



Senate Bill 389 - Land Use - Transit-Oriented Development - Alterations (Maryland Transit and Housing Opportunity Act)

Position: Support

Maryland REALTORS® supports efforts to make it easier for Marylanders to find homes they can afford in places that make sense for how people live, work, and travel today. Housing near transit gives consumers more choices, reducing commuting costs, improving access to jobs, and creating walkable neighborhoods with nearby shops and services. SB 389 facilitates the creation of these types of housing options.

Areas adjacent to transit are already supported by public infrastructure, making them ideal locations for new housing and mixed-use development. Yet too often, underutilized land near transit remains locked up by outdated zoning rules and high upfront development costs. SB 389 addresses these barriers directly, helping deliver housing where demand already exists and where families can rely less on cars and more on transit.

The bill modernizes zoning near high-frequency rail transit by encouraging mixed-use development and allowing flexibility in parking requirements. Parking minimums are not without costs, and excessive mandates drive up housing prices for consumers. Allowing developers to determine appropriate parking based on market demand helps lower costs while still meeting the needs of future residents.

SB 389 also reduces financial barriers that ultimately raise prices for renters and buyers. By extending Enterprise Zone incentives to locally designated TOD areas, delaying impact fees until construction is complete, and prioritizing TOD projects for State infrastructure financing, the bill lowers upfront costs that can otherwise stall or cancel projects.

The opportunity is significant. MDOT estimates that State-owned land near transit could support roughly 7,000 new housing units and generate \$1.4 billion in State and local tax revenue. Yet restrictive zoning alone is currently preventing thousands of these homes from being built. Senate Bill 389 helps unlock this potential—connecting housing, transit, and economic opportunity in a way that benefits Maryland consumers.

For these reasons, REALTORS® urge a favorable report on SB 389.

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