



**SB939 Bankruptcy Proceedings - Exemptions From Execution -  
Residential Real Property  
Position: FAVORABLE**

April 2, 2026

The Honorable Kris Valderrama, Chair  
Economic Matters Committee  
Room 230, House Office Building  
Annapolis, Maryland 21401  
cc: Members, House Economic Matters

Chair Valderrama and Members of the Committee:

Economic Action writes in strong support of SB939, which increases the exemptions from execution for homes in bankruptcy proceedings. Under SB939, if a homeowner is at least 65 years old the homeowner will be able to protect \$300,000 of their equity. For anyone else, \$150,000 in home equity will be protected.

**Respectfully, Economic Action strongly supports the Senate version with the amendments before you over the House amendments.** Marylanders face an economic crisis, and need all the protections we can provide when facing bankruptcy. The legislature should support the strongest version of the bill possible.

The current homestead exemption protects \$31,575 in a person's home but hasn't been updated for years. As home values rise, it is critical to update exemptions to keep pace with fair market value of homes. SB939 ties future increases to the Consumer Price Index so that protections remain aligned with price changes.

In Maryland, there were 11,108 bankruptcies in 2024, with 62% of bankruptcies filed under Chapter 7. Expanding protections, particularly in light of the current affordability crisis, is critical. SB939 increases homeowner's exemptions in bankruptcy. This will increase homeowners' economic security during the critical time a household is facing bankruptcy.

For all these reasons, we support SB939 and urge a favorable report on the bill **without additional amendments.**

Sincerely,  
Marceline White, Executive Director

*Economic Action (formerly the Maryland Consumer Rights Coalition) champions economic rights and housing justice through advocacy, research, consumer education, and direct service. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.*

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