

HOUSE BILL 1137

L6, C9

6lr2225
CF SB 829

By: **Delegate Allen**

Introduced and read first time: February 11, 2026

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 9, 2026

CHAPTER _____

1 AN ACT concerning

2 ~~Land Use Multifamily Developments and Mixed Use Developments~~
3 ~~Authorization~~
4 Residential-in-Commercial-Zone Laws - Study
5 (Bring Back Main Street Act)

6 FOR the purpose of ~~requiring certain counties to allow multifamily developments and~~
7 ~~mixed use developments as a permitted use on certain parcels or lots; prohibiting~~
8 ~~certain counties from imposing certain restrictions, requirements, or limitations on~~
9 ~~permitted developments; authorizing certain counties to require a permitted~~
10 ~~development to have a certain percentage of available floor space dedicated to retail~~
11 ~~uses and to include on-site parking; prohibiting a restriction on use from imposing~~
12 ~~or acting to impose certain limitations on the development of a multifamily~~
13 ~~development or mixed use development; and generally relating to multifamily~~
14 ~~developments and mixed use developments~~ requiring the Department of Housing
15 and Community Development to study and make recommendations regarding laws
16 to require certain local jurisdictions to allow certain residential or mixed-use
17 developments as a permitted use on certain parcels or lots zoned for commercial use;
18 and generally relating to residential-in-commercial-zone laws.

19 ~~BY repealing and reenacting, without amendments,~~
20 ~~Article Land Use~~
21 ~~Section 1-101(a) and (b) and 7-501(a), (b), (c), (d), and (i)~~
22 ~~Annotated Code of Maryland~~
23 ~~(2012 Volume and 2025 Supplement)~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



~~BY repealing and reenacting, with amendments,~~

~~Article — Land Use~~

~~Section 1—401 and 10—103~~

~~Annotated Code of Maryland~~

~~(2012 Volume and 2025 Supplement)~~

~~BY adding to~~

~~Article — Land Use~~

~~Section 4—104(e)~~

~~Annotated Code of Maryland~~

~~(2012 Volume and 2025 Supplement)~~

~~BY adding to~~

~~Article — Real Property~~

~~Section 2—127~~

~~Annotated Code of Maryland~~

~~(2023 Replacement Volume and 2025 Supplement)~~

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

~~Article — Land Use~~

~~1—101.~~

~~(a) In this division the following words have the meanings indicated:~~

~~(b) “Adaptive reuse” means a change granted by a legislative body under § 4—207 of this article to the use restrictions in a zoning classification, as those restrictions are applied to a particular improved property.~~

~~1—401.~~

~~(a) Except as provided in this section, this division does not apply to charter counties.~~

~~(b) The following provisions of this division apply to a charter county:~~

~~(1) this subtitle, including Parts II and III (Charter county —Comprehensive plans);~~

~~(2) § 1—101(l), (m), and (o) (Definitions —“Plan”, “Priority funding area”, and “Sensitive area”);~~

~~(3) § 1—201 (Visions);~~

~~(4) § 1—206 (Required education);~~

- 1 ~~(5) § 1-207 (Annual report — In general);~~
- 2 ~~(6) § 1-208 (Annual report — Measures and indicators);~~
- 3 ~~(7) Title 1, Subtitle 3 (Consistency);~~
- 4 ~~(8) Title 1, Subtitle 5 (Growth Tiers);~~
- 5 ~~(9) § 4-104(c) (Limitations — Bicycle parking);~~
- 6 ~~(10) § 4-104(d) (Limitations — Manufactured homes and modular dwellings);~~
- 7 ~~(11) § 4-104(e) (MULTIFAMILY DEVELOPMENTS AND MIXED USE~~
8 ~~DEVELOPMENTS);~~
- 9 ~~(12) § 4-208 (Exceptions — Maryland Accessibility Code);~~
- 10 ~~[(12)] (13) § 4-210 (Permits and variances — Solar panels);~~
- 11 ~~[(13)] (14) § 4-211 (Change in zoning classification — Energy generating~~
12 ~~systems);~~
- 13 ~~[(14)] (15) § 4-212 (Agritourism);~~
- 14 ~~[(15)] (16) § 4-213 (Alcohol production);~~
- 15 ~~[(16)] (17) § 4-214 (Agricultural alcohol production);~~
- 16 ~~[(17)] (18) § 4-215 (Pollinator friendly vegetation management);~~
- 17 ~~[(18)] (19) § 4-216 (Limitations — Family child care homes and large family~~
18 ~~child care homes);~~
- 19 ~~[(19)] (20) Title 4, Subtitle 5 (Accessory Dwelling Units);~~
- 20 ~~[(20)] (21) § 5-102(d) (Subdivision regulations — Burial sites);~~
- 21 ~~[(21)] (22) § 5-104 (Major subdivision — Review);~~
- 22 ~~[(22)] (23) Title 7, Subtitle 1 (Development Mechanisms);~~
- 23 ~~[(23)] (24) Title 7, Subtitle 2 (Transfer of Development Rights);~~
- 24 ~~[(24)] (25) except in Montgomery County or Prince George's County, Title~~
25 ~~7, Subtitle 3 (Development Rights and Responsibilities Agreements);~~

- 1 ~~[(25)] (26)~~ Title 7, Subtitle 4 (Inclusionary Zoning);
- 2 ~~[(26)] (27)~~ Title 7, Subtitle 5 (Housing Expansion and Affordability);
- 3 ~~[(27)] (28)~~ § 8-401 (Conversion of overhead facilities);
- 4 ~~[(28)] (29)~~ for Baltimore County only, Title 9, Subtitle 3 (Single County
- 5 ~~Provisions - Baltimore County);~~
- 6 ~~[(29)] (30)~~ for Frederick County only, Title 9, Subtitle 10 (Single County
- 7 ~~Provisions - Frederick County);~~
- 8 ~~[(30)] (31)~~ for Howard County only, Title 9, Subtitle 13 (Single County
- 9 ~~Provisions - Howard County);~~
- 10 ~~[(31)] (32)~~ for Talbot County only, Title 9, Subtitle 18 (Single County
- 11 ~~Provisions - Talbot County); and~~
- 12 ~~[(32)] (33)~~ Title 11, Subtitle 2 (Civil Penalty).

13 ~~(e) This section supersedes any inconsistent provision of Division II of this article.~~

14 ~~4-104.~~

15 ~~(E) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE~~

16 ~~MEANINGS INDICATED.~~

17 ~~(II) "AFFORDABLE" HAS THE MEANING STATED IN § 7-501 OF~~

18 ~~THIS ARTICLE.~~

19 ~~(III) "AFFORDABLE DWELLING UNIT" HAS THE MEANING STATED~~

20 ~~IN § 7-501 OF THIS ARTICLE.~~

21 ~~(IV) "AREA-MEDIAN INCOME" HAS THE MEANING STATED IN §~~

22 ~~7-501 OF THIS ARTICLE.~~

23 ~~(V) "MIXED-USE DEVELOPMENT" MEANS A DEVELOPMENT~~

24 ~~CONSISTING OF RESIDENTIAL AND NONRESIDENTIAL USES IN WHICH THE~~

25 ~~NONRESIDENTIAL USES:~~

26 ~~1. ARE LESS THAN 50% OF THE TOTAL SQUARE FOOTAGE~~

27 ~~OF THE DEVELOPMENT; AND~~

~~2. ARE LIMITED TO THE FIRST FLOOR OF BUILDINGS THAT ARE TWO OR MORE STORIES.~~

~~(VI) "MULTIFAMILY DEVELOPMENT" MEANS A BUILDING DESIGNED FOR FIVE OR MORE DWELLING UNITS IN WHICH:~~

~~1. THE DWELLING UNITS SHARE A COMMON SEPARATION SUCH AS A CEILING OR WALL; AND~~

~~2. COMMON ACCESS BETWEEN THE DWELLING UNITS CANNOT BE GAINED THROUGH AN INTERNAL DOORWAY, EXCEPT FOR A COMMON HALLWAY.~~

~~(VII) "PERMITTED DEVELOPMENT" MEANS A MULTIFAMILY DEVELOPMENT OR MIXED USE DEVELOPMENT ALLOWED AS A PERMITTED USE UNDER PARAGRAPH (3) OF THIS SUBSECTION.~~

~~(VIII) "PERMITTED USE" MEANS THE ABILITY TO BE APPROVED WITHOUT REQUIRING A PUBLIC HEARING, VARIANCE, CONDITIONAL USE PERMIT, SPECIAL PERMIT, SPECIAL EXCEPTION, OR ANY OTHER DISCRETIONARY ZONING ACTION REQUIRED UNDER THIS ARTICLE OTHER THAN A DETERMINATION THAT A SITE PLAN CONFORMS WITH APPLICABLE ZONING REGULATIONS.~~

~~(2) THIS SUBSECTION APPLIES ONLY TO A COUNTY WITH A POPULATION OF MORE THAN 150,000.~~

~~(3) A COUNTY SHALL ALLOW MULTIFAMILY DEVELOPMENTS OR MIXED USE DEVELOPMENTS AS A PERMITTED USE ON A PARCEL OR LOT THAT IS:~~

~~(I) CURRENTLY SERVICED BY A WATER AND SEWER SYSTEM, WHETHER PUBLIC OR PRIVATE; AND~~

~~(II) LOCATED ON A PARCEL ZONED FOR RECREATIONAL OR COMMERCIAL USE.~~

~~(4) ON A PERMITTED DEVELOPMENT, A COUNTY MAY NOT IMPOSE:~~

~~(I) DENSITY LIMITS THAT ARE LOWER THAN THE HIGHEST ALLOWABLE DENSITY IN THE COUNTY'S RESIDENTIAL ZONES;~~

~~(II) SETBACK REQUIREMENTS THAT ARE GREATER THAN THE LESSER OF:~~

~~1. STANDARD UTILITY EASEMENTS;~~

~~2. EXISTING COMMERCIAL SETBACK REQUIREMENTS
FROM SIDE AND REAR LOT LINES; OR~~

~~3. EXISTING SETBACK REQUIREMENTS FOR A PROPERTY
BEING CONVERTED TO RESIDENTIAL OR MIXED USE THROUGH ADAPTIVE REUSE;~~

~~(III) RESTRICTIONS ON LOT SIZE OR COVERAGE;~~

~~(IV) MANDATORY WALLS, FENCES, OR SCREENING;~~

~~(V) MANDATORY USE OF IMPERVIOUS PAVEMENT OUTDOORS
UNLESS IF NECESSARY FOR:~~

~~1. DISABILITY ACCOMMODATION; OR~~

~~2. PUBLIC HEALTH AND SAFETY; OR~~

~~(VI) MANDATORY NONPUBLIC OPEN SPACE OR COMMON AREAS.~~

~~(5) A COUNTY MAY NOT REQUIRE A PERMITTED DEVELOPMENT TO
INCLUDE A PERCENTAGE OF AFFORDABLE DWELLING UNITS GREATER THAN THE
PERCENTAGE OTHERWISE REQUIRED IN RESIDENTIAL ZONES IN THAT COUNTY.~~

~~(6) A COUNTY MAY REQUIRE:~~

~~(I) UP TO 20% OF THE AVAILABLE FLOOR SPACE OF A
PERMITTED DEVELOPMENT TO BE DEDICATED TO RETAIL USES; AND~~

~~(II) A PERMITTED DEVELOPMENT TO INCLUDE ON-SITE
PARKING.~~

~~(7) A COUNTY MAY REGULATE THE SITING AND DESIGN OF A
PERMITTED DEVELOPMENT.~~

~~(8) A COUNTY MAY NOT IMPOSE A MINIMUM OFF-STREET PARKING
REQUIREMENT ON A PERMITTED DEVELOPMENT, EXCEPT AS NECESSARY TO
COMPLY WITH FEDERAL LAW.~~

~~7-501.~~

~~(a) In this subtitle the following words have the meanings indicated.~~

1 ~~(b) "Affordable" means that housing costs do not exceed 30% of a household's~~
2 ~~income.~~

3 ~~(e) "Affordable dwelling unit" means a dwelling unit that is affordable to~~
4 ~~households earning 60% or less of the area median income.~~

5 ~~(d) "Area median income" means the median household income for the area~~
6 ~~adjusted for household size as published and annually updated by the U.S. Department of~~
7 ~~Housing and Urban Development.~~

8 ~~(i) (1) "Mixed use" means any combination of a residential use with a~~
9 ~~recreational, office, dining, or retail use.~~

10 ~~(2) "Mixed use" does not mean any combination of a residential use with~~
11 ~~an industrial or hazardous use.~~

12 ~~10-103.~~

13 ~~(a) Except as provided in this section, this division does not apply to Baltimore~~
14 ~~City.~~

15 ~~(b) The following provisions of this division apply to Baltimore City:~~

16 ~~(1) this title;~~

17 ~~(2) § 1-101(m) (Definitions—"Priority funding area");~~

18 ~~(3) § 1-101(e) (Definitions—"Sensitive area");~~

19 ~~(4) § 1-201 (Visions);~~

20 ~~(5) § 1-206 (Required education);~~

21 ~~(6) § 1-207 (Annual report—In general);~~

22 ~~(7) § 1-208 (Annual report—Measures and indicators);~~

23 ~~(8) Title 1, Subtitle 3 (Consistency);~~

24 ~~(9) Title 1, Subtitle 4, Parts II and III (Home Rule Counties~~
25 ~~—Comprehensive Plans; Implementation);~~

26 ~~(10) § 4-104(e) (Limitations—Bicycle parking);~~

27 ~~(11) § 4-104(d) (Limitations—Manufactured homes and modular dwellings);~~

~~(12) § 4-104(E) (MULTIFAMILY DEVELOPMENTS AND MIXED USE DEVELOPMENTS);~~

~~(13) § 4-205 (Administrative adjustments);~~

~~[(13)] (14) § 4-208 (Exceptions — Maryland Accessibility Code);~~

~~[(14)] (15) § 4-210 (Permits and variances — Solar panels);~~

~~[(15)] (16) § 4-211 (Change in zoning classification — Energy generating systems);~~

~~[(16)] (17) § 4-215 (Pollinator friendly vegetation management);~~

~~[(17)] (18) § 4-216 (Limitations — Family child care homes and large family child care homes);~~

~~[(18)] (19) Title 4, Subtitle 5 (Accessory Dwelling Units);~~

~~[(19)] (20) § 5-102(d) (Subdivision regulations — Burial sites);~~

~~[(20)] (21) Title 7, Subtitle 1 (Development Mechanisms);~~

~~[(21)] (22) Title 7, Subtitle 2 (Transfer of Development Rights);~~

~~[(22)] (23) Title 7, Subtitle 3 (Development Rights and Responsibilities Agreements);~~

~~[(23)] (24) Title 7, Subtitle 4 (Inclusionary Zoning);~~

~~[(24)] (25) Title 7, Subtitle 5 (Housing Expansion and Affordability); and~~

~~[(25)] (26) Title 11, Subtitle 2 (Civil Penalty);~~

~~Article — Real Property~~

~~2-127.~~

~~(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.~~

~~(2) “MIXED USE DEVELOPMENT” HAS THE MEANING STATED IN § 4-104(E) OF THE LAND USE ARTICLE.~~

~~(3) "MULTIFAMILY DEVELOPMENT" HAS THE MEANING STATED IN § 4-104(E) OF THE LAND USE ARTICLE.~~

~~(4) "RESTRICTION ON USE" INCLUDES ANY COVENANT, RESTRICTION, OR CONDITION CONTAINED IN:~~

~~(I) A DEED;~~

~~(II) A DECLARATION;~~

~~(III) A CONTRACT;~~

~~(IV) THE BYLAWS OR RULES OF A HOMEOWNERS ASSOCIATION;~~

~~(V) A SECURITY INSTRUMENT; OR~~

~~(VI) ANY OTHER INSTRUMENT AFFECTING:~~

~~1. THE TRANSFER OR SALE OF REAL PROPERTY; OR~~

~~2. ANY OTHER INTEREST IN REAL PROPERTY.~~

~~(B) (1) IF A PROPERTY OWNER HAS THE EXCLUSIVE RIGHT TO USE THE PROPERTY AND ABIDES BY ALL APPLICABLE LAWS AND REGULATIONS, A RESTRICTION ON USE REGARDING LAND USE MAY NOT IMPOSE OR ACT TO IMPOSE AN UNREASONABLE LIMITATION ON THE ABILITY OF THE PROPERTY OWNER TO BUILD A RESIDENTIAL DEVELOPMENT OR MIXED USE DEVELOPMENT.~~

~~(2) FOR THE PURPOSE OF PARAGRAPH (1) OF THIS SUBSECTION, AN UNREASONABLE LIMITATION INCLUDES A LIMITATION THAT:~~

~~(I) SIGNIFICANTLY INCREASES THE COST OF DEVELOPING A MULTIFAMILY DEVELOPMENT OR MIXED USE DEVELOPMENT; OR~~

~~(II) PROHIBITS, EITHER EXPLICITLY OR BY EFFECT OF THE RESTRICTIONS, A MULTIFAMILY DEVELOPMENT OR MIXED USE DEVELOPMENT.~~

~~(C) THIS SECTION DOES NOT APPLY TO A RESTRICTION ON USE ON HISTORIC PROPERTY THAT IS LISTED IN OR DETERMINED BY THE DIRECTOR OF THE MARYLAND HISTORICAL TRUST TO BE ELIGIBLE FOR INCLUSION IN THE MARYLAND REGISTER OF HISTORIC PROPERTIES.~~

(a) (1) In this section the following words have the meanings indicated.

1 (2) “Department” means the Department of Housing and Community
2 Development.

3 (3) “Residential-in-commercial-zone (RICZ) law” means statewide
4 legislation that requires local jurisdictions to allow multifamily residential or mixed-use
5 developments as a permitted use in at least some commercially zoned areas.

6 (b) The Department shall conduct a study of RICZ laws, which shall include:

7 (1) a summary and comparison of RICZ laws enacted by other states;

8 (2) an assessment of the impact of RICZ laws on:

9 (i) urban communities where there is already a mix of commercial
10 and residential uses;

11 (ii) local infrastructure;

12 (iii) local economic development goals; and

13 (iv) housing production; and

14 (3) recommendations regarding appropriate requirements and restrictions
15 applicable to multifamily residential and mixed-use development under RICZ laws,
16 including recommendations regarding:

17 (i) off-street parking requirements;

18 (ii) allowed density;

19 (iii) first-floor nonresidential use requirements;

20 (iv) building height restrictions;

21 (v) the types of commercial areas appropriate for multifamily
22 residential and mixed-use developments; and

23 (vi) special considerations for urban, suburban, and rural areas.

24 (c) On or before December 1, 2026, the Department shall report its findings and
25 recommendations to the Governor and, in accordance with § 2-1257 of the State
26 Government Article, the General Assembly.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 ~~October~~ June 1, 2026. It shall remain effective for a period of 1 year and, at the end of May
29 31, 2027, this Act, with no further action required by the General Assembly, shall be
30 abrogated and of no further force and effect.