



Senate Bill 389

Date: February 17, 2026

Committee: Finance

Position: Favorable with Amendments

Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees, and families.

SB 389 will streamline transit-oriented development (TOD) by offering a comprehensive approach to overcoming zoning, funding, and implementation barriers, which currently impede the full utilization of Maryland's transit assets. These changes will encourage mixed-use development near rail transit stations, reduce costs for developers, and attract private-sector investment.

This legislation appropriately limits local jurisdictions from imposing a minimum off-street parking requirement on residential or mixed-use developments within .25 miles of a rail transit station that receives at least hourly service on average from 8am-6pm Monday through Friday. Often, securing adequate parking spaces can be challenging for businesses and developers, particularly in high-demand areas or TODs where space is limited and land costs are high. By eliminating these burdensome parking requirements in certain circumstances, SB 389 encourages development, lowers costs, and creates more opportunities for businesses to locate in transit-accessible areas.

SB 389 represents an opportunity to drive talent attraction and retention, boost workforce mobility, and create vibrant communities where people want to live and work. The changes to TOD help address economic challenges posed by growing housing costs and sluggish economic growth. Importantly, it offers a balanced approach that recognizes the need for integrated infrastructure planning to support a thriving economy.

However, the Chamber respectfully requests an amendment to remove the reference to Project Labor Agreement (PLA) preferences on page 13, line 11. While we support the bill's underlying goal of advancing transit-oriented development, we are concerned that a preference to PLAs may unnecessarily increase project costs, limit contractor participation, and reduce flexibility for developers—undermining the bill's intent to spur timely and cost-effective development near transit. Removing this provision would better ensure broad participation, promote competition, and maximize private sector investment.

For these reasons, the Maryland Chamber of Commerce respectfully requests a **Favorable with Amendments Report** on SB 389.