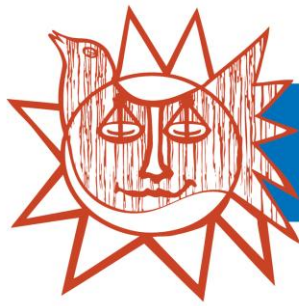


# **Senate Bill 518-Testimony-Anabell Martinez from CA**

Uploaded by: Anabell Martinez

Position: FAV



# CARECEN

LATINO RESOURCE AND JUSTICE CENTER

*Strengthening the Latino Community in the Washington, D.C. Area*

**Official Testimony of CARECEN in Support of Senate Bill 518,**

**Committee:** Budget and Taxation

**Submitted by:** *Anabell Martinez, Housing Program Director*

**Organization:** Central American Resource Center (CARECEN)

**Date:** *February 20, 2026*

Thank you for the opportunity to provide this written testimony. My name is *Anabell Martinez*, and I am submitting this testimony on behalf of the Central American Resource Center (CARECEN) in strong support of **Senate Bill 518**.

CARECEN's Housing Department is a comprehensive program offering foreclosure prevention, credit and debt counseling, and individualized rental counseling. As a HUD-approved agency, we are committed to fully implementing and upholding the Standards for Homeownership Education and Counseling. By adopting the National Industry Standards, we ensure that our staff delivers high-quality services with consistency, cultural competence, and professional excellence. While we primarily serve low- to moderate-income Latino families in the Washington Metropolitan Area, our services are open to all who seek support.

Senate Bill 518 is especially important for low- and middle-income families. This legislation will help households establish or improve credit, strengthen their financial foundation, and build the long-term stability needed for future asset creation. At CARECEN, we believe that community wealth-building is essential to ensuring families can achieve lasting stability and prosperity.

In 2025, immigrants living in the United States sent more than **\$158 billion** in remittances to Latin America and the Caribbean. This reflects a dual financial responsibility: individuals must balance their own household needs in the U.S. while supporting loved ones abroad. Many Latino immigrant families also face barriers such as low incomes, limited English proficiency, and unstable employment. These challenges make holistic, culturally competent, bilingual financial guidance not just beneficial—but essential. While Latino families will certainly benefit from Senate Bill 518, its impact will extend broadly to all low- and middle-income households facing financial hardship and seeking tools to achieve stability.

Financial counseling is not only important; it is proven to be effective. According to HUD, homeowners in foreclosure who receive housing counseling are **70% more likely to become current on their mortgage**. Additionally, clients who receive credit or financial counseling carry, on average, **\$11,300 less total debt** and **\$3,600 less revolving debt** than comparable households who do not receive counseling. These measurable outcomes show that financial

CARECEN

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education and credit counseling increase stability, reduce debt burdens, and strengthen household resilience.

For these reasons, CARECEN strongly supports **Senate Bill 518**. This legislation will help strengthen the financial well-being of low- and middle-income families, promote long-term housing stability, and contribute to community wealth-building across our region.

Thank you for your time and consideration.

CARECEN

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# **SB518 COM -Letter of Support.pdf**

Uploaded by: Brooke Lierman

Position: FAV



## Letter of Support

### Senate Bill 518 – Maryland Financial Empowerment Center Network Pilot Program – Establishment *Budget & Taxation* *February 25, 2026*

Many financial decisions have lifelong consequences. Unfortunately, many Marylanders lack the financial skills to make informed financial decisions without counseling or support. According to the Global Financial Literacy Excellence Center's 2025 Personal Financial Index, only 36% of U.S. adults were able to correctly answer financial questions around comprehending financial risk.<sup>1</sup>

Financial empowerment services such as one-on-one counseling can provide vital support to people in times of need. By helping individuals avoid debt, build wealth, and plan for their future, these types of services have cascading benefits that can lead to a more equitable, stable, and prosperous Maryland.

**What this bill does:** Senate Bill 518 establishes a Maryland Financial Empowerment Center Pilot Program within the Office of the Comptroller. This program will establish statewide resources including financial counseling and coaching services.

**Why this bill is important:** Access to increased financial education and empowerment is a core priority for me and my agency. Financial counseling can help Marylanders manage debt, establish a budget, or plan for retirement, and can directly lead to greater financial stability and a higher quality of life.

My office has been working diligently with public and private partners across the state to provide resources and tools to assist Marylanders in building a strong economic future. With 11 branch offices throughout the state and a robust Office of Public Engagement and Communications, I believe we are well-positioned to take on a financial empowerment center pilot program.

**I urge a favorable report on SB 518.** I thank Senator King for introducing this important legislation and applaud him for his leadership in this space. If you have any questions, please feel free to reach out to Matthew Dudzic, Director of State Affairs, at [MDudzic@marylandtaxes.gov](mailto:MDudzic@marylandtaxes.gov).

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<sup>i</sup> <https://www.tiaa.org/content/dam/tiaa/institute/pdf/insights-report/2025-05/financial-literacy-and-retirement-fluency-in-america-p-fin-ir.pdf>

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<sup>1</sup> <https://www.tiaa.org/content/dam/tiaa/institute/pdf/insights-report/2025-05/financial-literacy-and-retirement-fluency-in-america-p-fin-ir.pdf>



# **SB 518 Maryland Financial Empowerment Center Netwo**

Uploaded by: Carlos Orbe, Jr.

Position: FAV

February 23, 2026

The Honorable Guy Guzzone  
Chair, Senate Budget and Taxation Committee  
Miller Senate Office Building  
3 West  
11 Bladen Street  
Annapolis, Maryland 21401

Re: Support for Senate Bill 518 Maryland Financial Empowerment Center Network Pilot Program Establishment

Dear Chair Guzzone,

Maryland Latinos Unidos respectfully supports Senate Bill 518, which establishes the Maryland Financial Empowerment Center Network Pilot Program to provide free, professional, one on one financial counseling services to Maryland residents.

Financial instability is a structural barrier facing many Latino and immigrant families across Maryland. Latino households nationally have significantly lower median wealth compared to White households, and are more likely to experience income volatility, limited access to traditional banking services, and higher exposure to predatory financial products. Research from the Urban Institute and the Federal Reserve consistently shows that households of color are less likely to have emergency savings sufficient to cover even three months of expenses.

In Maryland, Latino workers are overrepresented in service, hospitality, construction, and other sectors where wages can fluctuate and benefits such as retirement savings and employer sponsored health insurance are less common. Many immigrant households are also first generation wealth builders navigating complex tax systems, credit markets, and small business development pathways without institutional support.

Financial Empowerment Centers have demonstrated measurable success in other jurisdictions. Evaluations from the Cities for Financial Empowerment Fund show that clients receiving structured financial counseling reduce debt, increase savings, improve credit scores, and stabilize housing. These outcomes are not abstract. They translate into fewer evictions, greater small business growth, and stronger long term family stability.

Implications for Latino and immigrant communities

Senate Bill 518 advances economic mobility by building trusted, culturally competent infrastructure that helps families move from financial precarity toward long term security. For Latino communities, access to free financial counseling means:

- Increased access to safe banking products
- Improved credit and homeownership pathways

- Reduced vulnerability to predatory lending
- Greater small business sustainability

Maryland Latinos Unidos can amplify this initiative by partnering with Financial Empowerment Centers to ensure outreach materials are available in Spanish and other languages, and by connecting immigrant families to counseling services through trusted community networks.

For these reasons, Maryland Latinos Unidos respectfully urges a favorable report on Senate Bill 518.

Sincerely,

Carlos Orbe, Jr.  
Communications and Public Affairs Specialist  
Maryland Latinos Unidos  
[corbejr@mdlatinosunidos.org](mailto:corbejr@mdlatinosunidos.org)

# **SB 518 - Financial Empowerment - FAV - REALTORS.pd**

Uploaded by: Christa McGee

Position: FAV



## **Senate Bill 518– Maryland Financial Empowerment Center Network Pilot Program - Establishment**

### **Position: Support**

Maryland REALTORS® supports efforts to increase financial awareness in the state. We therefore ask for your support for the creation of Financial Empowerment Centers as proposed in SB 518.

Financial understanding is a key factor in achieving homeownership. Recent results from a statewide poll conducted by Maryland REALTORS® outlined several difficulties that our state's residents have in achieving homeownership are directly tied to financial decisions they make, often at a young age:

- 77% say having too much consumer credit card debt is a huge or medium obstacle.
- 80% say having too much student loan debt is a huge or medium obstacle.
- 87% say saving for a down-payment and closing costs is a huge or medium obstacle.

This is why the share of first-time buyers fell to the lowest levels on record, and part of the overall trend of Millennials and Gen Z continuing to lag the homeownership rates achieved by Gen X and Baby Boomers at the same age. While this cohort still values homeownership, many expect they will not become homeowners until their mid-thirties to early-forties.

With the support provided by these Financial Empowerment Centers, more Marylanders will be able to achieve their financial goals and better position themselves to achieve generational wealth for the future.

For this reason, REALTORS® asks for a favorable vote on SB 518.

**For more information contact [lisa.may@mdrealtor.org](mailto:lisa.may@mdrealtor.org)  
or [christa.mcgee@mdrealtor.org](mailto:christa.mcgee@mdrealtor.org)**

# **SB0518\_FAV\_City of Rockville\_MD Financial Empowerm**

Uploaded by: Christine Krone

Position: FAV



**Testimony of the Mayor and Council of Rockville**  
**SB 518 – Maryland Financial Empowerment Center Network Pilot Program –**  
**Establishment**  
**SUPPORT**

The Mayor and Council of Rockville are thankful to Chair Guzzone and members of the Senate Budget and Taxation Committee for the opportunity to provide written comments on SB 518. We are thankful to Senator King for sponsoring this important legislation.

The City of Rockville Mayor and Council unanimously support SB 518. The bill would establish a Financial Empowerment Center Network Pilot Program to provide one-on-one financial counseling and coaching services by a certified financial empowerment counselor, including how to increase savings, pay down debt, and improve credit scores. In fiscal years 2028 and 2029, it would require the Governor to include an appropriation in the annual budget bill to cover the cost of the pilot program. These services are urgently needed by our most vulnerable residents who are experiencing disparities.

Rockville has implemented its “Bank On Rockville Program” to help provide our residents with more pathways to self-sufficiency. It was an outgrowth of the nationwide program established by the Cities for Financial Empowerment Fund. As a next step, the City is implementing a broader financial literacy and empowerment program that is based on updated best practices. Rockville’s program will increase the financial capability of residents experiencing fiscal difficulty by providing education and access to resources. Program outcomes are centered on increasing the number of vulnerable residents who are connected to safe and affordable bank accounts, decreasing the number of residents using costly financial services, which are often predatory, and boosting overall financial literacy and capacity to participate in the economy.

It is our sincere hope that the Financial Empowerment Center Network Pilot Program will become a permanently funded statewide program that will financially stabilize the unbanked and underbanked in our Maryland communities. SB 518 is an important step forward for equity and inclusion. Financial empowerment is a gateway to self-sufficiency, personal safety, stability, and economic growth. For these reasons, we urge the Committee to provide SB 518 with a favorable report. Thank you.

**SB518 - Testimony - 02232026.pdf**

Uploaded by: Emily Linn

Position: FAV



February 23, 2026

**Bill:** SB 518: Maryland Financial Empowerment Center Network Pilot Program - Establishment  
**Position:** Support

Dear Chair, Vice Chair, and Members of the Committee:

The City of Gaithersburg and its Financial Empowerment Center are pleased to submit this testimony **in favor of Senate Bill 518**, calling for a pilot program to establish a network of Financial Empowerment Centers in Maryland.

Financial Empowerment Centers (FECs), using the model designed by the Cities for Financial Empowerment Fund (CFE Fund), are open to residents over the age of 18 and offer their confidential services for free, without income limits or other qualification requirements. Clients work with professional financial counselors to achieve their financial goals, including paying down debt, improving credit scores, adopting savings behaviors, connecting to safe, low-cost banking products, and legacy planning to protect and pass on their assets. Under this model, FECs operate within a network of other government agencies, financial institutions, and nonprofit service providers to support the holistic wellbeing of their clients. CFE Fund currently supports 46 such FECs across the country.<sup>1</sup>

The City of Gaithersburg established a Financial Empowerment Center (FEC) in March of 2022 to provide free, confidential, professional, one-on-one financial counseling as a public service to City residents. In the four years since, we have helped 749 clients improve their financial wellbeing. Collectively, FEC clients have eliminated \$2.3 million in non-mortgage debt, increased their savings by \$740,000, gotten current on 176 delinquent accounts, and increased their credit scores by over 5,700 points. This is even more remarkable when you consider that 94 percent of these clients have household incomes below 80 percent of the Area Median Income for Montgomery County.

Hidden within these numbers is a multitude of individual impact stories:

- a family facing eviction who was supported in preserving their housing, finding employment, and attaining financial stability;
- a business owner who paid down tens of thousands of dollars in back taxes from his unregistered business, registered it properly, and re-grew it to provide enough income for his family to purchase their first home;
- a single mother who was living in a basement unit with her three children after her divorce who rebuilt her credit and eventually qualified for safe, stable housing near her children's school.

<sup>1</sup> <https://cfefund.org/project/financial-empowerment-centers/>

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MAYOR  
Jud Ashman

COUNCIL MEMBERS  
Neil Harris  
Lisa Henderson  
Yamil Hernández  
Jim McNulty  
Robert Wu

CITY MANAGER  
Tanisha R. Briley

Every day, our FEC sees clients who are trapped in debt, underbanked, and trying to make ends meet amidst an affordability crisis, while grappling with the ripple effects of federal layoffs and cuts to public benefits. Residents of Gaithersburg face many acute financial challenges:

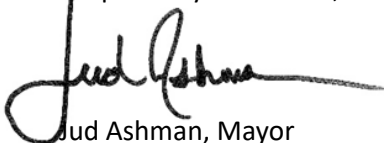
- 50% of renters are housing cost burdened (paying 30% or more of their income on housing) and 25% are severely cost burdened<sup>2</sup>
- 16% are asset poor (having insufficient savings or assets to meet three months of expenses)<sup>3</sup>
- 15% are underbanked<sup>4</sup>
- Median household income has remained flat since the year 2000<sup>5</sup>

Furthermore, when disaggregated by race and ethnicity, we see that across all these indicators, non-White households have significantly worse outcomes than White households. These challenges are not unique to Gaithersburg nor Montgomery County; across Maryland, families are grappling with these same obstacles to financial stability. While financial counseling cannot eliminate these obstacles, it can provide residents with practical tools to mitigate them as well as relational support to help see them through times of crisis.

At the City of Gaithersburg, we have seen firsthand how free, professional, one-on-one financial counseling offered as a public service, can promote upward mobility and mitigate economic hardships for our residents. However, the vast majority of Marylanders who do not reside in a municipality with an FEC, do not have access to this transformative service. The initiative put forward in SB 518 to establish a state-wide network of FECs would bring an effective, evidence-based intervention to Marylanders across the state at a crucial time. We are pleased to provide this testimony in support of this bill.

Feel free to contact me if you have any questions at 301-466-5350.

Respectfully submitted,



Jud Ashman, Mayor  
City of Gaithersburg

<sup>2</sup> Gaithersburg Housing Element. 2023.

<https://www.gaithersburgmd.gov/home/showpublisheddocument/12907/638309745988500000>

<sup>3</sup> Gaithersburg Prosperity Now Scorecard. 2023.

<sup>4</sup> Gaithersburg Prosperity Now Scorecard. 2023.

<sup>5</sup> For Montgomery County: [https://www.montgomerycountymd.gov/countystat/housing\\_insights.html](https://www.montgomerycountymd.gov/countystat/housing_insights.html)

**SB0518 - MBA - FAV - GR26.pdf**

Uploaded by: Evan Richards

Position: FAV



**SB 518 – Maryland Financial Empowerment Center Network Pilot Program – Establishment**

**Committee:** Senate Budget & Taxation Committee

**Date:** February 25, 2026

**Position:** Favorable

The Maryland Bankers Association (MBA) **SUPPORTS** SB 518. This legislation establishes the Maryland Financial Empowerment Center Network Pilot Program, administered by the Office of the Comptroller, which requires the creation of financial empowerment centers across multiple regions of the state, each providing free individualized financial counseling and coaching services. When individuals are financially literate and stable, the entire financial ecosystem—banks, local businesses, and communities—functions more efficiently.

The Maryland Bankers Association (MBA) and its members recognize the critical importance of financial literacy and have long considered it a core priority. Maryland banks consistently support initiatives that strengthen financial education and provide resources that enhance the well-being of communities. In today’s environment, it is more essential than ever for all Marylanders to understand that building and maintaining a banking relationship—and establishing a strong credit history—are foundational to achieving long-term financial goals.

By offering no-cost financial coaching on topics such as increasing savings, reducing debt, accessing banking products, and improving credit scores, the Pilot Program will help ensure that all Marylanders can obtain the knowledge and guidance necessary to build financial stability and prosperity. Accordingly, MBA urges the issuance of a **FAVORABLE** report on SB 518.

*The Maryland Bankers Association (MBA) represents FDIC-insured community, regional, and national banks, employing thousands of Marylanders and holding \$194.8 billion in deposits in over 1,100 branches across our State. The Maryland banking industry serves customers across the State and provides an array of financial services including residential mortgage lending, business banking, estates and trust services, consumer banking, and more.*

# **SB518\_Support\_Protect Borrowers.pdf**

Uploaded by: Jacob DuMez

Position: FAV

February 23, 2026

Senator Guy Guzzone  
Chair, Budget and Taxation Committee  
Maryland Senate  
3 West Miller Senate Office Building  
Annapolis, MD 21401

**Re: Support for SB 518 – Maryland Financial Empowerment Center Pilot**

Dear Chair Guzzone and Members of the Committee:

Protect Borrowers writes in support of SB 518, which would establish the Maryland Financial Empowerment Center Network Pilot Program within the Office of the Comptroller. At a time when families across Maryland are navigating rising costs, mounting household debt, and increasing financial instability, SB 518 represents a smart, evidence-based investment in residents' long-term financial health. By creating a statewide pilot that delivers free, professional, one-on-one financial counseling, Maryland can help bolster financial stability, improve economic mobility, and strengthen financial resilience in communities across the state.

**About Protect Borrowers**

Protect Borrowers (formerly Student Borrower Protection Center) is a team of experts, lawyers, and advocates fighting to build an economy where debt doesn't limit opportunity. We investigate financial abuses, take predatory companies to court, and push for policies to protect working people from debt traps. We aim to deliver immediate relief to families while building power and driving systemic change.

**Maryland families must navigate a growing affordability and debt crisis**

In Maryland and across the country, American households are confronting a growing affordability crisis, driven by historic debt burdens paired with the high costs of housing, healthcare, childcare, utilities, and other everyday necessities. Student loan debt is a major contributor to this crisis, and student loan delinquencies and defaults are at record high levels—with one borrower defaulting every nine seconds since the beginning of 2025.<sup>1</sup> In Maryland, 162,043 student loan borrowers were in default at the end of 2025, and many more borrowers are severely delinquent and heading towards default. Delinquency and default trigger severe consequences, including damaged credit scores, wage garnishment, and seizure of tax refunds.

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<sup>1</sup> Protect Borrowers, [2025 Student Loan Default Crisis: State By State](#), January 2026.

At the same time, household debt pressures are becoming more complex. American families increasingly depend on a patchwork of financial products—including credit cards, bank overdraft, payday loans, and “buy now, pay later” products—to manage even everyday expenses like groceries, utility bills, and rent, trapping families in high-cost debt. For example, 13.7% of credit card users in Maryland are severely delinquent on their credit card debt, rising to nearly one in four (22.4%) of low- and moderate-income credit card users.<sup>2</sup> Rising household debt paired with soaring costs of living result in a lack of savings, damaged credit scores that make it more expensive to borrow, and an inability to weather an economic emergency.

### **One-on-one financial counseling fills a critical consumer assistance gap**

SB 518 is a practical response to a simple reality: when household finances are precarious, residents need individualized, trustworthy support—not just generic information. The Financial Empowerment Center (FEC) model is built around professional, one-on-one financial counseling offered as a free public service, designed to help people address immediate challenges and plan for the future.

This model is particularly important right now because consumers in Maryland and around the country have fewer options for assistance. Federal agencies that traditionally provide oversight, complaint-handling, and consumer-facing assistance have faced significant disruption and uncertainty, including high-profile threats to staffing and operating capacity at the Consumer Financial Protection Bureau (CFPB) and Department of Education. SB 518 helps bridge this gap by ensuring Maryland residents can access trained counselors who can help them navigate budgeting, debt repayment strategies, credit improvement, and safe banking access—the very pillars SB 518 names.

### **Financial Empowerment Centers offer a proven model and a foundation for innovation and partnership**

The evidence base for the FEC model is strong and practical: programs operating across the country report measurable improvements in debt reduction and savings, supported by consistent training standards and data-driven oversight. Public FEC resources describe an approach that uses professionally trained counselors, rigorous training standards and ethical rules, and structured data collection to measure outcomes and improve quality.<sup>3</sup>

SB 518 appropriately emphasizes quality and accountability. It requires each Center to provide free, one-on-one counseling and coaching; ensures services include core financial capability areas such as saving, paying down debt, safe and affordable banking access, and improving credit; and requires counselor training that meets or exceeds established FEC counselor training

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<sup>2</sup> Federal Reserve Bank of Philadelphia, [Consumer Credit Explorer](#), 2025 Q1.

<sup>3</sup> Cities for Financial Empowerment Fund, [An Evaluation of Financial Empowerment Centers](#), 2017.

standards. It also takes a practical pilot approach by directing the Governor to include funding in the annual budget for fiscal years 2028 and 2029 and setting a defined pilot period.

State support for a network of Financial Empowerment Centers also creates a foundation for innovation in asset building and financial wellbeing. Local Financial Empowerment offices and centers, working with state and nonprofit partners, have provided the genesis for successfully replicated programs like Bank On Maryland, Child Savings Accounts for postsecondary access and success, consumer protection initiatives, and guaranteed income projects. Establishing and supporting an FEC network also builds the connective tissue for partnerships with organizations like Protect Borrowers, who can more easily engage local communities through education and technical assistance.

Lastly, setting up the Financial Empowerment Center Network enables the state to better engage with and understand the financial situations and experiences of residents from across Maryland. Through reports, surveys, client stories, and direct engagement with counselors, the Office of the Comptroller and members of the General Assembly will gain important qualitative and quantitative evidence that can drive person-centered policies to better people's lives.

### **Conclusion**

SB 518 is a timely, evidence-based step to strengthen Maryland residents' financial stability and economic mobility—especially for families carrying student loan debt and other burdens in an unforgiving cost-of-living environment. Protect Borrowers respectfully urges a favorable report on SB 518.

Sincerely,

Protect Borrowers

*Please contact Jacob DuMez, Fellow with Protect Borrowers, at [jacob@protectborrowers.org](mailto:jacob@protectborrowers.org), if you have any questions or would like to discuss this comment further.*

# **SB0518 - Maryland Financial Empowerment Center Net**

Uploaded by: Leeza DeCheubel

Position: FAV



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Website: [www.rural.maryland.gov](http://www.rural.maryland.gov)

*Susan O'Neill, Chair*

*Charlotte Davis, Executive Director*

Testimony in Support of  
Senate Bill 518 - Maryland Financial Empowerment Center Network Pilot Program - Establishment  
Budget and Taxation Committee  
February 25, 2026

The Rural Maryland Council supports Senate Bill 518 - Maryland Financial Empowerment Center Network Pilot Program - Establishment. This bill creates a pilot program to offer free, confidential, one-on-one financial counseling and education to low- and moderate-income Maryland residents. This pilot program seeks to empower individuals with the tools they need to manage their finances effectively, reduce debt, improve credit, and build a stronger financial foundation for the future.

By establishing a network of Financial Empowerment Centers (FECs) throughout the state, Senate Bill 518 ensures that communities, especially those in rural areas, have access to crucial financial services that are often difficult to obtain. For many Maryland residents, access to affordable financial counseling is limited, and this program aims to bridge that gap by providing essential services at no cost to those who need them most.

This program is not only beneficial for individual participants but also promotes economic stability and growth within local economies. As more individuals gain financial literacy and improve their financial well-being, they are better equipped to make sound financial decisions, manage debt, and increase savings. This, in turn, can stimulate local economies by increasing spending and demand for goods and services, benefiting small businesses and communities across the state.

Furthermore, the Maryland Financial Empowerment Center Network Pilot Program will allow the state to evaluate the program's effectiveness and gather data to determine how financial counseling can contribute to long-term financial stability for participants. If successful, this pilot could serve as the foundation for expanding these services to a larger portion of the population, further promoting financial empowerment throughout Maryland.

For these reasons, the Rural Maryland Council respectfully requests your favorable support of SB 518.

# **Community Action Board Testimony\_SB518\_Maryland Fi**

Uploaded by: Leslie Frey

Position: FAV



**Montgomery County Community Action Board Testimony**  
**SB518 - Maryland Financial Empowerment Center Network Pilot Program - Establishment**  
**Senate Budget and Taxation Committee**  
**February 25, 2026**

**POSITION: SUPPORT**

TO: The Honorable Guy Guzzone, Chair; The Honorable Jim Rosapepe, Vice Chair; and Members of the Budget and Taxation Committee

FROM: The Montgomery County Community Action Board

The Montgomery County Community Action Board, the County's local, state, and federally designated anti-poverty group, supports SB518, which would establish the Maryland Financial Empowerment Center Network Pilot Program within the Office of the Comptroller.

The Financial Empowerment Center (FEC) model has operated municipal free services for fifteen years, working with more than 201,000 clients, helping them reduce debt by more than \$344 million, and increase savings by \$69 million. The core tenets of the FEC model include one-on-one counseling services at no cost with professionally trained counselors, rigorous data to measure impact against key financial behavior change outcomes, and partnerships with other industries such as workforce development, housing, and re-entry.<sup>1</sup>

Locally, the City of Gaithersburg's Financial Empowerment Center has provided free, confidential, professional, one-on-one financial counseling as a public service to City residents since 2022. In this time, 749 clients improved their financial wellbeing, \$2.3 million in non-mortgage debt was eliminated, and \$740,000 in savings increases were achieved.

Our own Community Action Agency works closely with the Gaithersburg FEC, which regularly provides financial counseling services onsite at our Volunteer Income Tax Assistance (VITA) program's Gaithersburg site. Our agency is also a member of the Gaithersburg Financial Wellness Coalition, which is managed by the FEC. We know firsthand that the FEC's evidence-based model can promote upward mobility and mitigate economic hardships for our residents. However, the vast majority of Marylanders who do not reside in a municipality with an FEC, do not have access to this transformative service.

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<sup>1</sup> <https://fecpublic.org/about/>

FECs aim to reduce disparities and can have a positive impact in areas like our own, where the cost of living is so high. According to the Montgomery County Self-Sufficiency Standard, a family of four consisting of two adults, one school-age child, and one preschooler must earn \$122,943 to meet basic needs.<sup>2</sup> This is over four times the Federal Poverty Level. SB518 would address this ever-widening economic gap in our county by establishing FECs to provide financial education along with support to increase savings, pay down debt, access banking, and improve credit scores for those living at the lowest margins.

The Montgomery County Community Action Board strongly supports SB518 and asks for the Committee's favorable report.

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<sup>2</sup> <https://www.montgomerycountymd.gov/HHS-Program/OCA/CommunityAction/Self-SufficiencyStandard.html>

**SB518 MALMB Testimony.docx.pdf**

Uploaded by: Lisa Kovacs

Position: FAV



**Local power, collective voice  
for Maryland's children, youth and families**

February 25, 2025

**SUPPORT – SB518 - Maryland Financial Empowerment Center Network Pilot Program - Establishment**

Dear Senators:

On behalf of the Maryland Association of Local Management Boards, I am writing in support of **SB518 - Maryland Financial Empowerment Center Network Pilot Program - Establishment** to establish a network of financial empowerment centers across the state. Through this program, Marylanders would be able to receive one-on-one financial counseling and information on how to increase savings, pay down debt, access banking, and improve credit scores.

Local Management Boards in each county and jurisdiction in the State of Maryland work in low income neighborhoods to address the needs of children and families in their respective jurisdiction. Families are increasingly struggling with exorbitant rents or utility bills and an ever increasing wage gap. They are juggling multiple bills every month. HB0676 will give the opportunity for families to have access to counseling to address their individual financial needs. This will expand access to those who do not have bank accounts.

**We urge you to support SB518 - Maryland Financial Empowerment Center Network Pilot Program - Establishment** to create financial empowerment centers to provide one-on-one financial counseling.

Sincerely,

Pamela M. Brown, PhD  
Chair

## **2.23 - SB 518 - Maryland Financial Empowerment Cen**

Uploaded by: Lonia Muckle

Position: FAV



**SB 518 - Maryland Financial Empowerment Center Network Pilot Program - Establishment  
Senate Budget and Taxation Committee**

**March 27, 2025**

**SUPPORT**

Chair Guzzone, Vice-Chair and members of the committee, thank you for the opportunity to submit testimony in support of Senate Bill 518. This bill will establish a pilot program for Financial Empowerment Centers in the state.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

In 2016, CASH convened with over 100 stakeholders to discuss the state of financial security for Baltimore families. Over the course of the year, the Financial Inclusion Work Group developed a diverse set of financial inclusion recommendations that promote long-term financial security for Baltimore's families. Financial Empowerment Centers were a key part in the conversation on how to improve liquid asset poverty, access to affordable credit products, and ensuring Baltimore City residents have access to financial counselors.

Financial Empowerment Center models offer free public service to residents while providing the following:

- Financial counseling at no cost, with counseling delivered one-on-one to empower clients to address complex financial challenges.
- Counselors that are professionally trained according to the CFE Fund's rigorous FEC Counselor Training Standards and a Code of Ethics.
- Counseling services that are managed through rigorous data; the central FEC database collects over 200 client data points, and impact is measured against specific financial behavior change outcomes.
- Strategic FEC partnerships with other services such as housing and foreclosure prevention, workforce development, prisoner reentry, and benefits access are critical.
- Financial counseling that serves a critical public need, and local government oversight provides for credibility, accountability, scale, and program sustainability.

CASH has supported local Financial Empowerment Centers in Maryland by helping them get established, training navigators, and participating on steering committees. All Marylanders should have access to the education and knowledge that will help them overcome current financial barriers and help them make good financial decisions in the future.

***Thus, we strongly urge a favorable report for SB 518.***

*Creating Assets, Savings and Hope*

# **Maryland Catholic Conference\_FAVSB518\_.pdf**

Uploaded by: Michelle Zelaya

Position: FAV



MARYLAND  
CATHOLIC  
CONFERENCE

February 19<sup>th</sup>, 2026,  
SB518

**Maryland Financial Empowerment Center Network Pilot Program – Establishment  
Ways and Means Committee  
Position: Favorable**

The Maryland Catholic Conference (MCC) offers this testimony in support of **Senate Bill 518**. The Catholic Conference is the public policy representative of the three (arch)dioceses serving Maryland, which together encompass over one million Marylanders. Statewide, their parishes, schools, hospitals, and numerous charities combine to form our state's second largest social service provider network, behind only our state government.

**Senate Bill 518** would establish the Maryland Financial Empowerment Center Network Pilot Program to develop a network of financial empowerment centers throughout Maryland to promote economic empowerment and financial stability for all Marylanders.

At the heart of Catholic social teaching lies a commitment to advancing the common good and ensuring that every person has the opportunity to flourish and reach their full potential. Financial stability is a fundamental aspect of human flourishing, as it allows individuals and families to meet their basic needs, plan for the future, and participate fully in society. Unfortunately, many Marylanders face barriers to achieving financial security, including limited access to resources and financial education.

The establishment of the Maryland Financial Empowerment Center Network Pilot Program represents a proactive and compassionate response to these challenges. By creating a statewide network of financial empowerment centers, this legislation seeks to provide individuals with the tools, knowledge, and support they need to take control of their financial futures. The provision of one-on-one financial counseling and coaching services free of charge will empower Maryland residents to make informed decisions, set achievable goals, and navigate financial challenges with confidence.

This initiative embodies the principles of solidarity and subsidiarity, recognizing the importance of collective action to address systemic issues while also empowering local communities to meet the unique needs of their residents. By investing in the financial well-being of individuals and families across the state, we strengthen the fabric of our communities and foster a more inclusive and equitable society.

The MCC appreciates your consideration and, for these reasons, respectfully requests a favorable report on **Senate Bill 518**.

# **Testimony in support of SB0518 - Maryland Financia**

Uploaded by: Richard KAP Kaplowitz

Position: FAV

SB0518\_RichardKaplowitz\_FAV

02/25/2026

Richard Keith Kaplowitz

Frederick, MD 21703

**TESTIMONY ON SB#0518- POSITION: FAVORABLE**

**Maryland Financial Empowerment Center Network Pilot Program - Establishment**

**TO:** Chair Guzzone, Vice Chair Rosapepe, and members of the Budget and Taxation Committee

**FROM:** Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support of SB#0518, **Maryland Financial Empowerment Center Network Pilot Program - Establishment**

The purpose of the pilot program is to establish a statewide network of financial empowerment centers in different regions of the state. The comptroller shall implement and administer the pilot program.

Each center shall provide one-on-one financial counseling and coaching services free of charge, including information on how to:

- increase savings
- pay down debt
- access banking
- improve credit scores.

Each center shall make the information provided under this subsection available in English, Spanish, and any other language required by the office of the comptroller.

MyScoreIQ declared: <sup>1</sup>

Financial coaches help people improve their finances and reach their financial goals. They provide guidance, education, and support in various areas of personal finance, such as budgeting, debt management, saving, investing, and retirement planning. Financial coaches work closely with their clients to evaluate their financial situations and develop customized strategies to help them reach their goals.

This bill will establish the Maryland Financial Empowerment Center Network Pilot Program within the Office of the Comptroller to establish a statewide network of financial empowerment centers in different regions of the State; requiring each center to provide one-on-one financial counseling and coaching services free of charge; and requiring the Governor to include in the annual budget bill for fiscal years 2028 and 2029 an appropriation to the Comptroller sufficient to cover the costs of the Pilot Program.

Maryland can assist its residents in improving their financial knowledge and adaptability.

**I respectfully urge this committee to return a favorable report on SB#0518.**

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<sup>1</sup> <https://www.myscoreiq.com/articles/what-are-the-benefits-of-financial-coaching>

**SB518 - King - Sponsor Testimony.pdf**

Uploaded by: Senator Nancy King

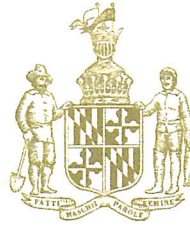
Position: FAV

NANCY J. KING  
*Legislative District 39*  
Montgomery County

MAJORITY LEADER

Budget and Taxation Committee

*Chair*  
Education, Business, and  
Administration Subcommittee



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THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

**Senate Bill 518 – Maryland Financial Empowerment Center Network Pilot Program  
- Establishment**

February 25, 2026

Mister Chairman and Members of the Budget and Taxation Committee:

Senate Bill 518 establishes a pilot program to operate a network of Financial Empowerment Centers across the state, with the Comptroller's Office implementing and administering the program. While other financial literacy bills often focus on providing financial education in K-12 schools or for university students, SB518 is designed to provide financial empowerment services primarily to adults out in the community who may not have had the background or education to deal with issues of debt, credit, and personal budgeting.

A few years ago, the City of Gaithersburg worked together with partners like the CASH Campaign of Maryland, CAFE Montgomery, Family Services Inc., and others, that effort eventually grew into what is now the Gaithersburg Financial Empowerment Center (FEC), which provides people with several sessions of free, hands-on, one-on-one financial coaching in multiple languages. Funded in part by city grants and in part by some national foundation grant money, the FEC also measured its own effectiveness by collecting and analyzing anonymized data from its clients. And with that data-driven approach to the provision of comprehensive financial empowerment programs and services, Gaithersburg saw truly transformative impacts of these services for families.

Senate Bill 518 will take this successful local program and implement it as a pilot program of financial coaching available in a handful of locations around the state. The fiscal note is a relatively small \$135,000 in the budget of the Comptroller's Office and is set to begin in FY 2027 and run three years. With eleven regional offices around the state, the Comptroller's Office will be able to host FEC coaching sessions, making this service accessible throughout Maryland.

Given the nature of these programs, the potentially huge return on investment, and the transformative impacts on people's quality of life and future economic opportunities, as well as the long-term benefit to the State, I respectfully request a favorable report on Senate Bill 518

**SB518\_HB676\_Gaithersburg\_FAV.pdf**

Uploaded by: Therese Hessler

Position: FAV



February 13, 2026

**Bill:** SB 518: Maryland Financial Empowerment Center Network Pilot Program - Establishment

**Position:** Support

Dear Chair, Vice Chair, and Members of the Committee:

The City of Gaithersburg and its Financial Empowerment Center are pleased to submit this testimony **in favor of Senate Bill 518**, calling for a pilot program to establish a network of Financial Empowerment Centers in Maryland.

Financial Empowerment Centers (FECs), using the model designed by the Cities for Financial Empowerment Fund (CFE Fund), are open to residents over the age of 18 and offer their confidential services for free, without income limits or other qualification requirements. Clients work with professional financial counselors to achieve their financial goals, including paying down debt, improving credit scores, adopting savings behaviors, connecting to safe, low-cost banking products, and legacy planning to protect and pass on their assets. Under this model, FECs operate within a network of other government agencies, financial institutions, and nonprofit service providers to support the holistic wellbeing of their clients. CFE Fund currently supports 46 such FECs across the country.<sup>1</sup>

The City of Gaithersburg established a Financial Empowerment Center (FEC) in March of 2022 to provide free, confidential, professional, one-on-one financial counseling as a public service to City residents. In the four years since, we have helped 749 clients improve their financial wellbeing. Collectively, FEC clients have eliminated \$2.3 million in non-mortgage debt, increased their savings by \$740,000, gotten current on 176 delinquent accounts, and increased their credit scores by over 5,700 points. This is even more remarkable when you consider that 94 percent of these clients have household incomes below 80 percent of the Area Median Income for Montgomery County.

Hidden within these numbers is a multitude of individual impact stories:

- a family facing eviction who was supported in preserving their housing, finding employment, and attaining financial stability;
- a business owner who paid down tens of thousands of dollars in back taxes from his unregistered business, registered it properly, and re-grew it to provide enough income for his family to purchase their first home;
- a single mother who was living in a basement unit with her three children after her divorce who rebuilt her credit and eventually qualified for safe, stable housing near her children's school.

<sup>1</sup> <https://cfefund.org/project/financial-empowerment-centers/>

Every day, our FEC sees clients who are trapped in debt, underbanked, and trying to make ends meet amidst an affordability crisis, while grappling with the ripple effects of federal layoffs and cuts to public benefits. Residents of Gaithersburg face many acute financial challenges:

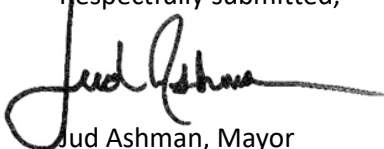
- 50% of renters are housing cost burdened (paying 30% or more of their income on housing) and 25% are severely cost burdened <sup>2</sup>
- 16% are asset poor (having insufficient savings or assets to meet three months of expenses) <sup>3</sup>
- 15% are underbanked <sup>4</sup>
- Median household income has remained flat since the year 2000 <sup>5</sup>

Furthermore, when disaggregated by race and ethnicity, we see that across all these indicators, non-White households have significantly worse outcomes than White households. These challenges are not unique to Gaithersburg nor Montgomery County; across Maryland, families are grappling with these same obstacles to financial stability. While financial counseling cannot eliminate these obstacles, it can provide residents with practical tools to mitigate them as well as relational support to help see them through times of crisis.

At the City of Gaithersburg, we have seen firsthand how free, professional, one-on-one financial counseling offered as a public service, can promote upward mobility and mitigate economic hardships for our residents. However, the vast majority of Marylanders who do not reside in a municipality with an FEC, do not have access to this transformative service. The initiative put forward in SB518 to establish a state-wide network of FECs would bring an effective, evidence-based intervention to Marylanders across the state at a crucial time. We are pleased to provide this testimony in support of this bill.

Feel free to contact me if you have any questions at 301-466-5350.

Respectfully submitted,



Jud Ashman, Mayor  
City of Gaithersburg

<sup>2</sup> Gaithersburg Housing Element. 2023.

<https://www.gaithersburgmd.gov/home/showpublisheddocument/12907/638309745988500000>

<sup>3</sup> Gaithersburg Prosperity Now Scorecard. 2023.

<sup>4</sup> Gaithersburg Prosperity Now Scorecard. 2023.

<sup>5</sup> For Montgomery County: [https://www.montgomerycountymd.gov/countystat/housing\\_insights.html](https://www.montgomerycountymd.gov/countystat/housing_insights.html)