



Maryland Municipal League
The Association of Maryland's Cities and Towns

TESTIMONY

February 6, 2024

Committee: House Ways and Means

Bill: HB 243 – Property Tax – Tax Sales – Revisions

Position: Oppose

Reason for Position:

The Maryland Municipal League opposes House Bill 243, which seeks to make major alterations to the tax sale process in Maryland.

The League has worked with the General Assembly for decades to strike a balance on tax sales, both as the only meaningful tax collection tool afforded to local governments and to protect vulnerable homeowners. We have repeatedly supported the Homeowner Protection Program (HPP) and view it as a much better solution to the concerns this legislation seeks to address.

Specifically, we are concerned the rate of redemption is set too low and in combination with the exclusions of additional penalties for a year could render the tax sale tool ineffective to borderline useless in certain areas of the state. Further, allowing taxes to climb to \$1,000 before providing a mandatory payment plan option does a disservice to both parties. If the goal is to get someone into a repayment program, why not do it sooner? The legislation also barres a jurisdiction from using the process to collect unpaid water and sewer service charges, leaving little hope of collection in jurisdictions that prohibit water shutoffs. These are just the most glaring challenges of applying such an aggressive one-size-fits-all approach to the tax sale process.

Information on the “exciting future” of HPP and a number of other recent reforms can be found in the [2023 Annual Maryland Tax Sale Report](#).

For these reasons the League respectfully requests that this committee provide House Bill 243 with an unfavorable report.

FOR MORE INFORMATION CONTACT:

Theresa Kuhns
Angelica Bailey Thupari, Esq.
Bill Jorch
Justin Fiore

Chief Executive Officer
Director, Advocacy & Public Affairs
Director, Public Policy &
Deputy Director, Advocacy & Public Affairs