

CDN SB 47 FAVORABLE.pdf

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Position: FAV



TESTIMONY
SENATE BILL 47
Education, Energy & the Environment
February 17, 2026
Position: FAVORABLE

Chair Korman and Members of Senate Education, Energy & the Environment:

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 small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland’s urban, suburban and rural communities. CDN envisions a state in which all communities are thriving and where people of all incomes have abundant opportunities for themselves and their families. Our network is a state partner of the National Low Income Housing Coalition.

SB 47 -Neighborhood BusinessWorks (NBW) loan program offers financing to new or expanding small businesses and nonprofit organizations. Funding is available for projects located in Priority Funding Areas. This bill removes the requirement for local approval.

Local approval is an added barrier to small businesses and non- profit participation in the NBW program.

According to the Maryland Chamber of Commerce, Maryland ranks 42nd for economic outlook and 41st for recent performance. These aren’t just numbers — they reflect a reality that affects jobs, families, and the state’s ability to fund essential services. Sluggish job growth, outbound migration, and budget shortfalls show that Maryland is at a pivotal moment. If we want a stronger future, we must prioritize an economy that supports business investment, expansion, and long-term growth.

We urge a favorable report for SB 47.

Submitted by Claudia Wilson Randall, Executive Director, Community Development Network of MD

MDCC_SB 47_Favorable.pdf

Uploaded by: Grason Wiggins

Position: FAV



Senate Bill 47

Position: Favorable

Committee: Education, Energy, and Environment

Date: February 12, 2026

Founded in 1968, the Maryland Chamber of Commerce (“Maryland Chamber”) is a statewide coalition of more than 7,000 members working to develop and promote strong public policy that ensures sustained economic growth and opportunity for all Marylanders.

Senate Bill 47 would establish consistent statewide standards for zoning and land use in single-family residential areas. The bill is important step toward increasing housing options and addressing the growing need for affordable and accessible homes across Maryland.

Housing availability is often cited as a critical interest for Maryland’s businesses who are seeking to attract and retain workers. Additionally, ensuring that Maryland workers live in Maryland will ensure that income tax revenue does not flow out of the state. SB 47 helps remove unnecessary barriers to housing development and subsequently promotes economic growth. **For these reasons, the Maryland Chamber respectfully requests a favorable report on SB 47.**

SB0047_DHCD_SUPPORT.pdf

Uploaded by: Jake Day

Position: FAV



WES MOORE
Governor
ARUNA MILLER
Lt. Governor
JACOB R. DAY
Secretary
JULIA GLANZ
Deputy Secretary

DATE: February 17, 2026

BILL NO.: Senate Bill 47

TITLE: Housing and Community Development - Neighborhood Business Development Program - Local Approval Requirement

COMMITTEE: Senate Education, Energy & the Environment Committee

Letter of Support

Description of Bill:

Senate Bill 47 alters the local government approval request requirement for financial assistance issued through the Neighborhood Business Development Program, commonly known as the Neighborhood BusinessWorks program. In the 30 years since the program's establishment, DHCD has records of only two instances of a denial by a local jurisdiction, both for reasons that would have disqualified the project from funding during the application assessment process. However, this requirement adds up to 45 days to the program's approval processes and deployment of capital, often placing a burden on small businesses in need of timely assistance.

Background and Analysis:

The Neighborhood BusinessWorks (NBW) program is a powerful and nimble tool that supports Maryland small businesses by providing financial assistance through loans, grants, and credit enhancements such as loss guarantees. The most common usages of the program are loans of up to \$5 million and grants. Most recently, the program was used to create the NourishMD Fresh Food Grant Program, which provides grants of up to \$150,000 to small businesses and nonprofits that sell fresh produce and other healthy foods in food deserts.

The local approval requirement is uncommon among state grant and loan programs. Per Housing and Community Development 6-305(C)(3), the Department may move ahead with the financial assistance if the local government does not respond within 45 days. In the vast majority of cases, funding is provided without a response from the local government. As stated above, in the 30-year history of the program, we have records of only two denials: one due to an outstanding tax lien and the other due to zoning that disallowed the project. In both cases, the local approval request was sent at the beginning of the application analysis process, and these issues would have resulted in a denied program application regardless of local response.

It should be noted that even without this requirement, local support is necessary in most cases by default, as local approvals are needed for building permits, zoning variances, or other licenses to the borrower. The issue with this requirement is the timeline. The Neighborhood BusinessWorks program is primarily funded with General Obligation Bond (GO Bond) revenue, which requires Board of Public Works (BPW) approval before any funds can be deployed. Per BPW rules, this often adds 30 days at a minimum to the process before closing documents can be finalized and signed. Together with the 45-day wait period, up to 75 days or more are added to the typical underwriting timeline. Combined with the wait time to encumber and deploy funds, this process often totals 150 days or more.



While this program is not solely intended to address the need for rapid deployment of capital, the aforementioned delays prove to be very problematic for many borrowers and grant recipients, given the demands and challenges of operating a small business. For comparison, conventional small business loans typically take one to four weeks to intake and finalize. Other government loans, such as those offered or secured by the Small Business Administration (SBA), often take 60-90 days.

DHCD Position

The Maryland Department of Housing and Community Development respectfully requests a **favorable** report on Senate Bill 47.



2.17.26.SB47NeighborhoodBusinessDevelopmentProgram

Uploaded by: Rylie Shewbridge

Position: FAV

February 17, 2026

Chair Brian J. Feldman
Senate Education, Energy, and the Environment Committee
2 West Miller Senate Office Building
Annapolis, MD 21401

RE: SB47/HB235 – Housing and Community Development - Neighborhood Business Development Program - Local Approval Requirement

Dear Chair Feldman and Members of the Committee,

On behalf of Fello, we write in support of ***SB47/HB235 – Housing and Community Development - Neighborhood Business Development Program - Local Approval Requirement.***

Across Maryland, Fello is building communities where people belong. With a team of more than 650 employees, Fello supports over 5,000 people with disabilities each year – creating opportunities that empower people to live the lives they choose. From advancing equity and respect to expanding access and connection, inclusion is at the heart of everything we do. One powerful way this comes to life is through Fello Communities: beautiful, safe, and accessible rental housing that offers choice and stability for residents across income levels, from affordable to market-rate homes.

SB47/HB235 would modernize Maryland’s Neighborhood Business Development Program by removing the requirement that local governments formally approve applications before the Department of Housing and Community Development can approve loans or grants under the program. This change would streamline the application process, reduce delays, and help small businesses, nonprofits, and microenterprises access funding more quickly. By making the program more responsive, SB47/HB235 would support economic development, community revitalization, and job creation, particularly in underserved areas, while helping locally rooted enterprises thrive and advancing the state’s economic and community development goals.

For these reasons, we respectfully urge a favorable report on SB47/HB235.

Sincerely,



Jonathon Rondeau
President & CEO

fello.

fello.org

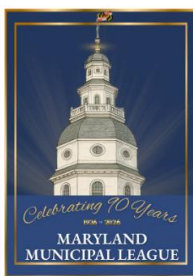
410.269.1883



SB 47 - UNF - MML.pdf

Uploaded by: Angelica Bailey Thupari

Position: UNF



TESTIMONY

COMMITTEE: Senate Education, Energy, and the Environment

DATE: February 17, 2026

POSITION: Unfavorable

BILL: Senate Bill 47

The Maryland Municipal League respectfully opposes Senate Bill 47, which removes the existing requirement that local governments approve applications for financial assistance under the Neighborhood Business Development Program (NBDP). The NBDP was intentionally designed as a collaborative state–local program, recognizing that successful neighborhood-scale business development depends not only on access to capital, but also on alignment with local land use plans, zoning, infrastructure capacity, and community priorities.

Under current law, local governments are required to act on NBDP applications within a defined timeframe, with automatic approval if no response is provided within 45 days. SB 47 replaces this structure with a notice-only process, eliminating both the approval requirement and the default approval provision. This removes a formal local checkpoint that ensures state investments are coordinated with local planning and economic development strategies. Providing state financial assistance before zoning or land use concerns are resolved risks advancing projects that may ultimately be inconsistent with local requirements or community expectations.

MML understands the Department’s interest in expediting funding decisions and aligning timelines more closely with private-sector lending practices, and we agree that unnecessary delay should be avoided. However, eliminating local approval entirely moves the program away from its original collaborative framework. A more balanced approach, such as establishing a defined and shortened comment period that allows local governments to identify material concerns without unduly delaying projects, would preserve coordination while addressing administrative timing challenges. We appreciate the Department’s willingness to engage in good-faith discussions toward a workable compromise, and those conversations remain ongoing. Absent the adoption of amendments reflecting that balance, the League respectfully requests an unfavorable report on HB 235.

For more information relating to this piece of testimony, please contact:

Angelica Bailey Thupari: Director, Advocacy and Public Policy, angelicab@mdmunicipal.org

MML represents 161 local governments and about 2 million Maryland residents.

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SB0047-EEE_MACo_OPP.pdf

Uploaded by: Michael Sanderson

Position: UNF



Senate Bill 47

Housing and Community Development - Neighborhood Business Development Program - Local Approval Requirement

MACo Position: **OPPOSE**

To: Education, Energy, and the Environment
Committee

Date: February 17, 2026

From: Karrington Anderson & Michael Sanderson

The Maryland Association of Counties (MACo) **OPPOSES** SB 47. Counties recognize the value of the Neighborhood Business Development Program in strengthening local economies, revitalizing communities, and supporting small businesses across Maryland. However, SB 47 would eliminate the longstanding requirement for local government consent before the Department of Housing and Community Development (DHCD) may approve financing under the Program.

Historically, the Department has been required to obtain explicit local government approval, through a resolution or letter of support, before approving an application. There is an existing safeguard allowing the Department to proceed if a local government does not respond within 45 days. SB 47 would remove this local approval authority and allow the Department to approve financing without any required local consent.

Local approval serves as an important step in the process, ensuring projects align with adopted plans, infrastructure capacity, and community priorities. Counties are best positioned to evaluate local conditions and long-term impacts, and community input remains a core component of responsible economic development. There has been no demonstrated pattern of local governments withholding consent or obstructing State investment through the Program, and counties have historically partnered with the State to advance these investments - indicating that the current process is not broken, and the proposed adjustments in the bill are not needed.

Counties view this as a concerning erosion of local authority over development occurring within their own communities. If the Department seeks to make this process more efficient or address administrative obstacles in the current approval process, MACo urges the Department and the General Assembly to work collaboratively with counties to identify targeted solutions to any concerns. Eliminating local approval authority altogether is unnecessary and undermines the value of local and community input in development decisions.

MACo urges the General Assembly to preserve the existing local consent requirement, which has served as an effective and collaborative tool for partnerships in economic development. For these reasons, MACo respectfully requests an **UNFAVORABLE** report on SB 47.