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HB 777 - Baltimore City – Unpaid Water and Sewer Charges – Tax Sales of Non–Owner–Occupied Residential Property

February 20, 2024
Budget and Taxation Committee

Position: OPPOSE

On behalf of Food & Water Watch and our 44,000 supporters in Maryland, **we oppose HB 777 and request that you issue an *unfavorable* report** because it would resume the harmful practice of selling at tax sale renter-occupied homes and other homes that are not legally recognized as “owner-occupied” over water and sewer bills in Baltimore City. It discriminates against residents who cannot afford to own or obtain the legal title to their homes.

HB 777 would roll back an important protection for Baltimore City renters and low-income households who are unable to secure the legal title to homes they inherit. We and other members of the Baltimore Right to Water Coalition supported the Water Taxpayer Protection Act, which the General Assembly unanimously passed in 2019, to protect *all* households and places of worship in Baltimore City from tax sale due to unpaid, incorrect, and unaffordable water bills.

HB 777 would disproportionately harm Black residents and low-income households. In 2022, most (52 percent) of Baltimore homes were renter-occupied, and Black households are more likely to be renters: 58 percent of Black households rent their homes, compared to less than 40 percent of white households. Low-income households are also more likely to rent their homes, and the median household income of renters is about half that of homeowners.

The tax sale process can lead to foreclosure and eviction. It can be expensive and traumatic. Many renters are not responsible for directly paying their water bill as they pay in-rent, and despite being up to date on their rent, they could lose their housing through this process. Tenants are required to receive only 30-day notice to vacate after tax sale foreclosure.

HB 777 is unjust and discriminatory – and it is unnecessary. Many water systems never use tax sales to collect unpaid water bills. For example, Maryland’s largest water system, the Washington Suburban Sanitary Commission, cannot use tax sale to collect any unpaid water bills.

Again, we oppose HB 777 as introduced and we urge you to issue an unfavorable report.

Sincerely,

Jorge Aguilar
Southern Region Director
Food & Water Watch