

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 83B – Department of Housing and Community Development

2-1102.

(d) "Household of lower income" means:

(1) (I) A [a] household whose gross annual income, UPON INITIAL OCCUPANCY, does not exceed 50 percent of the statewide median income for a household of like size or such lesser income level as may be established for any particular project by the Secretary of Housing and Community Development; AND

(2) FOR THE PURPOSE OF CONTINUING OCCUPANCY, A HOUSEHOLD WHOLE GROSS ANNUAL INCOME DOES NOT EXCEED THE GREATER OF:

(I) 140 PERCENT OF INITIAL OCCUPANCY LIMITS FOR PARTNERSHIP PROJECTS FOR THE YEAR OF CONTINUING OCCUPANCY; OR

(II) ANY APPLICABLE FEDERAL REQUIREMENT.

2-1106.

The Department shall approve applications for proposed projects only if:

(1) The application is authorized by the local government's chief elected official, or if none, by the governing body of the county or municipality in which the project is located;

(2) The local government either:

(i) Contributes from nonstate sources the land for the partnership rental housing; or

(ii) Funds the portion of the acquisition cost of the property that is attributable to the value of the land;

(3) The local government will have an ownership interest in the project or in the units financed by the Program and sold to the local government or partnership that includes a local government;

(4) The local government directly or indirectly manages the operation of the project;

(5) The rental units financed by the Program will be occupied upon completion of the acquisition, construction, reconstruction, renovation, or rehabilitation by households of lower income;

(6) The households of lower income occupying the project or portion thereof financed by the Program are required to contribute services to enhance or maintain the project or community in a manner deemed acceptable to the local government;