

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 679

(Senator Della)

Judicial Proceedings

Environmental Matters

**Baltimore City - Tax Sales for Nonpayment of Environmental Citations -
Prohibition**

This bill prohibits real property in Baltimore City from being sold at a tax sale solely for nonpayment of an environmental citation.

Fiscal Summary

State Effect: None.

Local Effect: None. Baltimore City does not currently sell property to satisfy a lien for nonpayment of environmental citations.

Small Business Effect: None.

Analysis

Current Law: The Environmental Control Board of Baltimore City is authorized to enforce the sanitation, environmental, health, safety, and other quality-of-life laws under the Baltimore City Code. Citations are issued by a sanitary enforcement officer or other city employee who has been authorized to act as a special enforcement officer. A person cited under an environmental citation must either pay the prescribed prepayable fine or request a hearing on the violation. If the person fails to pay the fine or request a hearing or, if the person requests a hearing but fails to appear, the board may render a default decision and order against the person cited and impose a civil penalty. If the offense involves real property, a civil penalty imposed by the board creates a lien on that property in favor of the city. Penalties and liens resulting from an environmental citation are collectible from and enforceable against any of the assets of the person who incurred the

penalty and may be collected and enforced in the same way that the city collects and enforces other debts due to it or liens in its favor.

Baltimore City is authorized to establish a Bureau of Liens and to provide for the issuance of certificates stating what State and municipal taxes, charges, and assessments exist against any property, and which taxes, charges, and assessments are liens against the property until paid.

Background: When a property is purchased at a tax sale, the purchaser must pay to the tax collector any delinquent taxes, penalties, sale expenses, and under certain conditions, a high bid premium. The remainder of the purchase price is not paid to the collector until the purchaser forecloses on the property. The property owner has the right to redeem the property within six months from the date of the tax sale by paying the delinquent taxes, penalties, interest, and certain expenses of the purchaser. If the owner redeems the certificate, the purchaser is refunded the amounts paid to the collector plus the interest and expenses. If the owner does not redeem the certificate, the purchaser has the right to foreclose on the property after the six-month right of redemption period has passed. Generally within two years, if the right to foreclose is not exercised by the purchaser, the certificate is void and the purchaser is not entitled to a refund of any monies paid to the collector.

Local Fiscal Effect: The bill does not prohibit Baltimore City from placing a lien on property for unpaid environmental citations. However, the city is prohibited from selling property to satisfy such a lien at tax sale. Baltimore City indicates that as a matter of policy liens against property for failure to pay specified environmental citations are not enforced by selling the property tax sale. As a result, the bill is not expected to have any effect on Baltimore City finances.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Baltimore City, Department of Legislative Services

Fiscal Note History: First Reader - February 25, 2005
mp/hlb Revised - Senate Third Reader - March 24, 2005

Analysis by: Michael Sanelli

Direct Inquiries to:
(410) 946-5510
(301) 970-5510