



TESTIMONY
DHCD Just Community Designation
SENATE BILL 308
Education, Energy and Environment Committee
February 1, 2024
Position: FAVORABLE

Dear Chairman Feldman and Members of the Education, Energy and Environment 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 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 neighborhoods are thriving and where people of all incomes have abundant opportunities for themselves and their families.

HB 241—Designates Just Communities on the recommendation of the Secretary of DHCD after communities demonstrate past and current harms due to neglect and harms of past and current legal racial segregation, including redlining, urban renewal, high rates of incarceration, exposure to environmental and health hazards providing for the prioritization of State funding to increase racial, economic and health equity in the State.

Numerous reports have documented Maryland's history of racialized poverty and lack of human rights throughout the state. According to [Prosperity Now](#), Maryland has not seen a significant change in household net worth in the past 10 years. There is a significant disparity in net worth between White Households and Households of Color. Without intentional policies to address the harm caused by discriminatory policies of the past and present.

Despite the fact that black slave labor built nearly every institution in the state of Maryland, black Marylander have not been able to reap the benefits of their forefather's labor. No matter the measure – health, education, business ownership, home ownership, financial assets – black Marylanders by design- are behind their white counterparts. Just Communities designation begins a process to reverse the harm of this history.

According to the [Maryland Housing Needs Assessment](#) that was completed in 2021 by the National Center for Smart Growth and Enterprise Community Partners, Maryland will have to make a significant investment in housing over the next 10 years in order to keep up with economic and demographic shifts in the state. The analysis showed that the state is short 85,000 rental units for low-income households. With Maryland expected to add an estimated 97,166 low-income households by 2030, the shortage will worsen unless the state creates and preserves many more affordable homes. Thirteen of the state's 23 counties and Baltimore City

don't have enough housing that's affordable to very low-income renters. The deficit is largest in Montgomery County, followed by Baltimore City. These low-income renters are more likely to be people of color in historically redlined communities.

Housing has been the bedrock of racial discrimination throughout Maryland preventing black and brown people from accessing jobs, work and healthy air. According to the recent State of the Economy Report released in January 2024, housing was the top concern in every discussion across the state. Building a more equitable Maryland economy will mean building healthy places throughout the state in areas where they have not previously existed. Ensuring that all families live in affordable, stable homes will improve community health outcomes, thereby reducing health care and education costs. Housing is an urgent priority for economic growth and equitable recovery from the pandemic.

Local governments and the development community need focus on communities that have been ignored and disinvested. This bill will help the state to prioritize disinvested areas for investment. Just Communities designation will help partners to organize to build a state with opportunity at the intersection between housing and health, housing and economic development and housing and education.

This legislation is a step towards addressing the structural, political, and cultural barriers that have held back Maryland and the nation from its founding.

We respectfully request a favorable report for HB 241.

Submitted by Claudia Wilson Randall, Executive Director