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BILL NO.: **SB 779**

TITLE:Real Property – Taxation of Vacant Property, Certification of
Company Representatives, and Short-Term Rentals

- SPONSOR: Senator Lewis Young
- COMMITTEE: Budget and Taxation
- POSITION: SUPPORT
- DATE: February 20, 2024

Baltimore County **SUPPORTS** Senate Bill 779 – Real Property – Taxation of Vacant Property, Certification of Company Representatives, and Short-Term Rentals. This legislation, a priority of the Maryland Association of Counties (MACo), would help local jurisdictions in their efforts to address various challenges that negatively impact the housing market.

First, SB 779 would allow each county to set a special tax rate on vacant properties that are deemed unfit for habitation (or other authorized categories that would merit a housing or building violation notice). Baltimore County has similar concerns about the effect these properties have on the health, safety, and property values of the surrounding communities. Baltimore County recently passed legislation to define, identify and inventory vacant properties, and has launched a public facing GIS map that shows the location of these properties. However, Baltimore County lacks certain tools to incentivize the property owners to take action to move the properties from vacancy to occupancy. Allowing a variable tax rate would give the County a tool to put pressure on speculative investors who refuse to sell or improve blighted and vacant properties.

Secondly, the legislation requires entities that own residential property in the State to provide, in writing and affirmed or acknowledged under oath, correct contact information for a representative of the entity who has the authority to communicate about the entity. The State must provide this information to local jurisdictions that request it. This addresses a major challenge experienced by local jurisdictions and their residents in identifying a way to track

down and communicate with the owner of vacant and blighted properties that re causing harm to the health, safety, and welfare of the surrounding community.

Lastly, the legislation provides a definition for Short-Term Rentals (such as "AirBnBs") and authorizes jurisdictions to pass local legislation regulating short-term rental units as it relates to the intensity of their use in areas lacking an adequate supply of affordable housing. This includes regulations relating to the number of nights booked, infrastructure constrains in the surrounding area, whether the short-term rental units are owner-occupied, criteria to identify areas lacking an adequate supply of affordable housing, and any other criteria relating to short term rentals. Baltimore County supports enabling legislation furthering the rights of local jurisdictions to regulate this industry as it relates to its impacts on affordable housing.

Accordingly, Baltimore County urges a **FAVORABLE** report on SB 779 from the Senate Budget and Taxation committee. For more information, please contact Jenn Aiosa, Director of Government Affairs at jaiosa@baltimorecountymd.gov.