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Testimony on House Bill 599
Maryland Community Investment Corporation – Establishment
(Housing and Community Development Financing Act of 2024)
House Environment and Transportation Committee

Position: Favorable

Maryland Nonprofits is a statewide association of more than 1800 nonprofit organizations and institutions. We urge you to support House Bill 599 and approve Governor Moore’s proposal to establish a statewide community development entity as part of the strategy to address the critical shortage of affordable housing in our state.

House Bill 599 establishes the Maryland Community Investment Corporation to allow the state to compete for tens of millions in federal funding through the New Market Tax Credit program. Upon award of federal funds, the Maryland Community Investment Corporation will make investments in low-income communities and community development projects across the state. The legislation also seeks to strengthen the Strategic Demolition and Smart Growth Impact Fund by allowing for debt payments and credit enhancements to be covered for qualified projects—in all, creating new tools for community and economic development in high-need communities.

Maryland Nonprofits broad membership includes organizations serving the entire spectrum of individual, family and community needs across the state. This perspective allows us to see better than most that resolving poverty and the social and economic inequities that burden the lives of too many Marylanders, particularly families and communities of color, requires addressing the multiple interconnected challenges that they face on a daily basis. Factors such as lack of available transportation, food insecurity, affordable childcare, and access to adequate health care and services, all impact the health and education of children, the opportunity for access to jobs and stable employment, the ability build a sustaining level of wealth, and more. Access to safe, stable and affordable housing is essential to meeting most if not all of these needs.

Excessive housing costs particularly among renters, but for many low-and moderate income home-owners as well, impacts their families’ nutrition, decisions to when to seek health care, ability to own a car, or pay college debt or save for their own children’s education, and to live within accessible reach of employment, educational opportunities, or shopping for basic needs. The education of children who are forced to attend two or more different schools a year because of housing instability will suffer regardless of our investments in the BluePrint.



But housing affordability – or ‘unaffordability’ – has become a serious crisis in our state. According to the Maryland Housing Needs Assessment that was completed in 2021 by the National Center for Smart Growth and Enterprise Community Partners, Maryland will have to make a significant investment in housing over the next 10 years in order to keep up with economic and demographic shifts in the state. The analysis showed that the state is short 85,000 rental units for low-income households. With Maryland expected to add an estimated 97,166 low-income households by 2030, the shortage will worsen unless the state creates and preserves many more affordable homes.

The creation of the Maryland Community Investment Corporation, and the other elements of this legislation, can play a significant role in addressing this crisis.

We urge you to give House Bill 599 a **favorable report**.