



**Odette Ramos**

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**Testimony**

**HB0243- Property Tax- Tax Sales - Revision**

**OPPOSE**

**March 25, 2024**

Honorable Chair Guzzone and Distinguished Members of the Senate Budget and Taxation Committee:

I am grateful for your service to our state. I am writing to respectfully request that you **oppose HB0243** since it has harmful amendments that have been attached to the bill. During the initial hearing I testified in favor, but harmful amendments have been added that have caused me to oppose the legislation.

HB0243 in the first reader version provides the same tax sale protections that are afforded to homeowners in Baltimore City to the rest of the state. This includes increasing the threshold where properties are required to be pulled from the sale, removing water bills from the total tax sale if they are just water bills and no other liens, and expanding the time that a resident can redeem the property before foreclosure. These measures will protect our most vulnerable residents in Maryland, particularly older adults, and have worked in Baltimore City. I testified in favor of this first reader version because it helps the City and also the rest of the state.

The tax sale purchasers testified at the hearing they wanted to add an amendment to make sure that water bills were included in the tax sale for non-owner-occupied properties. HB0777 has that provision as well and the sponsor wants to fold her bill into the Governor's bill. The amendments you are considering today mirror these two items. They are harmful and should be removed.

**The bill as it stands now with the amendments would harm renters and heirs who have not yet placed the home in their name.**

As a compromise, adding water bills for vacant and abandoned properties – which is what we already do in Baltimore City – would be fine. I have added my amendment to make water bills included in the tax sale only for vacant and abandoned properties.

In addition, increasing the interest rate will also harm homeowners trying to redeem the property. While most of the properties are redeemed, the cost of the penalties and interest cause residents to have to decide between paying the tax collector investor with that additional interest, or eating, paying for medications, buying necessities.

I have been working as an advocate and now a councilmember on this issue for a very long time. Reforming our tax sale system is critical to ensuring that people do not lose their homes unnecessarily. Thank you for your consideration, and I ask you to oppose this bill.

Respectfully Submitted:

Odette Ramos, Baltimore City Councilwoman, District 14

Proposed amendment to HB243

§14–811

(b)(3) In Baltimore City, IF THE TAXES ON A PROPERTY CONSIST ONLY A OF A LIEN FOR UNPAID CHARGES FOR WATER AND SEWER SERVICES, the collector shall withhold THE PROPERTY from sale IF THE PROPERTY IS:

- (I) residential property, EXCEPT FOR RESIDENTIAL PROPERTY THAT IS A VACANT LOT OR IMPROVED PROPERTY CITED AS VACANT AND UNSAFE OR UNFIT FOR HABITATION; or
- (II) property that is exempt from taxation under § 7–204(1) or (2) of this article[, if the taxes on the property consist only of a lien for unpaid charges for water and sewer services].

§14–849.1.

(a) In Baltimore City, the Mayor and City Council may [not] sell a property to enforce a lien for unpaid charges for water and sewer service [unless] ONLY IF:

(1) the lien is for at least \$350;

(2) the property is not:

(i) a residential property, EXCEPT FOR RESIDENTIAL PROPERTY THAT IS A VACANT LOT OR IMPROVED PROPERTY CITED AS VACANT AND UNSAFE OR UNFIT FOR HABITATION; or

(ii) real property that is exempt from taxation under § 7–204(1) or (2) of this article; and

(3) the unpaid charges for water and sewer service are at least 3 quarters in arrears.

(b) Notwithstanding subsection (a) of this section, the Mayor and City Council may enforce a lien [on a property other than residential property or real property that is exempt from taxation under § 7–204(1) or (2) of this article] for unpaid water and sewer service that is less than \$350 ONLY if :

(1) the property is being sold to enforce another lien; AND

(2) THE PROPERTY IS NOT:

(i) A RESIDENTIAL PROPERTY, EXCEPT FOR RESIDENTIAL PROPERTY THAT IS A VACANT LOT OR IMPROVED PROPERTY CITED AS VACANT AND UNSAFE OR UNFIT FOR HABITATION; OR

(ii) REAL PROPERTY THAT IS EXEMPT FROM TAXATION UNDER § 7–204(1) OR (2) OF THIS ARTICLE.

(c) This section does not affect any other right or remedy of Baltimore City for the collection of a water and sewer service charge.