



**JUSTICE FOR ALL**

MARYLAND SENATE COMMITTEE OF BUDGET AND TAXATION  
TESTIMONY OF MARYLAND VOLUNTEER LAWYERS SERVICE  
IN SUPPORT OF SB519: BALTIMORE CITY – TAX SALES – OWNER-OCCUPIED PROPERTIES  
WEDNESDAY, FEBRUARY 07, 2024

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Chair Guzzone and distinguished members of the Committee, thank you for the opportunity to testify in support of Senate Bill 0519.

My name is Aja' Mallory and I am the Senior Staff Attorney at Maryland Volunteer Lawyers Service (MVLS). MVLS is the oldest and largest provider of pro bono civil legal services to low-income Marylanders. Since MVLS' founding in 1981, our statewide panel of over 1,700 volunteers has provided free legal services to over 100,000 Marylanders in a wide range of civil legal matters. In FY23, MVLS volunteers and staff lawyers provided legal services to 3,256 people across the state. As part of our tax sale foreclosure work, we see hundreds of clients at risk of losing their housing due to unpaid property taxes. For the reasons explained below, we respectfully request a favorable report on Senate Bill 0519.

Tax sale often affects the poorest homeowners in the most distressed neighborhoods and contributes to the overall problem of vacant and abandoned properties all over the state. In 2013, MVLS and other nonprofit organizations came together to form the Tax Sale Workgroup. Our goal was and is to protect communities and homeowners, especially those that are low-income and elderly, who face the devastating effects of the tax sale process. In 2023, our joint tax sale prevention clinics with the Pro Bono Resource Center of Maryland served some of Maryland's most vulnerable citizens: 60% were seniors, 30% were disabled, 72% identify as Black, and 78% reported annual household incomes of less than \$30,000. On average, our Baltimore clients have owned their homes for 25 years, and 70% of them own their homes free of a mortgage. As lower-income homeowners, the predominant form of accumulated wealth that they have, and that they can pass on to their families, is the equity in their homes.

Baltimore City sees a high number of residents at risk of tax sale on a yearly basis and is committed to building its communities and neighborhoods back up. However, the current State law on tax sale hinders Baltimore City's ability to adjust to the needs of its residents as it relates to the tax sale auction. MVLS has been fighting to even the playing field for Marylanders with limited means for decades, and we know that these residents struggle to keep their homes from tax sale.

MVLS would support an amendment to the bill to remove “owner-occupied” from line 21 of page 1 (Section 14–811(b)(2)(II)). This would broaden the impact of the bill, giving Baltimore City wider authority to remove residential properties from tax sale including homes misclassified as non-owner occupied. In addition, the broader “residential properties” category includes properties occupied by tenants and family members of property owners that also deserve protections and removal from tax sale if the Baltimore City collection authority deems it in the City’s best interest.

SB519 would give Baltimore City the authority to create processes that would assist homeowners to get out of tax sale and become current on property taxes.

Mister Chairman and members of the Committee, thank you again for the opportunity to testify.