



House Bill 953

Tax Sales - Homeowner Protection Program - Funding and Alterations

MACo Position: **SUPPORT**

To: Ways and Means Committee

WITH AMENDMENTS

Date: February 18, 2025

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS HB 953 WITH AMENDMENTS**. This bill strengthens the Homeowner Protection Program (HPP) by enhancing outreach, improving reporting requirements, and creating a new funding mechanism. Counties support these efforts but cannot absorb a new funding mandate while managing significant budget pressures.

The tax sale process, or more specifically, the potential for a property to go to tax sale, serves as a necessary tool of last resort to ensure property owners pay their fair share of taxes and charges that fund public services. However, counties work to prevent tax sales whenever possible.

MACo strongly prefers that homeowners receive counseling, education, information, and support to help them stay current on tax obligations and avoid tax sale. To that end, MACo supported legislation establishing the HPP and continues to advocate for effective, sustainable solutions that provide timely assistance without imposing new unfunded mandates on local governments.

Counties fund education, public safety, infrastructure, and other essential services while navigating rising costs, growing service demands, and \$140 million in proposed cost shifts under the governor's fiscal 2026 spending plan. HB 953 requires counties to contribute \$1 million annually to HPP without providing a revenue source to offset this cost. A state-administered program should rely on state resources, not a county funding mandate.

Counties support expanded reporting requirements and outreach efforts to ensure property owners receive timely information about tax sale assistance programs. MACo urges an amendment to remove the county funding requirement while preserving the bill's improvements to transparency, outreach, and voluntary donation mechanisms.

Accordingly, MACo urges the Committee to issue a **FAVORABLE WITH AMENDMENTS** report on HB 953.