



House Bill 310

Committee: Ways and Means
Date: February 8, 2022
Position: Favorable with Amendments

This testimony is offered on behalf of the Maryland Multi-Housing Association (MMHA). MMHA is a professional trade association established in 1996, whose members consist of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities. Our members house over 538,000 residents of the State of Maryland. MMHA also represents over 250 associate member companies who supply goods and services to the multi-housing industry.

House Bill 310 (HB 310) authorizes Baltimore City to set special tax rates for any class or subclass of real property that is subject to the city real property tax. MMHA's understanding is that, at least in part, HB 310 is intended to help Baltimore City address significant difficulties with vacant properties. MMHA appreciates and commends that intent. However, MMHA does offer some recommendations to tighten the bill language.

As stated in the fiscal note from last year, the effect of HB 310 on small businesses is potentially meaningful. Small businesses may be required to pay more, less, or the same in property taxes, depending on the real property tax rates set by the city. In turn, if a higher tax rate were placed on any type of residential property, that increase would negatively impact affordable housing in Baltimore City. As such, MMHA respectfully requests that the committee consider an amendment to narrow the scope of HB 310 and allow for Baltimore City to levy separate taxes on vacant properties.

The committee could also consider an additional option that would allow Baltimore City to address vacant properties, but ensure preservation of affordable housing. Specifically, the committee should consider amending HB 310 to allow Baltimore City to address vacant properties as a separate class of property but ensure that residential property remains a single class of property that includes multifamily housing and establish guardrails against increases in tax rates for properties that are not vacant. Amending HB 310 in that manner would ensure that Baltimore City retains tools to address vacant properties while ensuring preservation of affordable housing.

For the aforementioned reasons, MMHA respectfully requests that the committee consider amendments to HB 310 that would provide Baltimore City with specific tools to address vacant properties but ensure preservation of affordable housing in single-family and multi-family residential properties.