



# MARYLAND MILITARY COALITION

*Serving Veterans through Legislative Advocacy*

February 10, 2026

The Honorable Pam Beidle  
Chair, Senate Finance Committee  
3 East Miller Senate Office Building  
Annapolis, MD 21401

Subject: Request for a **Favorable** Report – HB0317 – Credit Regulation – Maximum Interest Rate for Active Service Members (Service Members Civil Relief Act)

Dear Chair Beidle and Members of the Finance Committee

On behalf of the members of the Maryland Military Coalition (MMC), I write to recommend a **Favorable Report** by the Committee on **SB0317 – Credit Regulation – Maximum Interest Rate for Active Service Members (Service Members Civil Relief Act)** sponsored by Senator Brooks.

SB0317 would prohibit a lender from charging an annual interest rate above 6% per year on obligations held by an active service member or jointly by an active service member and the active service member's spouse.

As of December 31, 2024, there were 36,430 active-duty service members in Maryland as well as 25,978 combined National Guard and Reserve members.<sup>1</sup>

SB0317 represents an important benefit to Maryland service members. The bill's protections will be particularly valuable to junior service members whose limited credit history may preclude obtaining credit at other than high market rates. The bill will also benefit service members who need credit but whose spouses cannot find employment. Spousal underemployment and unemployment is a critical challenge, with approximately 22% of uniformed services spouses enduring unemployment, a rate that has not changed for several years. A family with only one income, saddled with high interest rates, creates a significant strain on an already limited income.

Additionally, the bill provides a critical benefit to members of the Maryland National Guard and Reserve. Under the federal Servicemembers Civil Relief Act, when Guard or Reserve service members are ordered to active duty, interest rates on their loans are capped at 6% unless a court determines that military service does not impair the service member's ability to pay market rates. 50 U.S.C. §3937.<sup>2</sup> However, when Guard and Reserve personnel are released from active duty, their interest rates return to market rates, which may be unpredictable and unaffordable for those who sacrificed civilian incomes to serve our country in uniform. Permanently capping interest rate 6% provides those who serve our nation in uniform with financial certainty in times of economic dislocation and spiraling inflation.

---

<sup>1</sup> <https://statepolicy.militaryonesource.mil/state/MD>

<sup>2</sup> A discussion of the SSCRA can be found at <https://www.justice.gov/servicemembers/your-rights-servicemember-6-interest-rate-cap-servicemembers-pre-service-debts>

Subject: Request for **FAVORABLE Report** – HB0317 - Maximum Interest Rate for Active Service Members 3 (Service Members Civil Relief Act)

SB0317 is substantially identical to existing and successful statutes in Ohio ([Section 1343.031 - Ohio Revised Code | Ohio Laws](#)) and Louisiana ([Louisiana Laws - Louisiana State Legislature](#)) that have been in effect for two decades. In neither state have there been reports that service members have been denied credit because interest rates are capped at 6%.

SB0317 is not designed to benefit Generals, Admirals, and other high ranking officers who can afford to pay market interest rates on loans initiated while on active duty. The bill adopts provisions in the Ohio and Louisiana laws that creditors can seek judicial relief if the servicemember's ability to pay market interest rates is not materially affected by their military service.

The MMC **strongly supports** HB0317 - Credit Regulation – Maximum Interest Rate for Active Service Members (Service Members Civil Relief Act) and asks the Finance Committee for a **FAVORABLE report**.

The Maryland Military Coalition is a registered non-profit, non-partisan advocacy organization comprised of prominent Maryland-based veteran and military groups, representing over 150,000 service-connected individuals, including those currently serving, veterans, retirees and their families, caregivers, and survivors. For further information and a list of our member organizations, visit our website at <https://mdmilcoalition.org/>

We want to thank Senator Brooks for sponsoring this legislation and his continued support of the uniformed services community in Maryland.

Respectfully,



Jayson L. Spiegel  
LTC, AUS (Ret)  
President

Subject: Request for **FAVORABLE Report** – HB0317 - Maximum Interest Rate for Active Service Members 3 (Service Members Civil Relief Act)

## **Member Organizations of the Maryland Military Coalition**

Air Force Sergeants Association

American Military Society

American Minority Veterans Research Project

Association of the United States Navy

Commissioned Officers Association of the U.S. Public Health Service

Disabled American Veterans

Fleet Reserve Association of Annapolis

Jewish War Veterans of the U.S.A

Maryland Air National Guard Retirees' Association

National Active and Retired Federal Employees, Maryland Veterans

Maryland Veterans Chamber of Commerce

Military Officers Association of America

Military Order of the Purple Heart

Military Order of the World Wars

Montford Point Marines of America

National Association of Black Veterans

National Active and Retired Federal Employees, Maryland Veterans

Naval Enlisted Reserve Association

NOAA Association of Commissioned Officers

Platoon 22

Reserve Organization of America

Society of Military Widows

Veterans of Foreign Wars