



THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

Testimony in Support of HB0796

Bill Title: Real Property – Filing Fee for Residential Mortgage Foreclosure – Increase

Position: Favorable

Chair Clippinger, Vice Chair Bartlett, and members of the Judiciary Committee,

Thank you for this opportunity to present HB0796, Real Property – Filing Fee for Residential Mortgage Foreclosure – Increase.

HB796 is a necessary measure designed to increase the fees collected from residential mortgage foreclosure actions, which will directly support the [Maryland Housing Counseling Fund Program](#) (MHCF). Administered by the Maryland Department of Housing and Community Development, the MHCF has been a lifeline for Maryland's non-profit housing counseling agencies and legal service providers, assisting residents at risk of losing their homes. However, in recent years, funding for these essential services has declined significantly, leaving non-profit partners struggling to meet the growing demand for foreclosure prevention assistance.

To address this issue, HB796 proposes raising the foreclosure filing fee from \$300¹ to \$600 an increase that reflects the rising costs of services and inflation since the fee was first established in 2008. Importantly, this increase will not be a burden on the State budget; instead, it will be paid by the parties initiating foreclosure actions. These entities, which are often private equity funds with significant resources, can typically recoup this fee later in the foreclosure process.

The states 2024 Foreclosure Trends shows the urgency of this measure. The report highlights persistently high foreclosure activity, with Prince George's County, Baltimore County, and Baltimore City experiencing the most significant impacts. In total, there were 79,577 Notices of Intent to Foreclosure and 7,786 Notices of Foreclosure statewide.² These figures show the ongoing economic pressures facing Maryland homeowners and the need for vital counseling services to help them navigate foreclosure alternatives and protect their homes.

¹ "Civil Fees." n.d. Maryland Courts. Accessed February 17, 2025.
<https://www.courts.state.md.us/clerks/harford/civilfees>.

² Arshad, Mohammad. "1 JANUARY 30 Public Policy Partner: [Foreclosure Trends Analysis 2024](#)." Public Policy Partner, January 30, 2025.

Non-profit partners play a crucial role in helping homeowners avoid foreclosure, and ensuring they have the resources to continue their work is more important than ever. Increasing this fee would directly support those services, protecting homeowners and stabilizing neighborhoods without drawing from limited state funds.

This legislation is about fairness and sustainability. It ensures that the entities driving foreclosure actions contribute to the cost of mitigating the impact on communities. It empowers Maryland families with access to the counseling and legal services they need to find sustainable solutions, whether through loan modifications, repayment plans, or dignified transitions to new housing.

For these reasons, I respectfully urge the committee to issue a favorable report on HB796.