



TESTIMONY

COMMITTEE: House Ways and Means

DATE: March 24, 2026

POSITION: Favorable

BILL: SB 767

The Maryland Municipal League (MML) supports Senate Bill 767. This enabling legislation provides municipal corporations with the discretionary authority to grant property tax credits to commercial property owners who lease space to small businesses within designated economic hubs. We respectfully request a Favorable Report.

Maryland's 157 cities and towns are the primary stewards of our state's "Main Street" economies. However, many municipal leaders face the dual challenge of rising commercial property values and the resulting displacement of the small, local businesses that give our communities their unique character.

SB 767 provides a targeted, **locally-controlled** solution to this problem. By authorizing a property tax credit for owners who lease space at fair market value to small businesses, the bill creates a "win-win-win" scenario:

1. **For Property Owners:** It provides a fiscal incentive to maintain stable, long-term tenancies with local entrepreneurs.
2. **For Small Businesses:** It helps mitigate the "rent-out" effect in rapidly appreciating areas, ensuring they can stay in the heart of the community.
3. **For Municipalities:** It allows for the continued revitalization of **Main Street Maryland communities, Arts & Entertainment Districts, and Business Improvement Districts (BIDs).**

This flexibility established within SB 767 ensures that a town can implement the credit in a way that is fiscally responsible and tailored to its specific streetscape—whether that means filling vacant storefronts in a rural downtown or supporting artist-led retail in an urban center.

For these reasons, the League respectfully requests a favorable report on SB 767.