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HEARING DATE: March 2, 2022

BILL: SB0759

TITLE: Real Property - Ground Rent Redemption Fund - Establishment

SDAT POSITION: Letter of Information

The State Department of Assessments and Taxation (SDAT) notes that SB0759 has the opposite effect of the sponsor's legislative intent as written; the sponsor's intent is to *reduce* the number of Ground Rents in the State, not expand the number of Ground Rents.

The only consequence of not registering a Ground Rent with SDAT is the Ground Rent is unenforceable. Once registered, ground rents become active, enforceable, and subject to the \$20,000,000 grant.

This bill will result in more unregistered ground rents actually *becoming* registered and therefore enforced.

While the Department is always against mandatory appropriations, SDAT appreciates that the sponsor is working on amendments to correct the fundamental drafting errors in the bill.

For these reasons, SDAT offers this Letter of Information and strongly urges a reconsideration of SB0759 in its current form.