

**Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement**

TOTAL	\$363,000	\$363,000	\$363,000	\$363,000	\$363,000	\$363,000
Position Impact:						
<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
DHCD (165)	3	3	3	3	3	3
TOTAL	3	3	3	3	3	3

Fiscal Analysis: This impact statement is preliminary. This bill establishes statewide housing targets for localities and requires that DHCD establish criteria and regulations to ensure that localities meet required growth targets. The bill also requires DHCD to promulgate regulations to require localities to gather data specifying the number of new housing units proposed by submitted applications, the number of such units approved, and the number of housing units constructed over a specified time frame, as well as the number of existing housing units in the locality. Such data shall be submitted to DHCD for purposes of transparency and to ensure compliance with the required growth targets.

DHCD does not administer a statewide housing production target, maintain a comprehensive cross-locality permitting and construction database, or provide regulatory guidance to boards of zoning appeals on housing growth compliance. This additional workload cannot be absorbed by the agency. It is anticipated that DHCD will require two additional Program Analysts (\$182,000 each, including salary and benefits) and one Regulatory/Policy Specialist (\$111,000, including salary and benefits) to carry out the department’s new statutory responsibilities. Housing data purchases, travel, and other overhead costs are estimated at \$70,000, for a total cost to the agency of \$363,000 from the general fund beginning in FY2027.

One Program Analyst would focus on data systems, collection, and compliance tracking, including designing and managing the process by which localities submit standardized housing production data, validating those submissions, and maintaining a statewide database of existing units, permitted units, and constructed units. A second Program Analyst would focus on local technical assistance and compliance support, including helping localities develop housing growth plans, reviewing modeling methodologies, and coordinating with planning departments and boards of zoning appeals (BZAs) across the Commonwealth. The Regulatory/Policy Analyst would lead the development of statewide standards and regulations to guide BZA decision-making, ensure alignment with the 7.5 percent growth target, and establish the methodology for awarding up to a 20 percent credit for affordable housing production and rehabilitation. Additional resources may be required depending on data infrastructure investments, and the level of technical assistance required to support localities and boards of zoning appeals; these potential costs are indeterminate at this time.

Other: SB488 and HB804 are companions.