



**Testimony HB 236
Ways & Means Committee
February 7, 2023
Position: FAVORABLE**

Dear Chairperson Atterbeary and Ways and Means Committee Members:

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.

HB 236 Requires the State Tax Sale Ombudsman to contract with a vendor to conduct an annual outreach campaign to homeowners in tax sale; requiring the outreach campaign to consist of making telephone calls to each homeowner whose home is sold at a tax sale to inform the homeowner of the assistance available .

CDN has been part of the ongoing work to reform the process of tax sale in the state since 2016. In 2017, CDN was a lead partner in the Task Force to Study Tax Sales in Maryland. CDN currently serves on the Baltimore City Mayor's Tax Sale Workgroup in Baltimore City.

Most of the people in the state impacted by tax sale are older, single, African American women living at or below the poverty line who owe less than \$3000. Few were aware of the state Homeowner's Tax Credit, the state Homestead Tax Credit, the Homeowner's Assistance Fund or the housing and financial counselors and legal service providers available to help them apply for the programs.

For these vulnerable homeowners, the tax sale has stripped away generational wealth and housing stability. The sale has intensified racial wealth disparities. For the communities that these older adults live in, this empty house is the beginning of neighborhood decline. For the state of Maryland, this event adds to the unprecedented number of senior renters and worsens shortage of affordable rental housing.

A sustained targeted outreach effort could help more older adults age in place and pass their wealth to future generations.

We urge your favorable report for HB 236.

Submitted by Claudia Wilson Randall, Executive Director, Community Development Network