remove requirements that developers offer counseling services rather than information on such services.

SB 31 School Zones and Adequate Public Facilities Ordinances

DID NOT PASS

POSITION: Support

Requires each local board of education to submit a student residency and school zones report to the state by July 1 each year. If a county enacts an adequate public facilities ordinance schools test that includes a definite maximum length of time to restrict or limit housing development, the ordinance may not delay the processing and completion of subdivision or site development plans.

TAX RATES AND CREDITS

HB 1213 State Transfer Tax - Rate - Alterations

DID NOT PASS

POSITION: Oppose

Alters the State transfer tax by establishing a graduated tax rate structure for residential and nonresidential transactions. Increases to transfer tax rates on higher value residential, multi-family residential and commercial transactions would total \$97 million once implemented.

HB 1330 Homeowners' Property Tax Credit – Year–Round Application

PASSED – Effective June 1, 2026

POSITION: Support

This bill allows homeowners to apply for the homeowners' property tax credit on a year-round basis beginning in FY 2028 (taxable year 2027).

HB 753 Tax Sales - Homeowner Protections

PASSED – Effective October 1, 2026

POSITION: No Position

The bill protects homeowners with serious illness or hardship from losing their homes in tax sales and gives them priority for assistance. It also raises the home value limit to qualify for help from \$300,000 to \$450,000. Homeowners choose someone to work with the State Tax Sale Ombudsman on their behalf.

SB 765/HB 1148 Property Taxes - Tax Sales, Legacy Protection Program, and Tax Credits

PASSED – Effective Beginning June 1, 2026

POSITION: No Position

Establishes the Legacy Protection Program within SDAT for the purpose of (1) allowing heirs who inherit a dwelling to become the record title holder of the dwelling; (2) preventing tax sales of dwellings inherited by heirs; and (3) allowing heirs to remain in their homes.

HB 1096 Property Tax Credits - Notice Through Property Tax Bill

PASSED – Effective June 1, 2026

POSITION: No Position

Requires each county tax collector to include with the property tax bill a website address or QR code for a county government webpage that lists each property tax credit available to taxpayers and a brief explanation of how to apply.

SB 194 Income and Property Tax Incentives - Members and Veterans of the Space Force

PASSED – Effective July 1, 2026

POSITION: No Position

Makes members and veterans of the U.S. Space Force eligible for existing tax credits or exemptions, including the property tax exemption for disabled veterans, disabled active-duty service members, and surviving spouses, and the property tax credit for disabled veterans and surviving spouses.

HB 842 Property Tax Credit - Surviving Spouse of Military Service Member

PASSED – Effective June 1, 2026

POSITION: No Position

Allows local governments to offer a property tax credit to surviving spouses of service members who don't qualify for an existing exemption. Localities can decide the credit amount, how long it lasts, eligibility rules, and application procedures.

HB 1611 Credit for Dwelling of Disabled Veterans and Surviving Spouses - Eligibility

PASSED – Effective June 1, 2026

POSITION: No Position

Beginning in fiscal 2027, the bill raises the income limits for a local property tax credit for certain disabled veterans and surviving spouses from \$100,000 to \$150,000 for individual filers and \$300,000 for joint filers.

FAIR HOUSING

HB 573 Fair Housing and Housing Discrimination – Regulations

PASSED – Effective October 1, 2026

POSITION: Support

Updates Maryland housing discrimination law to include “disparate impact” standards as currently found in federal affirmatively furthering fair housing rules (AFFH). It bans practices that have a discriminatory effect while still allowing practices that serve a substantial, legitimate, nondiscriminatory purpose and where no less discriminatory alternative is available. The Maryland Commission on Civil Rights will enforce these standards.

SB 180/HB 213 Evidence - Interception of Oral Communications - Fair Housing Testing
DID NOT PASS ***POSITION: Support***

Allows fair housing testers to record conversations they are part of when gathering evidence of housing discrimination if they work for a government or nonprofit civil rights program. These recordings can only be used to enforce fair housing laws.

HB 1466 Appraisal Gap from Historic Redlining Financial Assistance Program
PASSED – Effective July 1, 2026 ***POSITION: Monitor***

Expands the definition of a “qualified property” under the program to include residential real property that is in an area that meets criteria established by DHCD for the identification of neighborhoods that have been historically redlined or have undergone urban renewal.

FRAUDULENT REAL ESTATE PRACTICES

SB 82 Counterfeiting and Possession of Counterfeit Lease of Real Property
PASSED – Effective October 1, 2026 ***POSITION: Support***

A person may not counterfeit or assist in counterfeiting a residential lease or rental agreement. Violators are guilty of a felony, punishable by imprisonment for up to 10 years and/or a \$1,000 maximum fine.

HB 130 Task Force to Study Deed Fraud
PASSED – Effective October 1, 2026 ***POSITION: Support with Amendments***

Establishes the Task Force to Study Deed Fraud to identify incidents of deed fraud in the State, study how other states combat deed fraud, and develop recommendations for deed fraud detection tools. The Task Force will recommend strategies for intergovernmental coordination to detect and prevent deed fraud more effectively.

HB 1456 Residential Property Advertisement - Ownership Verification
DID NOT PASS ***POSITION: Oppose as Introduced***

Commercial entities, including social media platforms, may not publish advertisements on residential property for lease or sale unless the entity verifies property ownership or authorization to advertise that property. REALTORS® secured amendments to exempt advertisements by licensees and those distributed through the MLS, to prevent unnecessary ownership verification.

SB 168/HB 810 Study to Evaluate Blockchain-Based Real Property Verification
PASSED – Effective June 1, 2026 ***POSITION: Support***

By December 2026, the State Department of Assessments and Taxation (SDAT) will conduct a study to evaluate the use of blockchain technology for securely recording and verifying real property ownership and leases, and resolving real property disputes involving “squatting.”

COMMON OWNERSHIP COMMUNITIES

R® HB 1132 Condominiums and Homeowners Associations - Resale
DID NOT PASS ***POSITION: Support***

Reduces turnaround times for associations to provide resale documents from 20 to 10 days and conforms conflicting timelines between the Condo and HOA Acts. It also lowers and standardizes resale package base fees from \$250 to \$100, eliminates higher rush fees, limits expedited and update charges, and removes automatic inflation adjustments.

R® HB 1260 Common Ownership Communities - Online Publication of Resale Disclosures
DID NOT PASS ***POSITION: Support***

Requires condominiums and HOAs to maintain disclosures about general community information online in a free downloadable format, and limits resale packages to information about the particular home or lot. In addition, it limits the fees that can be charged for providing information about a specific property.

HB 402 Common Ownership Communities – Oversight and Local Commissions
DID NOT PASS ***POSITION: Support***

Creates a new state division (COCOD) within the housing department to oversee common ownership communities, including a public database of governing documents. It also sets rules for local oversight commissions, including membership, fees, coordination, and community registration, and establishes procedures for resolving disputes.

SB 747 Unit Owner Responsibility for Damage and Mandatory Insurance Coverage
PASSED – Effective October 1, 2027 ***POSITION: Support***

The owner of a residential condominium may be responsible for the least of the total costs of the repair or replacement, the council of unit owners' property insurance deductible, or \$25,000. The council of unit owners is required to provide information on the unit owner's responsibility for the property insurance deductible and the actual amount of the deductible exceeding the responsibility of the unit owner.

HB 405 Condominiums and Homeowners Associations - Electric Vehicle Recharging
PASSED – Effective October 1, 2026 ***POSITION: Support***

Prevents condominium and homeowners' associations from banning or unreasonably restricting installation of electric vehicle chargers in common parking spaces. Applicants must go through the normal budget process, and may require a parking capacity assessment and renewable license for use of common elements. This applies retroactively to rules adopted on or before October 1, 2026.

HB 956 Condominiums - Buildings More Than 40 Years Old - Study
PASSED – Effective June 1, 2026 ***POSITION: Support with Amendments***

Requires the Department of Housing and Community Development (DHCD) to study condominium buildings in the State that are more than 40 years old and submit findings to the General Assembly by December 1, 2026. As passed, it includes REALTOR® amendments to protect condo owner privacy.

PROPERTY MANAGEMENT

HB 774/SB 462 Residential Leases and Holdover Tenancies - Good Cause Requirements
DID NOT PASS ***POSITION: Oppose***

If enacted in a county, landlords would be required to renew a tenant's lease unless certain conditions are met or the tenant commits specified violations of the lease. The bill would apply to owners of six or more rental properties, who must demonstrate a "good cause" for not offering a lease renewal.

HB 1460 Single-Family Rental Property – Rent and Fee Restrictions
DID NOT PASS ***POSITION: Oppose***

Limits rents of investor-owned single-family rental properties to the greater of 120% of HUD fair market rent or 120% of the property's last sale price (annualized), and caps utilities and mandatory fees at \$100 per month. The bill also creates a public registry of covered landlords and authorizes fines, license suspension, and leasing bans for noncompliance.

SB 335/HB 315 Discrimination in Housing - Income-Based Housing Subsidies

PASSED – Effective October 1, 2026

POSITION: Oppose

Prohibits landlords who use financial screening as part of a rental application from refusing to rent based on the prospective tenant's credit score, lack of credit score, or adverse credit history when that tenant uses income-based housing subsidies. Landlords may verify a tenant's ability to pay their share of rent not covered by the subsidy and may use references or tenant's past rental history as reasons to refuse to rent. Landlords who own six or more rental units must provide tenants with the option to report positive rental payment history to a consumer reporting agency.

SB 937 Tenant Criminal History Records (Maryland Fair Chance Housing Act)

PASSED – Effective October 1, 2026

POSITION: Oppose

Prohibits a landlord of five or more residential rental units from requiring drug or alcohol tests or access to substance use treatment records from applicants. If a landlord conducts a criminal history records check, the landlord must do so for every prospective tenant and provide upfront written notice explaining how criminal history will be used.

Before making a conditional offer, landlords generally cannot ask about criminal history, with limited exceptions for certain serious and felony offenses. After a conditional offer, landlords may conduct a background check and can withdraw the offer only for a legitimate, nondiscriminatory reason, with written explanation. Applicants must be allowed to challenge inaccuracies and provide evidence of rehabilitation or mitigating factors, which landlords are required to consider.

SB 12 Residential Rental Apartments - Air-Conditioning Requirement

PASSED – Effective October 1, 2026

POSITION: Monitor

Landlords of apartment buildings with 10 or more units must provide air conditioning capable of maintaining 80°F or lower from June 1 through September 30 each year. This applies to existing buildings that undergo complete or substantial renovation of electrical systems after the effective date, but excludes properties on the National Register of Historic Places or work that was permitted before June 1, 2026.

SB 729 Access to Counsel in Evictions Program - Expansion

PASSED – Effective October 1, 2026

POSITION: No Position

Expands the Access to Counsel in Evictions Program to cover legal representation and other services to individuals who occupy premises of a mobile home park.

SB 941/HB 1218 Severe Risk Properties - Safe and Healthy Homes for All Act

PASSED – Effective July 1, 2026

POSITION: Oppose as Introduced

Requires the Office of Tenant and Landlord Affairs, with the Attorney General, to create a plan to identify and address large rental properties of 50+ units that consistently fail health and safety standards.

The plan must include strategies to expand oversight and address negligent or noncompliant landlords, with recommendations due by August 31, 2027, and a follow-up report by December 31, 2027.

HB 543 Real Property - Landlord and Tenant - Family Child Care Homes

DID NOT PASS

POSITION: Oppose

The bill generally prohibits landlords of single-family homes from blocking tenants from operating a family child care home. It allows landlords to require proof of proper registration with the state, charge a higher security deposit (up to two months' rent) for such use, and require a tenant to purchase a liability insurance policy with coverage limits of up to \$1.0 million.

SHORT-TERM RENTALS

SB 624/HB 1221 Short-term Rental Units – Fire Safety

PASSED – Effective October 1, 2026

POSITION: Support with Amendments

Short-term rental hosts must post evacuation plans and emergency numbers, and provide a fire extinguisher and working smoke and carbon monoxide alarms. Alarms must meet fire code, be interconnected (or approved alternatives), function properly, and be replaced if faulty or over 10 years old. By July 1, 2028, local jurisdictions must require annual inspections of short-term rentals to ensure compliance, and owners must show proof of compliance to booking platforms.

HB 993/SB 666 Real Property - Short-Term Rentals

DID NOT PASS

POSITION: Support

Local laws may not prohibit a tenant or subtenant from offering the unit as a short-term rental if they have received the permission of the unit owner. However, local governments may limit such operators to one short-term rental property and may require registration.

LAND USE, PROPERTY RIGHTS, AND THE ENVIRONMENT

SB 197/HB 243 Land Use - Comprehensive and General Plans

PASSED – Effective October 1, 2026

POSITION: Monitor

Modifies and reorganizes the elements that a local jurisdiction must include in a comprehensive or general plan so that the elements are consistent with state planning principles and apply consistently across all local jurisdictions. The required elements are (1) land; (2) transportation; (3) housing; (4) economy; (5) equity; (6) resilience; (7) place; and (8) ecology.

HB 247 Chesapeake and Atlantic Coastal Bays Critical Area Protection Program - Variances

PASSED – Effective October 1, 2026

POSITION: Monitor

Sets stricter rules for granting variances in critical area programs, including a presumption that existing accessory structures show reasonable use. It prohibits variance applications for uses not allowed by zoning, changes to mitigation requirements, or relief available through other processes. Applicants must show substantial need, avoid protected habitat areas, and compare only to similar, legally approved structures in the same area.

HB 870 Permit Applications for New Buildings (Large Buildings for Tomorrow Act)

PASSED – Effective October 1, 2026

POSITION: Oppose as Introduced

Within 10 business days after a local government accepts a permit application for a new building that has a proposed gross floor area of 35,000 square feet or more and will be subject to Building Energy Performance Standards, the local government will provide notice of the permit application to MDE, along with the building location, energy source, and owner's contact information. Amendments removed requirements for new buildings to be constructed to BEPS standards.

SB 872 Reduction of Lead Risk in Housing - Rental Dwelling Unit - Definition

PASSED – Effective October 1, 2026

POSITION: Support

Expands the State's Reduction of Lead Risk in Housing law to include certain single-room occupancies and shared living arrangements as "rental dwelling units." Under the bill, the unit must either have or have access to permanent provisions for living, sleeping, eating, cooking, and sanitation.

SB 739/HB 1219 Climate Change and Homeowner's Insurance – Study

PASSED – Effective October 1, 2026

POSITION: Support

Requires the University System of Maryland to conduct a study to evaluate the relationship between climate change, the availability and price of homeowner's insurance, and emergency and disaster preparedness. USM must submit a report of its findings and recommendations to the General Assembly by July 1, 2027.

COMMERCIAL AND AFFILIATED INDUSTRIES

HB 850 Home Builders - Open House - Sales Representative Disclosure Requirements

PASSED – Effective October 1, 2026

POSITION: Support

Home builders must clearly and conspicuously display a notice at properties held open for prospective buyers that the sales representative represents the builder, not the buyer, and that the buyer may obtain their own representation.

HB 920/SB 811 New Home Sales - Entry of Final Sale Price in Multiple Listing Service

DID NOT PASS

POSITION: Support with Amendments

A developer, builder, broker, or real estate agent would be required to enter the final sale price of a new home into a multiple listing service.

SB 767 Property Tax - Credit for Commercial Buildings Rented to Small Businesses

PASSED – Effective June 1, 2026

POSITION: No Position

Authorizes county and municipal governments to grant a property tax credit for a commercial building that is rented, or rented to own, to a small business located in an arts and entertainment district, a Main Street Maryland designated community, a Baltimore City designated main street; or any other business improvement district designated by a local government.

HB 252 Lead Paint Abatement Services – Performance Bond and Liability Insurance

PASSED – Effective July 1, 2026

POSITION: Monitor

Lead abatement professionals can be required to carry a performance bond or liability insurance, as determined by MDE. This coverage will cover property owners if negligence from a covered professional causes harm, including costs like medical care, relocation, cleanup, remediation, and legal expenses.

SB 939 Bankruptcy Proceedings - Exemptions from Execution - Residential Real Property

PASSED – Effective June 1, 2026

POSITION: Support

Expands the exemption of owner-occupied real property to specifically include residential real property of a settlor that is held in a revocable trust. The bill also increases the maximum amount of the exemption to \$125,000 for an individual, to be adjusted each fiscal year based on changes in the Consumer Price Index. The bill applies to any bankruptcy proceeding filed on or after the effective date.