



Neighborhood Housing Services of Baltimore, Inc.

February 10, 2026

Delegate Kriselda Valderrama, Chair
230 Taylor House Office Building
Annapolis, Maryland 21401

RE: House Bill 5

Honorable Chair Valderrama and Members of the Committee:

I am the Chief Executive Officer of Neighborhood Housing Services of Baltimore (NHS), and a resident of Baltimore City. Our organization believes that economic and social justice are a right for all residents and communities. We promote this belief by removing barriers of access to homeownership, helping resident access resources to maintain their homes, and supporting communities historically impacted by systemic disinvestment.

HB 5 creates the Maryland New Markets Development Program which is modeled after the federal New Markets Tax Credit (NMTC) program. NHS has utilized the NMTC three times in the past five years. The program has provided necessary capital to support investments into low- and moderate-income communities that have suffered from historic disinvestment. There are two advantages presented by a state program. First, the state credits can be leveraged by federal credits to magnify impact and move projects forward. This allows for additional projects to move forward that would be restricted without these investments. Second, it is extremely difficult to navigate the federal program requiring significant costs to close loans. It typically costs well over \$500K to close one deal. The state program is designed to provide a tool that can be leveraged in smaller amounts opening opportunities that otherwise would not be able to access credits due to the barriers of access. This is especially impactful for low- and moderate-income communities.

HB 5 provides access to tax credits for many quality projects. We ask that the Committee issue a **favorable** report on HB 5.

Sincerely,

A handwritten signature in black ink that reads "Daniel T. Ellis".

Daniel T. Ellis
Chief Executive Officer



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