



Testimony to the House Ways and Means Committee
HB59 Property Tax – Tax Sales – Revisions
Position: Favorable

January 28, 2025

The Honorable Delegate Atterbeary, Chair
Ways and Means Committee
House Office Building, Room 131
Annapolis, Maryland 21401

Chair Atterbeary and Honorable Members of the Committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a people-centered movement to expand economic rights, housing justice, and community reinvestment for working families, low-income communities, and communities of color. Economic Action Maryland provides direct assistance today while passing legislation and regulations to create systemic change in the future.

I have been involved in the tax sale work over the past decade and part of the tax sale work group for a number of years. Economic Action began our work promoting and screening for the Homeowners Tax Credit when we realized that many older adults in Baltimore City would receive enough credits to redeem their home from tax sale. Over the past eight years we have screened for homeowners tax credits, we have been able to save several homes from tax sale-securing the house and its equity for the homeowner to use or pass onto their family members. Over the past decade, legislation has passed to raise the threshold for the inclusion of owner-occupied properties among other changes. But these protections were limited to Baltimore City.

HB59 expands protections statewide and strengthens protections by establishing a statewide minimum for inclusion of owner occupied properties of \$1,000. Raising this threshold significantly impacts many lower income households. The year after the threshold was raised from \$250-750 about 10 years ago in Baltimore City about 2,500 homeowners were not included in tax sale. The bill also establishes the redemption rate for owner occupied properties at 6%. This will further support Maryland families by lowering the cost of redemption. The bill also extends to 10 months when the foreclosure process can begin for owner occupied properties. This time allows owners the opportunity to redeem the property. Finally, the legislation allows relatives of deceased homeowners to utilize the Homeowners Protection Program (HPP) and clarifies and expands procedures for the State Tax Sale Ombudsman to be notified of an action to foreclose and to be able to contact homeowners to connect them with supportive services to assist them in averting foreclosure and remaining in their home.

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Economic Action Maryland Fund is a 501(c)(3) nonprofit organization and your contributions are tax deductible to the extent allowed by law.



At a time when many low-income households are struggling with the rising costs of goods and services, HB59 expands protections statewide to help households remain in their homes and retain their equity so that they can build wealth and pass it onto their family members.

For all these reasons, we support HB59 and urge a favorable report.

Best,

Marceline White
Executive Director

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