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Education, Health, and Environmental Affairs Committee

Chair Joint Committee on Ending Homelessness

Chair

Joint Committee on Children,
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SUPPORT – SB 869

Baltimore City - Small Box Discount Stores - Zoning Requirements and Community Agreements

Environment and Transportation Committee

April 5, 2022

Chair Barve, Vice Chair Stein, and Members of the Environment and Transportation Committee,

I respectfully urge you to vote favorable on Senate Bill 869, which regulates small box discount stores in Maryland. SB869 limits the concentration of small box discount stores and increases community involvement in retail store developments.

Small box discount stores have grown considerably in food desert communities across the State and urban centers. They continue to spread rapidly throughout low-income communities, significantly decreasing the profits of local grocery stores and subsequently prompting their closures (Donahue, 2018). Small box retail stores offer items at a presumably discounted rate, but their per-unit rates are higher than the big box retailers such as Walmart (Karpyn, 2019). The concentration of small box discount stores and the elimination of grocery stores contribute to the economic and health disparities in low-income communities across Maryland (ILSR, 2018; ILSR, 2022).

SB869 mandates communication with adjacent communities. As a part of the small box retail store zoning permit application, the owner must execute a community agreement, allowing for community participation in the process. When dollar stores come into communities, there is very little to no involvement from the community due to the lack of proper communication and community leverage. Involving them in the process allows communities to set a standard for participating small box discount stores. Historically, Small box stores are commonly known to underpay workers and have been cited as crime hot spots due to their understaffing (NBC, 2020; Shen, 2021). Communities must have the capacity to leverage their power to regulate potentially detrimental businesses. Communities must be active participants in the approval process.

SB869 ensures the enforcement of the community engagement agreement. Small box discount stores must be monitored to ensure their agreement is upheld.

Prior to COVID19, about 1.5 million residents were thought to be food insecure (<u>Baltimore Sun, 2020</u>). Low-income communities suffer from food insecurity at disproportionate rates throughout the state. Food insecurity addresses the availability of food or access and the access to nutritious food items that can support a community's growth and development (<u>Feeding America, 2019</u>). Most small box retailers have a limited selection of fresh food items contributing to unhealthy dietary patterns.

SB869 requires that small box discount stores give the opportunity for communities to monitor the development of stores that carry more nutritious options. Nutrition is vital for a communities' mental health and overall wellness. Epidemiological research emphasizes that nutritious diets are associated with reduced risks of depression, suicidal ideation, decreased stress, and other health risks (Firth et. al. 2020). Decreasing the amount of small box discount stores within a given area will allow the development of full-service grocery stores and increase the surrounding community's health.

SB869 encourages beneficial community development by monitoring the development of small box retail stores. This bill prioritizes local retail, grocery stores, and other stores offering healthier food options over the development of small box stores. Increasing local retail stores is an investment in the local community; it contributes to the local economy. Small box retail stores have successfully removed vital dollars from low-income communities. Between 2015- 2019 Dollar Tree multiplied from 20,000 locations to nearly 30,000 (ILSR, 2022). These stores' concentration led to supermarket redlining, which stifled the urban ecology. The concentration of small box retailers has acted as a social marker for nutrition scarcity and disinvestment (Shannon, 2018).

SB 869 will bring a profound benefit to the lives of Marylanders by regulating small box retail stores and ensuring beneficial development in neighborhoods.

I welcome your partnership in this important effort and urge you to vote favorable on SB 869.

In Partnership,

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Senator Mary Washington Maryland 43rd District