



Testimony HB 41

Senate Finance Committee

March 23, 2021

Position: FAVORABLE

Dear Chair Kelley & Members of the Senate Finance 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. CDN envisions a state in which all neighborhoods are thriving and where people of all incomes have abundant opportunities for themselves and their families.

HB 41 would establish a Public Bank Taskforce to assess the feasibility and focus of a proposed state bank and report their findings to the Governor and General Assembly.

In order for Maryland to have an equitable economic recovery from the pandemic, state leaders must pursue innovative strategies to repair the damage done to local economies throughout the state. A public bank could be one such strategy as public banks have a proven record of serving the needs of local governments and generating community economic development. These entities dedicate attention to overcoming financial exclusion and ensuring capital flows to traditionally marginalized communities.

In the past twenty-five years, Maryland has been hard hit by banking consolidation. As a result, many people have lived without a single branch within a 10-block radius. Older suburban and rural communities in Maryland also struggle to find branches and have access to capital for needed improvements. Banking relationships are a critical component to wealth building and economic success.

I hope you will agree to invest the time in this worthy exploration to help the state generate more opportunity for Maryland citizens throughout the state.

We respectfully request a favorable report for HB 41.

Submitted by Claudia Wilson Randall, Associate Director, Community Development Network