

SENATE BILL 1098

Q1

8lr0649

By: **Senators Robinson ~~and Young~~, Young, Conway, Ferguson, and McFadden**

Introduced and read first time: February 14, 2018

Assigned to: Rules

Re-referred to: Budget and Taxation, March 16, 2018

Committee Report: Favorable with amendments

Senate action: Adopted with floor amendments

Read second time: April 1, 2018

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City – Tax Sales – Water Liens**

3 FOR the purpose of prohibiting the tax collector in Baltimore City from selling certain
4 property when the tax in arrears consists only of unpaid charges for water and sewer
5 service; authorizing the Mayor and City Council of Baltimore City to enforce a lien
6 for unpaid charges for water and sewer service if the property is being sold to enforce
7 another lien; requiring the Baltimore City Department of Public Works to report to
8 the members of the Baltimore City delegation to the General Assembly on or before
9 a certain date on certain matters; making technical and conforming changes;
10 providing for the termination of this Act; and generally relating to tax sales of
11 property in Baltimore City.

12 BY repealing and reenacting, without amendments,
13 Article – Tax – Property
14 Section 14–801
15 Annotated Code of Maryland
16 (2012 Replacement Volume and 2017 Supplement)

17 BY repealing and reenacting, with amendments,
18 Article – Tax – Property
19 Section 14–808, 14–811, and 14–849.1
20 Annotated Code of Maryland
21 (2012 Replacement Volume and 2017 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
2 That the Laws of Maryland read as follows:

3 **Article – Tax – Property**

4 14–801.

5 (a) In §§ 14–801 through 14–854 of this subtitle, the following words have the
6 meanings indicated.

7 (b) “Other taxing agency” means any municipal corporation or other public or
8 quasi–public corporation that may impose a tax of any kind which is or may become a lien
9 on real property.

10 (c) “Owner–occupied residential property” means, with respect to a property
11 located in Baltimore City, the principal residence of a homeowner as defined in §
12 9–105(a)(7) of this article.

13 (d) (1) “Tax” means any tax, or charge of any kind due to the State or any of
14 its political subdivisions, or to any other taxing agency, that by law is a lien against the
15 real property on which it is imposed or assessed.

16 (2) “Tax” includes interest, penalties, and service charges.

17 14–808.

18 (a) **(1)** Except for property that has been transferred by a municipality or
19 county to a land bank authority established under § 1–1403 of the Local Government
20 Article, **AND EXCEPT AS PROVIDED UNDER § 14–811 OF THIS SUBTITLE**, the collector
21 shall proceed to sell and shall sell under this subtitle, at the time required by local law but
22 in no case, except in Baltimore City, later than 2 years from the date the tax is in arrears,
23 all property in the county in which the collector is elected or appointed on which the tax is
24 in arrears.

25 **(2)** The collector is required to sell, but failure of the collector to sell within
26 the 2–year period does not affect the validity or collectability of any tax, or the validity of
27 any sale thereafter made.

28 (b) In Calvert County the collector shall proceed to advertise and sell any real
29 property immediately after the tax is delinquent for a period of 1 year.

30 (c) In St. Mary’s County, the Board of County Commissioners shall set by
31 resolution the date and time of a tax sale.

32 (d) In Garrett County, the Board of County Commissioners shall set by resolution
33 the date and time of a tax sale.

1 14-811.

2 (a) Except as provided in subsection (b) of this section, the collector may withhold
3 from sale any property, when the total taxes on the property, including interest and
4 penalties, amount to less than \$250 in any 1 year.

5 (b) **(1)** In Baltimore City, the collector shall withhold from sale
6 owner-occupied residential property, when:

7 ~~(1)~~ the total taxes on the property, including interest and penalties,
8 amount to less than \$750; ~~OR.~~

9 **(2) IN BALTIMORE CITY, THE COLLECTOR SHALL WITHHOLD FROM**
10 **SALE RESIDENTIAL PROPERTY, IF THE TAXES ON THE PROPERTY CONSIST ONLY OF**
11 **A LIEN FOR UNPAID CHARGES FOR WATER AND SEWER SERVICE.**

12 14-849.1.

13 (a) In Baltimore City, the Mayor and City Council may not sell a property solely
14 to enforce a lien for unpaid charges for water and sewer service unless:

15 (1) [(i) for a property other than owner-occupied residential property,]
16 the lien is for at least \$350; [or

17 (ii) for an owner-occupied residential property, the lien is for at least
18 \$750;]

19 **(2) THE PROPERTY IS NOT ~~AN OWNER-OCCUPIED~~ A RESIDENTIAL**
20 **PROPERTY; and**

21 **[(2)] (3)** the unpaid charges for water and sewer service are at least 3
22 quarters in arrears.

23 (b) (1) Notwithstanding subsection [(a)(1)(i)] **(A)** of this section, the Mayor and
24 City Council may enforce a lien on a property other than ~~owner-occupied~~ residential
25 property for unpaid water and sewer service that is less than \$350 if the property is being
26 sold to enforce another lien.

27 (2) Notwithstanding subsection [(a)(1)(ii)] **(A)** of this section, the Mayor
28 and City Council may enforce a lien on ~~owner-occupied~~ residential property for unpaid
29 water and sewer service [that is less than \$750] if the property is being sold to enforce
30 another lien.

31 **SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1, 2019,**
32 **the Baltimore City Department of Public Works shall report to the members of the**

SENATE BILL 1098

1 Baltimore City delegation to the General Assembly, in accordance with § 2-1246 of the
 2 State Government Article, on:

3 (1) specific outreach and education efforts made to houses of worship
 4 regarding payment plans, emergency assistance, and other assistance programs for
 5 delinquent water bills;

6 (2) the administrative review process by which a customer may file a claim
 7 for the review of or in order to dispute the customer's bill;

8 (3) the retention by the Department of any outside professional entity to
 9 conduct a review of the Department's customer service and bill dispute resolution
 10 processes; and

11 (4) alternative collection methods implemented after this Act takes effect.

12 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
 13 October 1, 2018. It shall remain effective for a period of 2 years and 3 months and, at the
 14 end of December 31, 2020, this Act, with no further action required by the General
 15 Assembly, shall be abrogated and of no further force and effect.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.