



February 13, 2026

The Honorable Brian J. Feldman, Chair  
Senate Education, Energy, and the Environment Committee  
2 West Senate Office Building  
Annapolis, Maryland 21401

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

**Unfavorable: SB 267 – Land Use – Residential Housing – Oversight , Regulation and Taxation**

Dear Chair, Feldman, Chair Guzzone, and Committee Members:

The NAIOP Maryland Chapters represent approximately 700 companies involved in all aspects of commercial, industrial, and mixed-use real estate. On behalf of our member companies, I am writing to recommend your unfavorable report on SB 267.

While we appreciate the intent to address the critical issue of affordable housing in Maryland, we have significant concerns about the consequences of the taxes proposed in this legislation and the lack of attention in the bill to increasing development capacity in local jurisdictions. Our position is based, in part, on the following rationale:

- **Housing Production Targets Will Not Create Development Capacity** – The bill proposes publishing non-binding housing production targets for the state and each local jurisdiction. There is no requirement for local jurisdictions to alter their comprehensive plans and zoning regulations to provide development capacity sufficient to meet those targets. Without requirements that local governments increase development capacity, it is unlikely that any significant progress toward the published targets will be achieved.
- **Higher Taxes and Fees Will Not Incentivize New Development** – The bill authorizes numerous new taxes and fees as well authority to set higher rates on existing taxes based on land value, improvement status, ownership, and other factors. Taxes and fees mainly affect home prices not the quantity of homes or rate of housing production. The main barriers to housing production in Maryland’s local jurisdictions are the lack of land zoned for development and limitations on permitted zoning density.

**For these reasons, NAIOP respectfully recommends your unfavorable report on SB 267.**

Sincerely,

Tom Ballentine, Vice President for Policy  
NAIOP – Maryland Chapters, *The Association for Commercial Real Estate*

cc: Education, Energy, and the Environment Committee Members  
Budget and Taxation Committee Members  
Nick Manis – Manis, Canning Assoc.