

SB58_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



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

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TESTIMONY IN SUPPORT OF SB58
Property Tax Credit- Retail Service Station Conversions

Budget & Taxation Committee
January 21, 2026

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

Thank you for the opportunity to testify before you on SB58, 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/or retail uses.

In recent years, major automobile manufacturers such as Ford, Honda, and General Motors have announced plans to expand their electric vehicle production. The writing is on the wall for retail service stations— gas-powered cars (or internal combustion engines,) 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.

SB58 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 and/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 SB58.

With kindest regards,

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

Benjamin Brooks

SB0058_Property_Tax_Credit_Retail_Service_Station_

Uploaded by: Cecilia Plante

Position: FAV



**TESTIMONY FOR SB0058
PROPERTY TAX CREDIT – RETAIL SERVICE STATION
CONVERSIONS**

Bill Sponsor: Senator Brooks

Committee: Education, Energy, and the Environment

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Cecilia Plante, co-chair

Position: FAVORABLE

I am submitting this testimony in favor of SB0058 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.

SB0058-BT_MACo_SUP.pdf

Uploaded by: Kevin Kinnally

Position: FAV



Senate Bill 58

Property Tax Credit - Retail Service Station Conversions

MACo Position: **SUPPORT**

To: Budget & Taxation Committee

Date: January 21, 2026

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS** SB 58. This bill authorizes local governments to enact a property tax credit for specified converted retail service stations. The bill also authorizes 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 local authority to enact tax incentives for revitalization and tax relief and welcomes the opportunity to work with state policymakers to develop flexible, optional tools that allow counties to address local needs. Counties favor the approach offered by SB 58 because it preserves local discretion to determine whether and how to offer tax incentives, rather than mandating reductions in local revenue sources.

Former retail service stations often face significant redevelopment barriers due to environmental remediation requirements, including the removal of underground storage tanks and cleanup of associated contamination. These added costs discourage reinvestment and limit reuse opportunities. SB 58 addresses these challenges by giving counties a flexible option to incentivize redevelopment for retail, residential, or mixed-use purposes.

The bill authorizes local governments to grant a property tax credit against the county or municipal property tax when a 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 with 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 58 preserves local authority and provides counties with a practical tool to support redevelopment where market barriers remain high. For these reasons, MACo urges the Committee to issue a **FAVORABLE** report for SB 58.

Testimony SB58 Tax Credit S.S..pdf

Uploaded by: Kirk McCauley

Position: FAV



WMDA/CAR Service Station
and Automotive Repair Association

Chair: Guy Guzzone and Member of Budget and Taxation Committee

RE: SB58

Position: Support

My name is Kirk McCauley, my employer is WMDA/CAR, we represent service stations, convenience stores, and repair facilities across the state as a non-profit trade group.

While HB 58 has no specific dollar amount, duration, who may qualify, it does create incentives for a buyer or current owner.

Depending on those specifics and limitations there could be benefits to locations that are considered urban blight or food deserts, along with employment.

WMDA/CAR asks for a favorable vote on SB58.

Any questions, contact to Kirk McCauley, 301-775-0221 or kmccauley@wmdacar.com

SB0058_Service Station Conversions_Budget and Tax_

Uploaded by: Laurie McGilvray

Position: FAV



Testimony on: SB0058 - Property Tax Credit – Retail Service Station Conversions

Committee: Budget and Taxation

Organization: Maryland Legislative Coalition Climate Justice Wing

Submitting: Dave Arndt, Co-Chair

Position: Favorable

Hearing Date: January 21, 2025

Dear Chair and Committee Members:

We are providing our testimony today in support of SB0058 Property Tax Credit – Retail Service Station Conversions. The Maryland Legislative Climate Justice Wing is a statewide coalition of nearly 30 grassroots and professional organizations focused on climate justice and we urge you to vote favorably on SB0058.

The intent of this bill is to support the redevelopment of former gas stations to other uses. Because it is so hard and costly to convert a service station from its original use, due to the required remediation of the storage tanks below-ground, many service stations remain abandoned and an eyesore for the communities they are located in. This bill incentivizes the redevelopment of these underused properties by allowing 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, reducing the impact to the local jurisdictions.

The provisions apply when a site is redeveloped for new, eligible uses. Maryland's obligation to reduce carbon emission includes the transition away from gas-powered vehicles to electric vehicles. Over the next decade, as many more retail service stations close, this bill will make it easier to reduce the number of abandoned gas stations across the state, and allow those properties to be redeveloped for more productive purposes.

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

350MoCo

Adat Shalom Climate Action

Cedar Lane Unitarian Universalist Church Environmental Justice Ministry

Chesapeake Earth Holders

Chesapeake Physicians for Social Responsibility
Climate Parents of Prince George's
Climate Reality Project
ClimateXChange – Rebuild Maryland Coalition
Coming Clean Network, Union of Concerned Scientists
DoTheMostGood Montgomery County
Echotopia
Elders Climate Action
Fix Maryland Rail
Glen Echo Heights Mobilization
Greenbelt Climate Action Network
HoCoClimateAction
IndivisibleHoCoMD
Maryland Legislative Coalition
Mizrahi Family Charitable Fund
Mobilize Frederick
Montgomery County Faith Alliance for Climate Solutions
Montgomery Countryside Alliance
Mountain Maryland Movement
Nuclear Information & Resource Service
Progressive Maryland
Safe & Healthy Playing Fields
Takoma Park Mobilization Environment Committee
The Climate Mobilization MoCo Chapter
Unitarian Universalist Legislative Ministry of Maryland

SB0058_GasStationConversions_BnT_HoCoCA_FAV.pdf

Uploaded by: Liz Feighner

Position: FAV



HoCoClimateAction.org
Howard County, Maryland

[SB0058/ HB0161](#) - Property Tax Credit – Retail Service Station Conversions

Hearing Date: January 21, 2026

Bill Sponsor: Senator Brooks

Committee: Budget and Taxation

Submitting: Liz Feighner for Howard County Climate Action

Position: Favorable

[HoCo Climate Action](#) is a [350.org](#) local chapter and a grassroots organization representing approximately 1,400 subscribers. We are also a member of the [Climate Justice Wing](#) of the [Maryland Legislative Coalition](#). Our organization works with residents and ally organizations to promote a safe climate and clean energy future.

We urge you to vote favorably on **Property Tax Credit – Retail Service Station Conversions, [SB0058/ HB0161](#)**, which incentivizes the redevelopment of former gas stations to other uses. A clean-energy future will transition away from gas-powered vehicles to electric vehicles. We need to prepare for a future when gas stations will go out of business. Because it is so difficult and costly to convert a service station from its original use, due to the required remediation of the underground storage tanks, many will remain abandoned and an eyesore for the communities.

This bill incentivizes the redevelopment of these underused properties by allowing local jurisdictions to enact a property tax credit that would be used to remediate the underground hazards so they could be converted to other uses. It provides a 50% match by the state to offset the property tax, reducing the impact to the local jurisdictions. The provisions apply when a site is redeveloped for new, eligible uses.

Maryland's obligation to reduce carbon emission includes the transition away from gas-powered vehicles to electric vehicles. Over the next decade, this bill will make it easier to reduce the number of abandoned gas stations across the state and allow those properties to be redeveloped for more productive purposes.

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

Howard County Climate Action

Submitted by Liz Feighner, Steering and Advocacy Committee

www.HoCoClimateAction.org

HoCoClimateAction@gmail.com

MBIA letter of Support SB58.pdf

Uploaded by: Lori Graf

Position: FAV

January 21, 2026

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

RE: MBIA Letter of Support – SB58 - Property Tax Credit - Retail Service Station Conversions

Dear Chair Guzzone:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding SB58 - 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.

SB58 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

Testimony in support of SB0058, Property Tax Credi

Uploaded by: Richard KAP Kaplowitz

Position: FAV

SB0058_RichardKaplowitz_FAV

01/20/2026

Richard Keith Kaplowitz

Frederick, MD 21703

TESTIMONY ON SB#/0058- POSITION: FAVORABLE
Property Tax Credit - Retail Service Station Conversions

TO: Chair Guzzone, Vice Chair Rosapepe, and members of the Budget and Taxation Committee

FROM: Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support of SB#/0058, **Property Tax Credit - Retail Service Station Conversions**

This bill encourages conversion of service stations to maximize their usage and provide multiple favorable conditions in the community in which they are located.

In the end, taking on the conversion of traditional gas stations into vibrant, modern retail spaces represents a truly unique and, frankly, an increasingly attractive opportunity within today's commercial real estate market. Yes, there are definite challenges involved – navigating environmental remediation and complying with all those regulations requires careful attention and expertise. **But the potential upside? The chance to genuinely revitalize a community, transform a neglected property, and generate strong returns on your investment?** That potential is absolutely undeniable. ¹

This bill will facilitate entrepreneurs in undertaking this conversion by giving them a property tax credit when they work to make that station into a vibrant part of the community. Environmental remediation can have positive effects on the local environment. A larger facility can become a source of local jobs to effect that conversion and then staff an expanded facility.

While the following is in promotion of a business that assists in those conversions their conclusions are valid considerations.

Investing in gas station renovations isn't just about updating the physical space; it's about investing in the customer experience. By prioritizing convenience, safety, and overall satisfaction, businesses ... can boost customer loyalty, increase foot traffic, and ultimately drive business success. Strategic renovations demonstrate a commitment to meeting customer needs and staying competitive in a rapidly evolving market. ²

I respectfully urge this committee to return a favorable report on SB#/0058.

¹ <https://www.lansingcitypulse.com/stories/gas-station-conversion-playbook-turn-underused-properties-into-retail-gold-with-these-proven,143926>

² <https://www.rossfogg.com/blog/boosting-business-the-impact-of-gas-station-renovation-on-customer-experience/>

SB0058 Letter of Support with Amendments (1).pdf

Uploaded by: Dana Phillips

Position: FWA

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Governor

ARUNA MILLER
Lieutenant Governor



YAAKOV "JAKE" WEISSMANN
Acting Secretary

MARC L. NICOLE
Deputy Secretary

TITLE HOUSE/SENATE BILL: SB58 Property Tax Credit – Retail Service Station Conversions

DATE: January 21st 2026

COMMITTEE: Budget and Taxation

SUMMARY OF BILL: Senate Bill 58 allows local governments to provide a property tax credit to the owners of property that was converted from a retail service station (i.e., a gas station) into another type of retail property, a residential property, or a mixed retail and residential property. (A “discount store,” defined in the bill, is not an eligible retail property.) The bill is intended to assist the owners of retail service stations who want to transform their properties as more drivers purchase electric and hybrid vehicles and fewer consumers patronize gas stations. The bill does not provide any details on the amount of the property tax credit available to eligible property tax owners or on any limitations on the total tax expenditure a local government can provide. However, the bill establishes that the state government “may” pay the local governments 50 percent of the local revenue cost of the local property tax credit.

EXPLANATION: While the Department appreciates the discretionary "may" language in the current bill, we request an amendment to strike Section (E) entirely to eliminate any future expectation of State reimbursement. This ensures that the fiscal responsibility for local tax credits remains with the local jurisdictions that authorize them, which is critical given the State’s current projected deficits.

The Department of Budget and Management (DBM) is charged with submitting a balanced budget to the General Assembly annually and will be working with the General Assembly to achieve structural balance over the long term. This mission is further complicated by significant uncertainty regarding federal uncertainty in both policy and budgetary senses, which requires the State to maintain a higher degree of fiscal resilience. In light of current projected general fund deficits in fiscal 2027 and beyond, the Department urges caution in passing legislation that significantly increases expenditures without commensurate decreases in other areas. In light of the current fiscal crisis, the state government must be disciplined and strategic in its funding

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YAAKOV "JAKE" WEISSMANN
Acting Secretary

MARC L. NICOLE
Deputy Secretary

decisions to protect essential services. Any legislation that increases spending should include specific, identified, and sustainable funding offsets.

Given the forecasted out-year deficits as well as significant uncertainty regarding the federal budget and policy changes, it would be challenging for the State to manage this increase in spending. This challenge is compounded by major, unforeseen changes in federal policy and other ongoing budgetary pressures. The Department of Budget and Management (DBM) now forecasts significant shortfalls beginning in Fiscal Year 2026 and escalating dramatically into Fiscal Year 2027.

**For additional information, contact Dana Phillips at
(410) 260-6068 or dana.phillips@maryland.gov**

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