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**SB 766**

March 28, 2023

**TO:** Members of the Ways and Means Committee  
**FROM:** Nina Themelis, Interim Director of Mayor's Office of Government Relations  
**RE:** Senate Bill 766 – Baltimore City - Collection of Unpaid Property Taxes

**POSITION: Support**

Chair Atterbeary, Vice Chair Wilkins, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 766.

SB 766 would allow Baltimore City to create our own tax and lien collection system, and not have to use the traditional tax sale system. This Bill is essential for keeping our most vulnerable homeowners residing in, and owning, their homes. Homeowners receiving Final Bill and Legal Notices (FBLNs) have very little time to react and settle to avoid tax sale; this bill would potentially take owner-occupied properties out of tax sale and give owners additional time to pay bills in arrears with payment plans. Currently, payment plans are offered for future bills only.

The Bill also creates a new section – 14-894 for In Rem foreclosure on “residential property”, that would not likely interfere with the current In Rem foreclosure process on vacant lots and buildings, in sections 14-873 – 14-877. This bill creates extensive notice requirements for In Rem foreclosure on “residential property” - including documented offers of assistance to the owners at least 3 years prior to foreclosure, and at least 10 documented attempts to contact the property owner.

The passage of SB 766 would provide for a more effective remedy to assist homeowners in avoiding tax sale and understanding and navigating the tax sale process. SB766 was amended to remove the option for the Mayor of Baltimore City to cancel the tax sale altogether and also restricts the types of properties that can be diverted into the payment plan program to being only those that are owned occupied. The BCA supports SB 766 as originally written, however, would still be able to provide long-term solutions for property owners who are at risk of losing their homes through tax sale with the legislation as amended.

For these reasons, the BCA respectfully request a **favorable** report on SB 766.