



NAACP

Maryland
STATE CONFERENCE

February 27, 2024

Economic Matters
Maryland General Assembly
Annapolis, Maryland

Re: HB 1135 – Financial Institutions - Community Benefit Plan Act of 2024

Members of the Committee,

As the Executive Director of the Maryland NAACP, I am writing to express our strong support for House Bill 1135. This bill is a crucial step towards addressing systemic economic disparities and advancing racial equity in our state.

At the core of the NAACP's mission is the pursuit of justice and equality for all. However, persistent economic inequality continues to plague communities of color across Maryland. Access to fair and affordable financial services is essential for building wealth, creating economic stability, and fostering prosperity. Yet, too often, communities of color are disproportionately excluded from these opportunities.

House Bill 1135 presents a proactive and comprehensive approach to addressing these disparities. By requiring regulated financial institutions to develop community benefit plans, this bill ensures that these institutions are actively engaged in meeting the needs of underserved communities. These plans will not only promote access to essential financial services but also support community development initiatives that empower residents and foster economic growth.

Furthermore, the establishment of the Community Reinvestment Fund as a dedicated resource for financing community development activities is a critical component of this legislation. This fund will provide much-needed support for projects that promote affordable housing, small business development, job training, and other initiatives that strengthen communities and expand economic opportunities.

Importantly, House Bill 1135 also mandates oversight authority for the Commissioner of Financial Regulation to ensure the adequacy of community benefit plans and the attainment of goals under these plans. This oversight mechanism is essential for holding financial institutions accountable and ensuring that they fulfill their commitments to serve all members of our community equitably.

By passing House Bill 1135, Maryland has the opportunity to lead the way in promoting economic justice and inclusive prosperity. This legislation aligns with the values of fairness, opportunity, and equity that are central to the NAACP's mission. We urge you to support this bill and take a meaningful step towards building a more just and equitable future for all Marylanders.

Thank you for your attention to this critical issue.

In Service,

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