

SB344_Brooks.pdf

Uploaded by: Benjamin Brooks

Position: FAV

BENJAMIN BROOKS
Legislative District 10
Baltimore County

Education, Energy, and the
Environment Committee

Energy Subcommittee

Chair, Joint Electric Universal
Service Program Workgroup



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TESTIMONY IN SUPPORT OF SB 344
Property Tax Credit- Retail Service Station Conversions

Budget & Taxation Committee
January 29, 2025

Chair Guzzone, Vice-Chair Rosapepe and Members of the Committee,

Thank you for the opportunity to testify before you on SB 344, Property Tax Credit – Retail Service Station Conversions. The purpose of this bill is to allow the Counties and Baltimore City to grant property tax credits for property owners who convert former retail service stations into new residential and retail uses.

In the past few years, major automobile manufacturers such as Ford, Honda, General Motors, and many more have pledged to dedicate 50% to 100% of their sales to electric vehicles by 2030 or sooner. The writing is on the wall for retail service stations— gas-powered cars are being phased out and we need to plan for a future where consumers are simply not purchasing gas at the level they used to. Rather than allowing hundreds of viable properties to remain abandoned and under-utilized, we should embrace this transition as an opportunity to revitalize communities and create pathways for new growth and opportunities.

SB 344 will authorize counties and Baltimore City to provide property tax credits for real properties that have been repurposed from a retail service station to alternative uses. These could include mixed commercial and residential areas but exclude nuisance businesses such as self-storage facilities and discount retail stores. It will help to offset the significant cost of converting these sites, including expenses related to addressing or removing underground storage tanks.

This tax credit for retail service station conversions will have the potential of transforming our neighborhoods, thus, paving the way for new homes and job opportunities for Marylanders. It is time to start taking the necessary steps to uplift communities, preserve local economies, protect the environment, and conserve the future of our planet.

For these reasons, I am requesting a favorable report of SB 344.

With kindest regards,

A handwritten signature in cursive script that reads "Benjamin T. Brooks".

Benjamin Brooks

SB0344_Tax_Credit_Retail_Service_Stations_MLC_FAV.

Uploaded by: Cecilia Plante

Position: FAV



**TESTIMONY FOR SB0344
PROPERTY TAX CREDIT – RETAIL SERVICE STATION
CONVERSIONS**

Bill Sponsor: Senator Brooks

Committee: Budget and Taxation

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Cecilia Plante, co-chair

Position: FAVORABLE

I am submitting this testimony in favor of SB0344 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

Over the next decade, we will have to ensure that many more retail service stations close as we make our transition to clean energy and stop using fossil fuels to power our vehicles. Because it is so hard to convert a service station from its original use, due to the required remediation of the storage tanks below-ground, many service stations just remain abandoned as an eyesore for the communities they are located in, and preventing them from being converted to other uses.

This bill would allow local jurisdictions to enact a property tax credit that would be used to remediate the hazards below-ground at service stations so they could be converted to other uses. It provides a 50% match by the state to offset the property tax, so the impact to the local jurisdiction is reduced.

This will help make the transition away from using gas to power our vehicles easier and will help reduce the number of abandoned gas stations across the state, and allow those properties to be utilized more productively.

We support this bill and recommend a **FAVORABLE** report in committee.

SB0344-BT_MACo_SUP.pdf

Uploaded by: Kevin Kinnally

Position: FAV



Senate Bill 344

Property Tax Credit - Retail Service Station Conversions

MACo Position: **SUPPORT**

To: Budget and Taxation Committee

Date: January 29, 2025

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** SB 344. This bill enables local governments to enact a property tax credit for specified converted retail stations. In addition, it requires the State to reimburse local governments for half of the foregone property tax revenue resulting from enacting the credit.

MACo generally supports legislation that provides broad authority to enact tax incentives for revitalization and tax relief purposes and welcomes the opportunity to work with state policymakers to develop flexible and optional tools to create broad or targeted tax incentives. Counties prefer the approach offered by SB 344, as it provides local autonomy to determine the best way to provide these incentives rather than those that mandate reductions in local revenue sources.

Former retail service stations often face substantial redevelopment costs due to environmental remediation requirements, such as removing underground storage tanks. These costs create unique barriers to redevelopment, making such properties less attractive for investment. This bill addresses these challenges by offering a flexible tool for counties to incentivize the reuse of these properties for retail, residential, or mixed-use purposes, as specified.

The bill allows local governments to grant a property tax credit against the county or municipal property tax imposed on real property when the use of the property converts from a retail service station to another retail use, a residential use, or a mixed retail and residential use, as specified.

In addition, the bill properly provides local governments flexibility in determining the duration of the credit, the maximum assessed value of a dwelling eligible for the credit, and, if necessary, any additional eligibility criteria. This authority allows each jurisdiction that enacts the credit to tailor its provisions to community needs while offering broad discretion to determine the extent of revenue foregone to achieve the bill's intended benefits.

SB 344 ensures local governments have flexibility in enacting policies designed to serve and react to community needs. Accordingly, MACo urges the Committee to issue a **FAVORABLE** report for SB 344.

MBIA letter of Support SB344.pdf

Uploaded by: Lori Graf

Position: FAV

January 29, 2025

The Honorable Guy Guzzone
Chair, Budget & Taxation Committee
3 West Miller Senate Office Building
Annapolis, MD, 21401

RE: MBIA Letter of Support - SB344 - Property Tax Credit - Retail Service Station Conversions

Dear Chairman Guzzone:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding SB344 - Property Tax Credit - Retail Service Station Conversions. MBIA supports the bill in its current version.

The proposed legislation would seek to Authorizing the Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation to grant, by law, a credit against the county or municipal corporation property tax on real property if use of the real property has been converted from a retail service station to other certain uses.

SB344 is crucial for fostering positive economic development and adaptive for reuse of properties around the state of Maryland. The conversion of retail service stations to alternative uses, such as retail or residential is often a complex and expensive process. This legislation highlights the challenges faced by property owners who are seeking to repurpose these properties.

The legislation allows flexibility in the tax credit, tailoring it to each community's needs. The provision allowing for a state or reimbursement of 50 percent to counties and municipalities shows a commitment to supporting local jurisdictions in efforts to promote smart growth and redevelopment.

For these reasons, MBIA respectfully requests the Committee this measure a favorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the Senate Budget and Taxation Committee

SB344_Property Tax Credit-Service Station Conversi

Uploaded by: Megan D'Arcy

Position: FAV



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Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 344 – Property Tax Credit – Retail Service Station Conversions
Budget and Taxation Committee
January 29, 2025

The Rural Maryland Council supports Senate Bill 344 - Property Tax Credit – Retail Service Station Conversions. This bill encourages the repurposing of underutilized properties, potentially leading to revitalized communities and more efficient land use. It allows local governments, including Baltimore City and counties, to grant property tax credits on real properties converted from retail service stations to other uses. Additionally, the bill authorizes the state to reimburse participating local jurisdictions for 50% of the forgone property tax revenue resulting from these credits, as specified in the state budget. This incentivizes the conversion of vacant properties and promotes community development.

Senate Bill 344 benefits rural areas by providing property tax credits for the conversion of underutilized retail service stations into alternative uses, which can drive revitalization in these communities. Many rural areas have abandoned or underdeveloped properties, and this bill encourages redevelopment that can attract new businesses or services to those locations. It incentivizes property revitalization by encouraging the transformation of unused or abandoned retail service stations into productive uses, which can help revitalize rural areas and make better use of existing properties. The bill supports local economic growth by creating opportunities for new businesses and job creation, which is particularly beneficial in rural communities that may struggle with economic activity and development. Additionally, repurposing retail service stations can lead to improvements in local infrastructure and services, such as new retail establishments, community centers, or essential services.

By promoting these conversions in rural areas, the bill helps ensure more efficient use of land, encourages community development, and can stimulate local economies. The Rural Maryland Council respectfully requests your favorable support of Senate Bill 344.

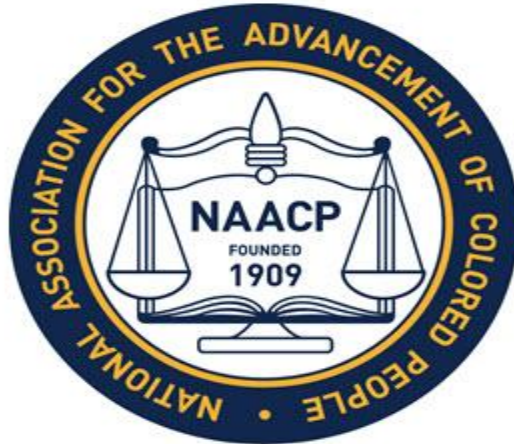
The Rural Maryland Council (RMC) is an independent state agency governed by a nonpartisan, 40-member board that consists of inclusive representation from the federal, state, regional, county, and municipal governments, as well as the for-profit and nonprofit sectors. We bring together federal, state, county, and municipal government officials as well as representatives of the for-profit and nonprofit sectors to identify challenges unique to rural communities and to craft public policy, programmatic, or regulatory solutions.

“A Collective Voice for Rural Maryland”

SB0344 Support.pdf

Uploaded by: Ryan Coleman

Position: FAV



Randallstown

Po Box 731 Randallstown, MD 21133

January 27, 2025

Budget and Taxation Committee
3 West Miller Senate Office Building
3 West Miller Senate Office Building
Annapolis, Maryland 21401

RE: SUPPORT SB 0344, Property Tax Credit - Retail Service Station Conversions

Dear Chair Guzzone, Vice Chair Rosapepe and Members of the Budget and Taxation Committee

The Randallstown NAACP is a 500 member branch located in Baltimore County, Maryland. We have members in Baltimore County and Baltimore City. One of primary focuses is ensuring that our communities yield a high quality of life for Black residents.

Electric vehicles are here to stay — and possibly, to put traditional fueling stations out of business. One 2019 study estimated that between 25% and 80% of

gas stations could be unprofitable by the early 2030s.

But closing gas stations and selling off the land means first cleaning up what's underneath them: often decades-old steel gasoline storage tanks, some of which are already leaking toxic chemicals into the soil and groundwater surrounding them. And a half-million confirmed leaks across the country could cost more than \$22 billion to clean up.

There are so many gas stations in the black community in Baltimore County and Maryland. How will we be able to transform these into stores and places our community needs? SB 0344 starts to give the community and government a tool to transform these gas stations.

The Randallstown NAACP supports SB 0344, Property Tax Credit - Retail Service Station Conversions. ***The Randallstown Branch of the NAACP urges a favorable report from the committee on SB 0344.***

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yours

Ryan Coleman

Randallstown NAACP, President

<https://randnaacp.org/>

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