

TESTIMONY

**House Bill 571, Nonprofit Housing Corporations - Tax and Enforcement
of Judgment Exemptions-Alterations**

Position: Support

FEBRUARY 19, 2026

The Honorable Kriselda Valderrama
Economic Matters Committee
231 Taylor House Office Building
Annapolis, Maryland 21401

Chair Valderrama and Members of the Economic Matters Committee:

Victory Housing, Inc. (“Victory Housing”) urges your support of House Bill 571, Nonprofit Housing Corporations – Tax and Enforcement of Judgment Exemptions - Alterations.

Victory Housing is a nonprofit, Section 501(c)(3) tax-exempt organization that serves as the housing development arm of the Catholic Archdiocese of Washington. Since our inception in 1979, Victory Housing's mission has been to provide affordable housing and related social services to low- and moderate-income senior citizens and families. We have built or rehabilitated over 2,800 units of housing across 37 affordable and mixed-income communities in Montgomery, Prince George's, Charles, St. Mary's Counties and Washington, DC.

Victory Housing sees House Bill 571 providing crucial support to nonprofit housing corporations and their subsidiaries in two meaningful ways. First, the bill exempts properties owned under a low-income housing tax credit structure wholly or partially owned by a subsidiary of a nonprofit housing corporation from property taxes. This provision unlocks enormous potential for developing new communities and preserving existing communities by focusing scarce resources on the physical properties themselves. Second, the bill eliminates the need to secure a Payment in Lieu of Taxes (PILOT) agreement in each local jurisdiction. While Victory Housing greatly appreciates the support it has received from our local government partners, the tax exemption provided by House Bill 571 provides more predictability for affordable housing owners. Without certainty about whether a PILOT agreement will be extended or renewed after expiration, property owners face difficult choices as significant expense items must be incorporated into the operating budget.

Please help equip affordable nonprofit housing owners with an important tool so we can prioritize reinvesting in our properties to ensure they remain community assets for generations.

Thank you for this opportunity to speak before you today.

Sarah O’Rielly, Senior Vice President of Finance