

March 3, 2026

The Honorable Krisdela Valderama
Chair, Economic Matters Committee
230 Taylor House Office Building
Annapolis, MD, 21401

RE: MBIA Letter of Support HB 894 - Land Use - Transit-Oriented Development - Alterations (Maryland Transit and Housing Opportunity Act)

Dear Chairwoman Valderama,

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **HB894**. MBIA is submitting testimony in **support** of this legislation to promote transit-oriented development, expand housing opportunities, and strengthen economic growth in Maryland.

This bill takes meaningful steps to align state policy with smart growth principles by automatically designating qualifying transit-oriented developments as enterprise zones. By doing so, it ensures that areas already served by transit infrastructure can fully leverage economic development incentives. Requiring the Maryland Development Corporation to prioritize redevelopment projects near transit stations through the Strategic Infrastructure Revolving Loan Program further reinforces this goal. Infrastructure financing is often one of the largest barriers to redevelopment. By prioritizing these projects, the State is signaling that compact, walkable, transit-accessible communities are a top priority.

The bill also addresses a major contributor to Maryland's housing shortage: regulatory and financial barriers to building near transit. Modifying local land use authority in proximity to major transit stations ensures that scarce land near public transportation is used efficiently. Transit-adjacent land is a statewide asset, and it is appropriate for the State to ensure it supports housing production, economic opportunity, and reduced traffic congestion.

Finally, delaying the collection of development excise taxes and impact fees for qualifying residential projects improves project feasibility without eliminating local revenue. This change addresses upfront financing challenges while still preserving long-term funding for local governments. Maryland has invested billions in transit infrastructure.

This legislation ensures we fully leverage those investments by encouraging the right kind of development in the right places.

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

cc: Members of the House Economic Matters Committee