



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

**Testimony in Favor of Task Force on Property Appraisal and Valuation Equity –
Alterations**

The legacy of racism in this country has left an imprint on almost every aspect of our society. The scars from that history can be seen today in the inequity that impacts our lives and lives of our constituents. One of the places that this inequity is ever-present is in housing. From loans to appraisals, BIPOC communities are systematically disadvantaged in the housing market.

Across the country, an inequitable racial gap has been identified in property valuation. Property that is owned by or in BIPOC communities is consistently misvalued. Multiple national studies have shown a significant racial disparity in appraisals, where BIPOC homes are undervalued in comparison to white-owned property or property in predominantly white communities.

Analysis of this trend shows that this is not simply due to the racial wealth gap. When homes of comparable value are contrasted, the racial gap still exists. This indicates a pattern of structural racism within the property appraisal system.

Two years ago, the governor signed a bill to address this issue. In 2022, HB1097 created the Task Force on Property Appraisal and Valuation Equity. This task force was created to study the misvaluation and undervaluation of property owned by minorities and present a report with recommendations to the general assembly and the governor.

However, the original deadline for this report, October 31, 2023, did not allow for enough time to properly assess the situation and make informed recommendations. By extending the deadline to October 31, 2024, the task force can fully explore the issue and work to find solutions to fix it.

The bill would also alter the existing membership makeup to switch the required justice of the Maryland Court of Appeals to a justice of the Maryland Supreme Court. This alteration would allow for better oversight to increase the expertise of the task force.

It is for these reasons I request a favorable committee report.