



MARYLAND
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Advancing
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January 24, 2023

The Honorable Delegate Vanessa Atterbeary, Chair
House Ways and Means Committee
House Office Building, Room 131
Annapolis, Maryland 21401

RE: Testimony of Maryland Legal Aid in Support of House Bill 21 – Notices and Payoff Amount for Redemption

Dear Chairman Atterbeary and Members of the Committee:

Thank you for the opportunity to testify in support of House Bill 21. MLA is Maryland's largest civil non-profit law firm that provides free legal services to indigent Maryland residents. MLA assists individuals and families in every Maryland county with a wide array of civil legal issues, including protecting people from the epidemic of the loss of housing across the state. This letter serves as notice that Lee Ogburn, Esq., will testify on behalf of MLA in support of HB 21, at the request of Delegate Vanessa Atterbeary.

HB 21 would require that tax sale purchasers in every jurisdiction except Baltimore City provide a redemption amount to a homeowner in tax sale if requested to do so by e-mail, mail, or phone. That redemption amount would be deemed valid for 30 days.

Redeeming a tax sale certificate can be an arduous process. Usually, the homeowner has to satisfy the attorney's fees accrued by the tax sale purchaser before paying the taxes to the taxing authority. In addition, the taxing authority also generally requires a release from the tax sale purchaser confirming payment of its fees and costs before allowing the homeowner to redeem. In addition, some jurisdictions require that the homeowner pay by cash or money order, which can add a difficult logistical barrier to redemption. This bill would make the redemption process easier, to the benefit of everyone involved.

Tax sale purchasers sometime impose unrealistic time limits on the homeowner's opportunity to redeem. For example, MLA recently represented a homeowner who was provided a release by a tax sale purchaser that was good only for 3 hours. This case went to the Supreme Court of Maryland, which vindicated the homeowner's right to redeem and noted the tax sale purchaser's unreasonable conduct. That homeowner saved her home, however, only because she had counsel. The provisions of HB 21 would have protected her.

The reasonable period to redeem and additional contact information required by this bill will also assist low-income homeowners in the tax sale process who have applied for assistance through the Maryland Homeowners Assistance Fund (HAF). Both time and clarity assist the HAF process.

HB 21 will provide homeowners a more level playing field, MLA strongly supports this bill and urges a favorable report and passage of House Bill 21.

Sincerely yours,

/s/ Lee H. Ogburn
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