

Office of Government Relations 88 State Circle Annapolis, Maryland 21401

HB0059

Jan 28, 2025

TO: Members of the Ways and Means Committee

FROM: Nina Themelis, Director of Mayor's Office of Government Relations

RE: HB 0059 - Property Tax - Tax Sales - Revisions

POSITION: Support

Chair Atterbeary, Vice Chair Wilkins, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) support House Bill (HB) 59.

HB 59 would expand the protections for properties facing tax sale due to liens for unpaid water and sewer services. This bill ensures that properties are only eligible for tax sale when water and sewer liens exceed a defined threshold, thus shielding residents from the disproportionate impacts of unpaid water service bills.

This legislation builds upon previous efforts, such as HB 243 from the 2024 General Assembly Session, by seeking to safeguard all residential properties, including those affected by tangled titles or non-owner-occupied misclassifications. However, we oppose amendments that would narrow these protections exclusively to "owner-occupied" properties in Baltimore City. Such amendments would disproportionately impact vulnerable populations and hinder equitable access to protections, especially in cases of complex property classifications.

Furthermore, it is critical to address an observed gap in the legislation: owner-occupied properties with Environmental Control Board (ECB) liens or miscellaneous bills remain unprotected. Expanding the scope of this bill to cover these liens would provide more comprehensive protection to Baltimore residents.

The BCA also seeks clarification regarding criteria for redevelopment properties. While Baltimore's Department of Housing and Community Development (DHCD) ensures compliance with general criteria outlined in Tax-Property Section 14-811(c), establishing specific redevelopment criteria could enhance transparency and alignment with city priorities.

Finally, we urge consideration of the financial realities faced by impacted residents. Current provisions limit water liens to \$1,000 for tax sale eligibility. Understanding the average lien amount, excluding property taxes, will help assess whether this threshold sufficiently prevents undue harm.

For the reasons stated above, the BCA respectfully requests a <u>clean and favorable</u> report on HB 59	