



**JUSTICE FOR ALL**

MARYLAND SENATE BUDGET AND TAXATION COMMITTEE  
TESTIMONY OF MARYLAND VOLUNTEER LAWYERS SERVICE  
IN SUPPORT OF SB 0566: Real Property - Filing Fee for Residential Mortgage  
Foreclosure - Increase  
WEDNESDAY, FEBRUARY 6, 2025

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Chair Sydnor and distinguished members of the Committee, thank you for the opportunity to testify in support of Senate Bill 0566.

My name is Margaret Henn and I am the Deputy Director 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 FY24, MVLS volunteers and staff lawyers provided legal services to 2,950 people across the state. For the reasons explained below, we respectfully request a favorable report on House Bill 566.

I have over 12 years of experience representing homeowners facing foreclosure and the loss of their homes. Foreclosure law is a complex area that few attorneys understand, let alone a pro se litigant. For instance, I recently represented a 64 year old client who came to MVLS in a panic. She had been dutifully making every monthly payment on her mortgage since her mother passed away and prior to that, her mother had made every single monthly payment. What neither of them realized is that this loan was structured so that she was not paying any principal towards the loan. In August, she was hit with a \$21,000 balloon payment and faced foreclosure if she didn't pay it. On top of that, the mortgage company would not communicate with her because the loan was still technically in her mother's name. I was able to assist her in establishing "successor in interest" status so the mortgage company would communicate with her and in obtaining a loan modification so she can stay in her home. It is critical that the state of Maryland provides support to legal services organizations and housing counseling organizations who can help families through what is often their darkest hour. Without an attorney, my client would likely not have been able to keep her home.

Maryland continues to rate among the highest in the nation for properties going into foreclosure, with 1 in every 3,253 properties in foreclosure in December of 2024. Governor Moore named "making the State of Maryland a

desirable and affordable home for all residents” as one of his administration’s top 10 priorities. SB566 increases the filing fee for residential foreclosures, which would directly fund the Maryland Housing Counseling Fund, which supports the work of housing counselors and legal services organizations. Without the critical services of housing counselors and legal services for homeowners, this goal will not be possible. The passage of SB566 will provide vital services for Marylanders who are facing foreclosure, and I strongly support its passage.