



House Bill 1389

Home Sprinkler and Fire Safety Assistance Fund – Pilot Program

MACo Position: **SUPPORT**

To: Environment and Transportation Committee

Date: March 2, 2018

From: Leslie Knapp, Jr.

The Maryland Association of Counties (MACo) **SUPPORTS** HB 1389. The bill addresses the critical issue of providing workforce and low-income housing in rural areas without public water, while still ensuring such housing has sprinkler systems.

HB 1389 creates a Home Sprinkler and Fire Safety Assistance Fund within the Department of Housing and Community Development (DHCD). The bill requires an annual state budget appropriation for the Fund of \$300,000 for fiscal years 2020 through 2022. The Fund may award grants to applicants in the order in which they apply to offset costs of installing a sprinkler system. In order to qualify, a homebuyer must be in the process of purchasing a home that:

1. is a single-family detached home;
2. is less than 2,500 square feet;
3. uses well water and is not in an area where public water is provided or where there is a plan to provide public water; and
4. will be the homebuyer's primary residence and owner-occupied.

Additionally, the homeowner must fall under the income limits established by the Maryland Mortgage Program. The bill does not create new housing rights, remove existing land use prohibitions on "sprawl" development, or remove the requirement for a sprinkler system. The Fund and grant program sunset at the end of June 30, 2022.

Since the passage of the sprinkler system mandate in 2012 (HB 366/SB 602), rural areas have witnessed a dramatic reduction in building permits for moderate- and low-income housing. Sprinkler systems not on public water can require high pressure pumps and water storage tanks that may add \$10,000 to \$12,000 to the cost of a new home – a significant cost in a rural area for a home designed for a moderate- to low-income family. HB 1389 would help address this issue by providing a limited funding mechanism to offset costly sprinkler and similar building code mandates.

HB 1389 creates a reasonable method to assist rural workforce and low-income housing with the installation of sprinkler systems. Accordingly, MACo requests the Committee give HB 1389 a **FAVORABLE** report.