



HB 21

PROPERTY TAX— TAX SALES – NOTICES AND PAYOFF AMOUNT FOR REDEMPTION HEARING BEFORE THE HOUSE WAYS AND MEANS COMMITTEE JANUARY 24, 2023 POSITION: SUPPORT

The SOS Fund, an independent 501(c)(3) non-profit organization, addresses the systemic housing instability experienced by historically red-lined communities in Baltimore City. This instability has resulted in generations of residents losing their homes, thus denying them the wealth-building capacity of homeownership. **The SOS Fund supports HB 21 because vulnerable homeowners would benefit from increased ease in the tax sale redemption process to help prevent the loss of their homes.**

We provide legacy residents with the legal, material (home repair), and financial (bailout) tools that will allow them to be less vulnerable to displacement which is the greatest threat to further loss of equity. The majority of the referrals made to our program come from either legal service providers or non-profit housing service providers. 90% of our clients have an income that falls below 80% AMI (area median income). 81% of our clients identify as Black or African American.

Our organization works with residents who reside in the majority black neighborhoods which experienced the most aggressive form of housing discrimination. The majority of our clients are older (over 60), black women who have struggled to maintain their homes with little assistance, for decades. The ongoing disinvestment in their neighborhoods has trapped many of them in a lower socioeconomic status resulting in persistent poverty. Many of our clients income is limited to a social security, or social security disability allocation which allows them continue managing their tight budgets, as long as they can avoid any unforeseeable financial hardship. When these hardships arrive - a burst pipe leading to a flooded basement and a high water bill, an incorrect property tax bill which sends them to tax sale - they have little recourse to adjust. Due to the multi-step redemption process required in Maryland, homeowners find themselves in the position of having to navigate an antiquated and cryptic system as they desperately fight to hold onto their homes. HB 21 would provide a 30-day window for them to regroup, contact services such as ours, and develop a course of action for regaining control of their properties.

For the above reasons,

The SOS Fund urges a FAVORABLE report on HB 21.

Please contact John Kern, Director of Programs, with any questions. john@thesosfund.com

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