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MAYOR

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HB 865

March 8, 2023

TO: The Honorable Members of the Judiciary Committee

FROM: Nina Themelis, Interim Director of Government Relations

RE: House Bill 865 – Baltimore City – Residential Real Property – Disclaimed Property and Exemptions From Prepayment

POSITION: Support

Chair Clippinger, Vice Chair Moon and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** House Bill (HB) 865.

HB 865 allows for property to be transferred to heirs prior to the liens being paid. Typically, all liens need to be cleared before transfer of property. In this case, heirs can inherit the property, but still need to work through payment after the transfer. This Bill would alleviate the immediate need to find funding to clear liens in order to transfer property to heirs, which is now a major obstacle for lower income residents to continue property ownership, apply for assistance programs and build generational wealth.

Currently, constituents can be guided in developing estate plans through involvement with programs such as the Maryland Volunteer Lawyers Service's *My Home, My Deed, My Legacy*, which partners with Maryland Department of Housing and Community Development to provide free legal assistance for low-income property owners. This is a wonderful program, but HB 865 would go one step further by removing immediate barriers to the acquisition of property and the building of generational wealth.

The passage of HB 865 would provide support to struggling property occupants and provide ways to connect them to appropriate homeownership preservation resources available in the Community.

For these reasons, the BCA respectfully request a **favorable** report on HB 865.