



## TESTIMONY

**COMMITTEE:** Senate Education, Energy, and the Environment

**DATE:** February 17, 2026

**POSITION:** Unfavorable

**BILL:** Senate Bill 47

The Maryland Municipal League respectfully opposes Senate Bill 47, which removes the existing requirement that local governments approve applications for financial assistance under the Neighborhood Business Development Program (NBDP). The NBDP was intentionally designed as a collaborative state–local program, recognizing that successful neighborhood-scale business development depends not only on access to capital, but also on alignment with local land use plans, zoning, infrastructure capacity, and community priorities.

Under current law, local governments are required to act on NBDP applications within a defined timeframe, with automatic approval if no response is provided within 45 days. SB 47 replaces this structure with a notice-only process, eliminating both the approval requirement and the default approval provision. This removes a formal local checkpoint that ensures state investments are coordinated with local planning and economic development strategies. Providing state financial assistance before zoning or land use concerns are resolved risks advancing projects that may ultimately be inconsistent with local requirements or community expectations.

MML understands the Department’s interest in expediting funding decisions and aligning timelines more closely with private-sector lending practices, and we agree that unnecessary delay should be avoided. However, eliminating local approval entirely moves the program away from its original collaborative framework. A more balanced approach, such as establishing a defined and shortened comment period that allows local governments to identify material concerns without unduly delaying projects, would preserve coordination while addressing administrative timing challenges. We appreciate the Department’s willingness to engage in good-faith discussions toward a workable compromise, and those conversations remain ongoing. Absent the adoption of amendments reflecting that balance, the League respectfully requests an unfavorable report on HB 235.

For more information relating to this piece of testimony, please contact:

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*MML represents 161 local governments and about 2 million Maryland residents.*

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