



Testimony
SENATE BILL 274
SENATE JUDICIAL PROCEEDINGS COMMITTEE
February 3, 2026
Position: FAVORABLE

Dear Chair Smith and Members of the Judicial Proceedings Committee:

The Community Development Network of Maryland (CDN) is the voice for Maryland's community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non- profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland's urban, suburban and rural communities.

SB 274 would mandate housing authorities and other entities to affirmatively further fair housing in Maryland and codify liability for disparate impact discrimination in Maryland fair housing law.

Too many communities remain segregated by race, and too many people struggle to get housing in communities of their choice because they have children, live with a disability or face other barriers. Affirmatively furthering fair housing (AFFH) is a legal obligation requiring housing authorities and political subdivisions to take meaningful, proactive steps to combat discrimination, overcome patterns of segregation, and create inclusive communities.

AFFH does not mandate any specific action by localities but instead requires them to take a hard look at their policies and practices, consult with their communities, and identify solutions to issues that keep people locked out of opportunity.

Disparate impact discrimination occurs when a policy or practice disproportionately harms a group of people with a legally protected characteristic (like race, sex, or disability) under civil rights law and there is either no legitimate reason for that policy or practice or another policy or practice would achieve the same goals without causing those harms. Prohibiting disparate impact discrimination benefits everyone who is unfairly barred by unjustified policies and ensures housing providers and other entities make decisions based on what really matters.

Housing providers, financial institutions, and municipalities should ensure every Marylander has a fair shot to obtain safe, secure, and affordable housing in a thriving community free from discrimination. Disparate impact is a fundamental tool to root out practices that unfairly harm protected classes (like race, sex including sexual orientation and gender identity), or disability).

The Trump administration has abandoned longstanding federal regulations related to fair housing and has started to pick and choose which fair housing laws to enforce. Maryland must take action to protect its residents through state-level protections.

The Maryland Supreme Court ruled the Maryland Fair Housing Act is allowed to prohibit disparate impact discrimination; SB 274 would add this court decision as a MD statute. In *Hare v. David S. Brown Enterprises, Ltd* the Maryland Supreme Court held that disparate impact claims are available under the Maryland State Fair Housing Act. SB 274 would add the Hare decision in state law and create clear mechanisms on how to address complaints. Having a statutorily codified standard creates predictability rather than having courts figure out through case law on how to best address complaints.

We urge a favorable report for SB 274.

Submitted by Claudia Wilson Randall, Executive Director, Community Development Network of MD