



Testimony to the Senate Judicial Proceedings Committee
SB566 Real Property - Filing Fee for Residential Mortgage Foreclosure - Increase
Position: Favorable

February 6, 2025

The Honorable Senator William Smith, Chair
Senate Judicial Proceedings Committee
2 East, Miller Senate Office Building
Annapolis, Maryland 21401
cc: Members, Judicial Proceedings Committee

Honorable Chair Smith and Members of the Judicial Proceedings Committee:

The Community Development Network of Maryland (CDN) is a statewide network of over 180 member organizations. CDN's mission is to promote, strengthen, and advocate for the community development sector throughout Maryland's urban, suburban, and rural communities.

CDN has a strong interest in housing and a long history of partnering with the state of Maryland, banking industry supporters, and philanthropic donors to deliver training and provide professional development for HUD certified housing counselors who serve homebuyers, homeowners and renters as they work to achieve their housing goal or meet their housing needs. Housing counselors professionals have passed a strenuous exam and are affiliated with US Department of HUD approved not-for-profit organizations. [Studies](#) show the effectiveness of housing counseling, including foreclosure prevention housing counseling which benefits the lender, as well as, the homeowner, and our community.

SB 566 would increase the filing fee for mortgage services pursuing residential foreclosures. The fees fund the Maryland Housing Counseling Fund. The fund pays for housing counseling, legal services as well as foreclosure mediation, which all work to prevent avoidable foreclosures. The fee was established in 2010 and has not been changed since. Costs of service provision have escalated and federal crisis response funding is exhausted.

Maryland is at a critical juncture. While our state has one of the highest rates of foreclosure nationwide, we risk losing jobs for highly trained, dedicated professionals who regularly serve 10s of thousands of Marylanders' housing needs each year. This legislation would help stabilize housing counseling service provision, and, as a result, stabilize households and communities from the devastating impact of foreclosures.