



TESTIMONY
HOUSE BILL 239
House Economic Matters Committee
February 12, 2026
Position: FAVORABLE

Chair Valderrama and Members of the Economic Matters 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 communities are thriving and where people of all incomes have abundant opportunities for themselves and their families.

HOUSE BILL 5 Establishes a Maryland New Markets Development Program administered by Department of Housing and Community Development. The program authorizes a credit against the State insurance premium receipts tax and certain State insurance retaliatory taxes, fees, charges, and penalties for certain equity investments in certain community development entities,

New Markets Tax Credits are a flexible financing tool that spurs economic development. These tax credits can finance for-profit businesses, medical clinics, real estate development, child care center and many other urgent needs in the state of Maryland. New Markets Tax Credits are often used to fill the “gap” left when traditional financing falls short.

Maryland needs additional tools for community economic development and should look to New Markets as a source of investment in urban, suburban and rural areas.

We urge a favorable report for HB 5.

Claudia Wilson Randall, Executive Director, Community Development Network of Maryland

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