DELEGATE DARRYL BARNES Legislative District 25 Prince George's County

Deputy Majority Whip

Ways and Means Committee Subcommittees Chair, Local Revenues Revenues Racing and Gaming

Chair Legislative Black Caucus of Maryland



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THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

February 23, 2021 Testimony of Delegate Darryl Barnes in Support of HB 981 Prince George's County – Tax Sales – Limited Auction

Dear Chair Kaiser and Members of the Ways and Means Committee,

Thank you for the opportunity to speak on HB 981. As amended, this bill would alter the types of properties for which the tax collector in Prince George's County shall conduct a certain limited auctions prior to conducting a public auction for property subject to tax liens. Providing that any payments received for a certain tax sale certificate that is void (under certain circumstances) shall be applied to any taxes on the property that are in arrears, and generally relating to tax sales of property in Prince George's County.

This Prince George's County Delegation passed a similar version of this bill back in 2017. Unfortunately, the bill had some unintended consequences that were discovered once it became law. The original bill applied to vacant and abandoned properties. The bill not only provided the opportunity of home ownership to those invested in Prince George's County, but also the opportunity to rehabilitate and re-enroll vacant homes onto the active tax records. The design of the limited auction prior to a general public auction *was <u>not</u> intended to have out-of-state investors dominate the sale*.

HB 981 is *necessary to capture, clarify, and remedy the intent of the original legislation*, to *bolster home ownership opportunities for the residents and those employed by Prince George's County*, not out of state investors. This past tax sale saw one out-of-state bidder purchase in almost all of the liens in the limited auction. This result curbs competition of auction sales, which is detrimental to Prince George's County.

This bill as drafted, would merely remedy the intent of the original bill which passed in 2017 seeking to bolster home ownership opportunities for residents in Prince Georges County. For all these reasons, we urge a favorable report on HB 981.

Sincerely, Darryl Barnes

Darryl L. Barnes Delegate, MD District 25 Chairman, Legislative Black Caucus of Maryland