



HB 43
PROPERTY TAX— TAX SALES – PAYMENT OF BALANCE AFTER FORECLOSURE
HEARING BEFORE THE HOUSE WAYS AND MEANS COMMITTEE
JANUARY 24, 2023
POSITION: SUPPORT

The SOS Fund, an independent 501(c)(3) non-profit organization, addresses the systemic housing instability experienced by historically red-lined communities in Baltimore City. **The SOS Fund supports HB 43 because homeowners who have lost their homes to tax sale foreclosure should be able to collect every dollar owed to them.**

We provide legacy residents with the legal, material (home repair), and financial (bailout) tools that will allow them to be less vulnerable to displacement which is the greatest threat to further loss of equity. The majority of the referrals made to our program come from either legal service providers or non-profit housing service providers. 90% of our clients have an income that falls below 80% AMI (area median income). 81% of our clients identify as Black or African American.

Our organization works with residents who reside in the majority black neighborhoods which experienced the most aggressive form of housing discrimination. The majority of our clients are older (over 60), black women who have struggled to maintain their homes with little assistance, for decades. The ongoing disinvestment in their neighborhoods has trapped many of them in a lower socioeconomic status resulting in persistent poverty. Losing the home to tax sale foreclosure is devastating to our residents. The loss of equity, shelter, and cultural continuity has vicious effects on individual families for generations and more broadly, contributes to the overall degradation of our neighborhoods. Although the city has been collecting “excess funds” following tax sale foreclosures, no process exists for residents to claim this money. For decades, nearly 5 million dollars has sat unclaimed. Our organization worked with members of the first family to collect unclaimed funds in over 10 years and although the money didn’t come close making up for the loss of their home, it did allow them to pay medical bills. The SOS Fund supports HB 43, which will help Marylanders who lost their family home to tax sale foreclosure by providing the ability to transition to new housing and attempt to recover from their devastating loss.

For the above reasons,
The SOS Fund urges a FAVORABLE report on HB .
Please contact John Kern, Director of Programs, with any questions. john@thesosfund.com

• 410.303.3738