



February 25, 2026

RE: Written Testimony for Equipment Leasing & Finance Association on HB 1007

Chair Biedle, Vice Chair Hayes and Members of the Finance Committee,

The Equipment Leasing and Finance Association (ELFA) respectfully requests that **HB 1007** be amended to explicitly exclude **asset-based equipment lease transactions, purchase-money obligations (PMOs), and financing extended by captive finance companies**—entities that finance acquisition of equipment their parent or affiliated companies' manufacture.

ELFA represents companies that provide the majority of equipment financing in the United States, supporting job creation, capital investment, and economic growth for businesses of all sizes, including in Maryland.

ELFA supports the transparency goals of HB 1007. However, as drafted, the bill is overly broad and includes well-established commercial equipment finance transactions that have been *explicitly exempted* in similar laws enacted in multiple states to avoid regulatory duplication and preserve access to essential capital. To date, several states (**Connecticut, Florida, Georgia, Kansas, Utah, Virginia, Missouri and others**) have adopted commercial financing disclosure laws that provide exemptions for leases, PMOs, and—as in Georgia—captive finance companies based on industry-specific best practices.

As recognized in these jurisdictions, asset-based leases and PMO financing are already subject to established commercial law frameworks and provide critical flexibility for businesses without compromising small business protections. Including explicit exemptions for these transactions in HB 1007 will align Maryland with other states that have balanced disclosure objectives with sensible, industry-aligned carve-outs, and will help ensure that Maryland businesses continue to have access to affordable, efficient equipment financing.

We appreciate your consideration and stand ready to provide any technical assistance the Committee may need.

Sincerely,

Kyle L. Alexandre
Vice President, State Government Relations