

CDN HB963 FAVORABLE CO.pdf

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Position: FAV



Testimony HB 963
Ways & Means Committee
March 29, 2023
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Dear Chairperson Atterbeary and Ways and Means Committee Members:

The Community Development Network of Maryland (CDN) is the voice for Maryland's community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland's urban, suburban and rural communities.

CDN has been part of the ongoing work to reform the process of tax sale in the state since 2016. In 2017, CDN was a lead partner in the Task Force to Study Tax Sales in Maryland. CDN currently serves on the Baltimore City Mayor's Tax Sale Workgroup in Baltimore City.

HB 963 – Prohibits State Department of Assessments and Taxation from disbursing or authorizing the disbursement of certain funds to a county if the county has not provided certain information concerning its tax sales.

Data is critical in preventing tax sale foreclosure in Maryland. Most of the people in the state impacted by tax sale are older, single, African American women living at or below the poverty line. In 2022, the average amount owed was under \$3000. Though most of the homeowners were eligible for the Homeowner's Tax Credit Program, many had applied or were aware of the program. For these vulnerable homeowners, the tax sale has stripped away generational wealth and housing stability.

Over the years, Maryland has enacted more consumer-friendly policy to prevent the poorest homeowners from losing their houses. These improvements include higher thresholds for tax sale, removal of water bills, and the appointment of a public ombudsman to help owner occupants keep their homes. Requiring local jurisdictions to track data and impact is an important step toward prevention.

We urge your favorable report for HB 963.

Submitted by Claudia Wilson Randall, Executive Director, Community Development Network