



Government Affairs Newsletter

March 4, 2025

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LOWER EASTERN SHORE ACTIVITY

Hi All,

Of the bills which MR has graded an “Oppose 5”, none of them seem to be moving. One has been withdrawn all together.

Of the bills we are supporting at a level 5, HB124, which is a wholesale disclosure bill, has passed the House and its cross file has passed the Senate, The House ADU bill will be heard tomorrow, and the alterations to Fair Housing CE are not moving.

I’ll be going to Annapolis on 3/4 for the day and will be meeting with Senator Carozza and Delegate Otto. If there are any issues you would like for me to mention, please let me know!

Best,
Hunter

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Worcester County

COUNTY UPDATE

Ocean City:

After the Mayor and Council made a full-time resident incentive program permanent this past summer, they have agreed to increase that funding to \$100,000 annually. New full-time residents can apply for up to \$7,500 in waived building permit fees and can have up to \$2,500 in local property taxes waived too.

This last year there were 70 applicants for funds and 24 new or renovated homes. This is a first-come first-serve program and will be entering Regular Meetings shortly.

Also, the Council is looking to increase the residency requirements for their elections from four months before the election filing date to two years. This suggested change also includes prohibiting candidates from holding short-term rental licenses and shifting candidate confirmations from the Mayor and Council to the Board of Election Supervisors.

Finally: R-1. This Monday at 6PM will be a second reading which implements a five-night minimum length of stay in R-1 and MH communities for rental years 2025 and 2026. On January 1 of 2027, that minimum length of stay will become 31 days. It is imperative that members, full-time owners, and second home owners show up to give their thoughts on this. Additionally, a first reading on the moratorium will be heard which allows for the transfer of rental licenses in the case of home sales with bookings already made.



Worcester County

COUNTY UPDATE

Berlin:

This past Monday, the Berlin Town Council ended their development Moratorium, which had been in effect since July of last year. The Town may now approve final development / site plans and consider annexations once again.

Additionally, Berlin will begin the process of updating their comprehensive plan, which has not been updated since 2010. With this moratorium lifted, the hiring of a new Planning Director last month, and efforts and budgeting set aside for an updated Comprehensive Plan, Berlin seems to be setting up for more growth.



Wicomico County

SALISBURY TREE GRANT

Salisbury was awarded a grant from the Chesapeake Bay Trust to plant 834 trees in the city. These dollars are to beautify the City.

Also, I have not seen an update on public hearings for the Salisbury Comprehensive Plan. I'll update you all as they come in.



Somerset County

SOMERSET COUNTY UPDATE

Princess Anne's "Elderly Tax Credit" applications are still available through March 31st of this year.

Windmill Update

CONGRESSIONAL EFFORTS

I reached out to Representative Harris's Office regarding any legislation being worked on to halt the current offshore wind project in Ocean City. The staff member with whom I spoke with did not have information for me immediately, but will be speaking to our representative on the matter and will be following up with me hopefully sometime this week.

MD State Budget Cuts

TOURISM CUTS BEING EXPLORED

Potential Cuts to Tourism:

The Department of Legislative Services is suggesting the State cut its tourism budget for FY26. The suggested budget is \$6 million for FY26, a little over half of the current \$12.4 million funding. Of the \$6 million, \$2.5 million has already been promised, leaving the State's actual tourism budget at around \$3.5 million. This is how Maryland would stack up compared to our neighbors:

STATE	FY26 MARKETING, SALES AND DEVELOPMENT PROPOSED BUDGETS:
MD	\$3.5M , not including \$2.5M in marketing partnership grants
PA	\$15M*
NJ	\$10.5M*
NY	\$58.5M, not including \$100M in funds for partnership marketing programs*
WV	\$48M*
DC	\$32M*

Federal Housing Cuts

CUTS TO HUD

Housing and Urban Development (HUD) is facing a funding reduction of 50%. Additionally, HUD is facing a workforce reduction of nearly half, from about 8,000 employees to 4,000.

The Federal Housing Administration is facing a 40% funding reduction.

The Office of Fair Housing and Equal Opportunity is facing a 77% funding reduction.

The Office of Community Planning and Development will be cut by 84% by the end of May.

Developers are being told their funding is being cut, and in some instances stopped. Section 4 capacity building grants are being terminated.

As of this newsletter, I see no statement from NAR on these expected cuts to HUD and its offices.