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THE MARYLAND HOUSE OF DELEGATES
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**Testimony in Support of
House Bill 236: Tax Sales - State Tax Sale Ombudsman – Outreach
February 7, 2023**

Madam Chair Atterbeary and esteemed members of the Ways and Means Committee, it is my pleasure to come before you and offer testimony in favor of **House Bill 236: Tax Sales - State Tax Sale Ombudsman - Outreach**.

The State Department and Assessment Taxation (SDAT) ombudsman program has been incredibly successful, but more needs to be done. As many as 5,000 owner-occupied homes are sold annually statewide, but only about 2,500 people contact the Ombudsman each year. Those who contact the Ombudsman's office get assistance regarding tax credits, other public benefits, housing and financial counseling, and the new Homeowner Protection Program starting this year.

Here's some successes from the Ombudsman office from fiscal year 2022:

- 2,536 homeowners contacted the Office.
- Helped 2,189 homeowners to apply for the Homeowners Property Tax Credit and helped about 758 homeowners apply for the Maryland Homestead Tax Credit.
- Assisted 484 homeowners apply for other discount programs or public benefits.
- Referred 2,055 homeowners to legal services, housing counseling, and other social services.
- Through its Homeowner Follow Up initiative, SDAT has reached out to find out where those it previously assisted are today. The discovery is that nearly all homeowners contacted were able to avoid tax sale in the following year after they were helped.

However, we can do more – and this legislation would require the Ombudsman to contract with a call center to reach more eligible homeowners. The funding for this will come from the Homeowner Protection Fund. SDAT is on board with this legislation.

This legislation is needed for several reasons: 1) homeowners whose homes have been sold at a tax sale are in the greatest need of assistance; 2) many of these homeowners are eligible for the homeowners' credit, Homeowner Protection Program, or other benefits but aren't receiving them; 3) the population of homeowners in tax sale is disproportionately elderly, low-income, and less educated, and is less likely to read, understand, and respond to a mailing; and 4) people are generally far more likely to respond when they talk directly with a real person who is trying to help them.

Thank you for your attention to this important issue. I urge a favorable report on **House Bill 236**. Thank you.