



Testimony SB 881
House Economic Matters Committee
March 31, 2026
Position: FAVORABLE

Chair Valderamma 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 nonprofit housing developers, Main Streets, and community development financing institutions and revitalization partners in Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland's urban, suburban and rural communities.

Nontransparent lending is increasing costs by making it nearly impossible for a small business owner to shop for more affordable financing. These increased costs are also passed on to consumers, making day-to-day life less affordable for the average Marylander. Transparent disclosure of the all in cost, including the APR *and* dollar cost of financing, will empower small businesses to shop for the best price. That will make life more affordable for small business owners and their customers.

Maryland cannot afford to delay the [Small Business Truth in Lending Act](#) for another year. The bill has gone through years of compromise and negotiation, bringing on support. After 5 years, the companies who still oppose disclosing the APRs they charge Marylanders have not offered any proposal. Their delaying tactics need to stop.

The lenders the Federal Reserve calls "[higher-cost and less-transparent](#)" continue to be "less-transparent." That's another year that our small business owners lose hundreds of millions of dollars in unnecessary fees. Instead of seeing that money pulled away by "less-transparent" financing companies, those millions of dollars should remain in small businesses, lowering prices for customers and helping small business owners build businesses, families, jobs, and communities throughout the state.

We respectfully request your support for SB 881.

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