



Committees: Finance and Education, Energy and the Environment
Testimony on: SB 389, Land Use – Transit-Oriented Development – Alterations (Maryland Transit and Housing Opportunity Act)
Position: Support
Hearing Date: February 17, 2026

The Maryland Chapter of the Sierra Club urges a favorable report on SB 389. This bill supports transit-oriented development by automatically designating areas near certain rail stations as enterprise zones; prioritizing the redevelopment of state-owned land contiguous to rail stations; removing certain restrictive development standards, such as minimum off-street parking requirements, for properties very close to rail stations with frequent service; and changing the timing of impact fee payments until after construction is complete and an occupancy permit has been issued.

This legislation will help to implement the vision outlined in the Maryland Department of Transportation’s (MDOT’s) 2024 *Penn Line Transit-Oriented Development Strategy Plan* to develop 170 acres of undeveloped state-owned land around Penn Line stations and unlock more than \$800 million in tax revenue for the state over three decades.¹ Other projected benefits include \$1.7 billion in annual retail sales, at least 2,600 new housing units, and over half a million new MARC trips – and this is only for the Penn Line stations. A full buildout of rail stations across the state will provide even greater economic, climate, and quality of life benefits.

Climate change, land use, affordability, equity, and transportation are all inextricably entwined. As Sierra Club’s Urban Infill Guidance states, how we build cities and towns has a profound effect on the causes and impacts of climate change. By focusing dense, multi-family, and mixed-use development near transit stations and other public infrastructure, Maryland can reduce carbon emissions from the transportation sector.²

We also support the provision to remove minimum off-street parking requirements near rail stations. This will help to make residential units more affordable, due to the high cost of building parking spaces which gets added to housing prices, and will allow projects to “right-size” the amount of parking to the transit-oriented location and financing conditions.

Maryland makes massive investments in its rail transportation infrastructure. It makes sense that the state would play an active role in enabling as many Marylanders as possible to enjoy living, working, or visiting places near those investments. This bill also works hand-in-hand with other state efforts to increase the supply of affordable housing and create more just communities.

In conclusion, we urge you to submit a favorable report for SB 389.

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¹ <https://www.mdot.maryland.gov/tso/pages/newsroomdetails.aspx?newsId=852&PageId=38>

² https://www.sierraclub.org/sites/www.sierraclub.org/files/Infill%20Policy_5.18.2019.pdf