



**MARYLAND
LEGAL AID**

Advancing
**Human Rights and
Justice for All**

February 15, 2023

The Honorable William C. Smith, Jr., Chair
Senate Judicial Proceeding Committee
2 East
Miller Senate Office Building
Annapolis, Maryland 21401

**RE: Testimony of Maryland Legal Aid in Support of Senate Bill 196
– Residential Ground Leases – Redemption and Extinguishment –
Requirements**

Dear Chair Smith and Members of the Committee:

In response to the testimony provided at the hearing held on February 9, 2023, Maryland Legal Aid (MLA) would like to offer additional support in favor of Senate Bill 196. MLA is Maryland's largest non-profit law firm, that provides free legal services to thousands of indigent Maryland residents. MLA assists individuals and families in every Maryland county and we know how impactful this legislation would be to the residents in this state with homes that have a ground rent. MLA submits this written testimony to this Committee at the request of Senator Sydnor and asks that this Committee give SB 196 a favorable report.

Over the last twenty years, significant changes in the ground rent statute have underscored and supported the redemption of ground rents. SB 196 is a much needed technical amendment that eliminates a current hurdle in the redemption process for a residential ground rent. A party that seeks to redeem their ground rent will be permitted to move forward without the impediment raised by paying funds too early. The Maryland Department of Assessments and Taxation (SDAT) has shared testimony before the General Assembly that an application or funds received too early cannot be held by the Department though ultimately the ground rent would be redeemed. SB 196 would cure the odd position that SDAT experiences and make the path for redemption of a ground rent more efficient. MLA urges the Committee to give this bill a favorable report.

Respectfully Submitted,

/s/Louise M. Carwell
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