

**Senate Bill 765—Property Taxes – Tax Sales, Heirs Protection Program and  
Tax Credits  
Hearing on March 3, 2026 – Budget and Taxation Committee  
Position: FAVORABLE**

*Maryland Legal Aid (MLA) submits its written and oral testimony on SB 765 in response to a request from Senator Craig Zucker.*

Maryland Legal Aid (MLA) appreciates the opportunity to testify in support of this vital legislation. We are the state’s largest nonprofit law firm, representing thousands of low-income Marylanders every year in civil legal cases involving a wide range of issues, including family law, housing, public benefits, and consumer law. , Because SB 765 would provide heirs who inherit property assistance including assistance in avoiding tax sale, MLA testifies in strong support of this bill.

SB 765 provides support to heirs who live in a home where the owner had died leaving a property tax default. The proposed legislation establishes an Heirs Protection Program in the Tax Sale Ombudsman’s office to assist these homeowners. MLA has experience with people facing the difficult and mentally taxing situation of having to correct title to add themselves and remain in the home and pay property taxes. Our office had a client who inherited her home from her father. In addition to her father’s death, she was also dealing with several medical issues and the murder of her son. Within a few months after her father’s death, the property was sold at tax sale and she began to receive letters threatening the loss of the home if she did not immediately cure the property tax default. MLA was able to get financial assistance for this client to avoid a tax sale foreclosure, but had SB 765 been in place, it is possible this situation could have been avoided completely.

In addition, simply recording the title transferring ownership is difficult enough, and SB 765 provides homeowners with a way to seek assistance in this process. The recording of deeds in Maryland can be a Kafkaesque process that can cause homeowners to get frustrated to the point that they lose hope. MLA represented a client that had to record a deed and even with legal assistance, the process took months. With the proposed Heirs Protection Program, the homeowner is protected from tax sale while working through the title transfer issues with their property.

Finally, homeownership and preserving homeownership for future generations is the single most certain t way for middle-class families to build wealth in America<sup>1</sup>. The loss of property to a tax sale after an elderly family member dies denies a family that road to financial stability and

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<sup>1</sup> Jung Hyun Choi and Amalie Zinn. “The Wealth Gap Between Homeowners and Renters Has Reached an Historic High.” *Urban Institute*. <<https://www.urban.org/urban-wire/wealth-gap-between-homeowners-and-renters-has-reached-historic-high>> July 2024.

preservation of community. By creating the Heirs Protection Program, SB 765 assists families in preventing the loss of this fundamental wealth builder.

Because SB 765 would assist heirs in preventing family homes from going into tax sale, MLA gives strong support to SB 765. If you need additional information regarding this bill, please contact William Steinwedel at [wsteinwedel@mdlabor.org](mailto:wsteinwedel@mdlabor.org) and (410) 951-7643.