

February 11, 2026

Chair Guy Guzzone
Senate Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, MD 21401

RE: SB369/HB571 – Nonprofit Housing Corporations - Tax and Enforcement of Judgment Exemptions - Alterations

Dear Chair Guzzone and Members of the Committee,

On behalf of Fello, we write in support of ***SB369/HB571 – Nonprofit Housing Corporations - Tax and Enforcement of Judgment Exemptions – Alterations.***

Across Maryland, Fello is building communities where people belong. With a team of more than 650 employees, Fello supports over 5,000 people with disabilities each year – creating opportunities that empower people to live the lives they choose. From advancing equity and respect to expanding access and connection, inclusion is at the heart of everything we do. One powerful way this comes to life is through Fello Communities: beautiful, safe, and accessible rental housing that offers choice and stability for residents across income levels, from affordable to market-rate homes.

SB369/HB571 appropriately clarifies that a 501(c)(3) nonprofit whose primary purpose is the development, ownership, or operation of housing for persons of eligible income qualifies as a nonprofit housing corporation, including nonprofit entities such as Fello and similarly situated organizations. This clarity is essential to ensuring consistent and equitable treatment across the state for mission-driven housing providers.

SB369/HB571 also establishes sensible and necessary property tax exemptions for real property that:

- Belongs to a nonprofit housing corporation or its subsidiary entities;
- Is used to provide housing for persons of eligible income and is owned, in whole or in part, by the nonprofit housing corporation; or
- Is planned or under construction for such housing purposes, including property with existing or planned improvements that will be owned by the nonprofit housing corporation.

These exemptions recognize that nonprofit housing corporations reinvest all resources into community benefit rather than private gain, and that imposing property taxes or special assessments on affordable housing developments diverts scarce funds away from resident services, long-term maintenance, and the creation of additional affordable homes.

fello.

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Additionally, the bill's protections exempting qualifying nonprofit housing property from execution on a judgment, levy, or judgment liens are essential to preserving long-term affordability. Without these safeguards, nonprofit housing assets intended to serve low- and moderate-income residents could be placed at risk due to financial actions unrelated to the housing mission itself, undermining stability for both residents and communities.

At a time when Maryland continues to face a significant shortage of affordable housing, SB369/HB571 removes unnecessary barriers and strengthens the ability of nonprofit housing corporations to develop, preserve, and operate housing for those who need it most. The bill supports financial sustainability, encourages responsible development, and aligns state policy with the public good these organizations provide.

For these reasons, we respectfully urge a favorable report on SB369/HB571.

Sincerely,



Jonathon Rondeau
President & CEO