



SOUTHEAST

community development corporation

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March 6, 2025

The Honorable Delegate Luke Clippinger, Chair
House Judiciary Committee
101 House Office Building
Annapolis, Maryland 21401

Dear Chairman Clippinger,

Greetings from Southeast CDC in your district!

I write to urge a favorable report for HB 796, to increase the foreclosure filing fee for residential foreclosures. The foreclosure filing fee is paid by the banks when they file to foreclosure on a home. Those fees go into the Maryland Housing Counseling Fund, which then grants to nonprofits to provide housing counseling and legal services to Maryland residents.

Our HUD-approved housing counseling program served over 600 neighbors last year (67% of whom have low or moderate incomes). We serve first-time homebuyers, homeowners facing possible foreclosure, renters and low-income homeowners who need help applying for property tax credits. During and since the Great Recession and the foreclosure crisis, we have helped hundreds of clients save their homes.

We and our colleagues at other housing counseling and legal aid nonprofits continue to serve our neighbors, however we are facing decreasing funding from the state and a federal environment with our HUD and CDBG funding uncertain. Raising the foreclosure filing fee on banks is the best way to ensure that – without raising taxes – the Maryland Housing Counseling Fund has sufficient funds to grant to nonprofits doing this critical work supporting homeownership.

When a homeowner who has missed mortgage payments contacts us for help, we see our job as to educate the homeowner about their options, offer neutral advice and level the playing field with the powerful banks, frequently getting on the phone with the homeowner and the lender to help our clients navigate the process. We need support to keep serving these vulnerable homeowners as well as first-time homebuyers and renters.

We hope for a favorable report on HB 796. Please feel free to reach out to me or to Karen DeCamp, our director of Homeownership at 443-799-5698. Thank you for all your support!

Sincerely,

A handwritten signature in black ink, appearing to read 'CP' with a large flourish extending to the right.

Carla Paisley
Executive Director