

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 219 (Delegates Bozman and Eckardt)
Ways and Means

**Dorchester County and Worcester County - Rights of Redemption - Limit on
Reimbursement of Foreclosure Expenses**

This bill provides that in Dorchester and Worcester counties a plaintiff or holder of a certificate of sale is not entitled to reimbursement for expenses incurred within four months after the date of a property tax sale. The bill is effective July 1, 1997.

Fiscal Summary

State Effect: None.

Local Effect: None. Limiting the amount of reimbursement for expenses incurred within four months after a property tax sale would not affect Dorchester and Worcester counties' finances.

Small Business Effect: Potential minimal effect on small businesses as discussed below.

Fiscal Analysis

Small Business Effect: In 1996 Dorchester County sold 130 properties at its county auction, while Worcester County sold 94 properties. Under the bill's provisions, plaintiffs or holders of a certificate of sale in Dorchester and Worcester counties are not entitled to reimbursement for expenses incurred within four months after the date of a property tax sale. Small businesses that hold a certificate of sale could incur costs (legal, title searches, public notices, and so forth) that would not be reimbursed. Although the amount of such costs cannot be determined, it is likely that they would be minimal.

Information Source(s): Dorchester and Worcester counties, Department of Fiscal Services

Fiscal Note History: First Reader - January 27, 1997

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