



Transportation Alliance

February 17, 2026

Testimony on SB 389 – *Maryland Transit and Housing Opportunities Act* – Finance Committee

Position: Favorable

The Central Maryland Transportation Alliance supports SB 389 because it unlocks one of Maryland's greatest untapped economic assets: underutilized land next to transit stations.

Transit-oriented development (TOD) is a proven strategy. Locating homes, jobs, and services around rail stations reduces the need for costly new infrastructure from local governments, and lowers household transportation costs by giving people alternatives to driving. TOD also creates construction jobs, supports ongoing retail and service employment, and attracts both talent and private investment. In short, TOD grows our economy in a way that is efficient, sustainable, and equitable.

But today, two major barriers stand in the way: restrictive zoning and high upfront financing costs. This legislation directly addresses both. It adds flexibility to parking and mixed-use requirements near transit, and it allows MDOT to lead development planning for State-owned, transit-adjacent land in partnership with local governments. It also improves project financing by aligning TOD areas with Enterprise Zone incentives, delaying impact fees until construction is complete, and prioritizing TOD under the Strategic Infrastructure Revolving Loan Fund.

The potential impact is enormous. MDOT estimates that State-owned land near transit could support 7,000 new homes and generate \$1.4 billion in combined State and local tax revenue. Yet current zoning restrictions in the Baltimore region alone are preventing 2,700 homes from being built on State-owned parcels next to transit.

Maryland needs more housing, stronger job centers, and better transportation options. This bill helps deliver all three.

We encourage a FAVORABLE report for Senate Bill 389.