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Finance Committee



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THE SENATE OF MARYLAND Annapolis, Maryland 21401

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Testimony of Senator Antonio Hayes in Support of SB 806: Real Property - Redemption or Extinguishment of Ground Rents

Dear Chairman Smith and Members of the Judicial Proceedings Committee,

I have introduced Senate Bill 806 at the request of Mayor Jack Young for Baltimore City's Housing and Community Development (HCD) Department. Senate Bill 806 proposes subtle changes to the ground rent extinguishment as an effective means of getting to fee simple.

As stated above, this legislation bill deals with redeeming ground rent interests. This is a hugely important, extremely nuanced component of successful property redevelopment processes in the City of Baltimore. As City HCD staff assemble a site for redevelopment, a central part of their work consists of assembling the relevant titles and resolving confusion to arrive at fee simple.

It is only when these various titles are all held in fee simple that HCD can create a consolidated land assemblage parcel out of these vacant and abandoned properties to put out to bid. The end goal is to get productive uses out of and collect tax revenue on the improvements. This bill creates efficiency with both money and time.

The current ground rent redemption section of the State Code already provides for processes to redeem or extinguish a ground rent through the State Department of Assessments and Taxation process to vest a fee simple title in the erstwhile leasehold owner. Senate Bill 806 alters and improves this language to allow for a more effective and efficient transformation of abandoned properties in a manner entirely consistent with the spirit of this section of the law.

Thus, I urge a favorable report on Senate Bill 806.

Respectfully,

Senator Antonio L. Hayes

Chair, Baltimore City Senate Delegation

40th Legislative District - MD