



Housing Initiative Partnership, Inc.

35 YEARS of Housing Security | Financial Stability | Community Success

Testimony to the House Ways and Means Committee
HB0801 Maryland Financial Empowerment Center Network Pilot Program
Position: Favorable

February 10, 2025

The Honorable Vanessa Atterbeary, Chair
House Ways and Means Committee
130 Taylor House Office Building
cc: Members, Ways and Means Committee

Honorable Chair Atterbeary and Members of the Ways and Means Proceedings Committee:

About Housing Initiative Partnership and the Gaithersburg Financial Empowerment Center

Housing Initiative Partnership, Inc. (HIP) is a 35-year-old nonprofit developer and HUD-approved housing counseling agency. HIP develops innovative affordable housing, revitalizes neighborhoods, and equips people to achieve their housing and financial goals. The organization's vision is that every person lives in high-quality affordable housing in a thriving community. We maintain offices in Hyattsville in Prince George's County, and in Germantown and Gaithersburg in Montgomery County. During our 35 years, HIP has served 40,000 clients and developed over 600 units of affordable rental housing units and 110 homes for purchase by low-and moderate-income homebuyers.

HIP staffs the Gaithersburg Financial Empowerment Center. Since City of Gaithersburg FEC's launch in April 2022, HIP's FEC Financial Coaches have served 593 clients through 2,807 multiple sessions. Through financial coaching, participants have collectively:

- Increased savings by over \$565,000
- Reduced non-mortgage debt by \$1.6 Million

Our FEC has selected as one of few FECs nationwide to serve as mentor organization for new FECs starting up across the country.

HB 801

As Program Manager of the Gaithersburg Financial Empowerment Center, I am honored to provide this testimony in support of the Maryland Financial Empowerment Center Network Pilot Program, as outlined in HB0801.





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As someone who has witnessed the transformative power of integrated financial counseling, I can attest that it is not just about providing advice—it's about building pathways to lasting financial stability and empowerment. Let me share with you a couple of inspiring stories from our Gaithersburg Financial Empowerment Center.

Consider the story of a single mother who was once overwhelmed by debt and a low credit score. Through dedicated, one-on-one counseling, she learned to consolidate her debt using affordable financial products from local credit unions, developed a realistic spending plan, and significantly improved her credit score. Today, she is empowered to negotiate better terms for any future financial needs, securing a brighter future for her family.

In another instance, an individual facing long-term unemployment leveraged our center's comprehensive approach. By connecting with vocational training and scholarship opportunities, he transformed his prospects—building a budget, boosting his credit score, and ultimately securing a stable, well-paying job. These stories aren't isolated; they represent the power of a model that seamlessly integrates financial coaching with housing stability, workforce development, and legal support, providing our clients with real-world solutions.

At the Gaithersburg FEC alone, our dedicated counselors have achieved remarkable results. They have helped hundreds of clients raise their average credit scores by at least 35 points, pay down over \$1.6 million in debt, and save over half a million dollars for the future. These outcomes are more than just numbers—they symbolize renewed hope, increased financial literacy, and the foundation for building generational wealth.

By expanding this integrated, data-driven model statewide through HB0801, which places the program under the Office of the Comptroller, we are not just addressing debt; we are empowering every Marylander to overcome financial barriers, build a solid financial foundation, and realize their full potential. I urge you to support this initiative, as it has the potential to make a profound impact on the lives of countless individuals and families across Maryland.

Thank you for your time and consideration.

We support HB0801 and urge a favorable report.

Sincerely,

John Sanchez
Program Manager, Gaithersburg Financial Empowerment Center
Housing Initiative Partnership, Inc. (HIP)