

Testimony in Support of HB 343

Maryland House Economic Matters Committee

Good afternoon, Chair, Vice Chair, and members of the Committee.

My name is Meredith McAllister, and I am a HUD-certified housing counselor, a program manager at a Baltimore-based housing counseling nonprofit, and a recent homebuyer in East Baltimore's Broadway East neighborhood. I am here today to speak in support of HB 343 and to respectfully suggest targeted amendments that will strengthen its impact.

HAND, a nonprofit housing advocacy collective, highlights two important data points from Census Population and Housing Unit Estimates, Decennial Census, American Community Survey (2018-22), and the HIT survey of local jurisdictions as follows:

1. The City of Baltimore was home to 569,931 people and had 293,911 housing units in 2022. Since 2010, Baltimore has lost an average of 4,200 people and 200 housing units per year.
2. Fifty-two percent of households were renters and 52 percent of renters had unaffordable housing costs.

This suggests that many of the potential buyers and lessees of state-funding redeveloped properties will need to prepare themselves with as many tools as possible to compete in **competitive** market driven by low inventory of affordable units. It also means that buyers have less disposable income to save so it will be especially important to develop an action plan and timeline to get mortgage-ready as soon as possible. Finally, in markets that might be challenging, some buyers might be vulnerable to predatory loans and rental housing scams that can be very costly. Housing counseling will provide access to timely, reliable information and professionals that will help the buyer navigate the homebuying roadmap.

As redevelopment accelerates in historically disinvested neighborhoods, affordability often decreases. Block-by-block blight reduction works. It improves safety, stabilizes neighborhoods, and restores long-neglected housing stock. But without intentional safeguards, it can also unintentionally price out long-time residents—particularly low-income households, seniors, people with disabilities, women-led households, and communities of color. When displacement occurs, families are often pushed into areas with higher poverty, fewer services, weaker transportation access, and diminished support networks. Housing counseling is one of the most effective, evidence-based tools we have to prevent that outcome.

HUD data show that households who receive pre-purchase and rental counseling are more likely to become mortgage-ready, sustain housing stability, and avoid foreclosure or eviction. Nationally, HUD-certified agencies serve nearly one million households each year, improving credit outcomes, budgeting capacity, and long-term housing success. In Maryland, more than half of renters are cost-burdened, and we face a shortage of over 275,000 affordable units statewide. These realities make counseling not optional—but essential. Importantly, housing counseling must begin before a buyer goes under contract or a tenant signs a lease. When done early, counseling creates a pipeline of rent-ready and mortgage-ready residents who can actually access the housing produced through state-funded redevelopment.

HB 343 presents a timely opportunity to strengthen capacity in this area. I respectfully recommend that the bill be amended to:

1. Require developers receiving DHCD funds to make housing counseling available prior to signing purchase contracts and lease agreements, and
2. Incentivize partnerships with HUD-certified housing counseling agencies through additional scoring points or required budget allocations in competitive grant programs.

These changes would align HB 343 with the ENOUGH initiative's goal of ending concentrated poverty and ensure that revitalization benefits existing residents—not just incoming ones. Housing counseling is not just a cost—it is a stabilizing investment in people, projects, and communities.

Thank you for your time and consideration. I urge a favorable report on HB 343 with these amendments.