

Maryland Association of Municipal Wastewater Agencies, Inc.

Washington Suburban Sanitary Commission 14501 Sweitzer Lane, 7th Floor Laurel, MD 20707 Tel: 301-206-7008

January 24, 2025

The Honorable Vanessa Atterbeary Chair, House Ways and Means Committee 131 Taylor House Office Building Annapolis, MD 21401

Re: Request for Amendments -- HB 59 (Property Tax-Tax Sales Revisions)

Dear Chair Atterbeary:

On behalf of the Maryland Association of Municipal Wastewater Agencies (MAMWA), I am writing to request amendments to HB 59, which would, among other things, bar local governments from using the tax sale process to recover water/sewer debt in certain circumstances. MAMWA is a statewide association of local governments and wastewater treatment agencies that serve approximately 95% of the State's sewered population. Many Members also operate public water systems.

Under existing law, the tax collector in Baltimore City may not sell a residential property or a property that is exempt from taxation under section 7-204(1) or (2) of the Tax-Property Article to enforce a lien for unpaid water and sewer charges. Existing law also provides that, for non-residential properties and properties that are not exempt from taxation under 7-204(1) or (2), the Mayor and City Council of Baltimore City may not sell a property to enforce a lien for unpaid water and sewer service that is less than \$350. Collection is allowed if the property is being sold to enforce another lien. (Tax-Property Article §14-849.1.) SB 192 would expand these limitations on collecting water and sewer debt to be applicable statewide.

MAMWA understands that some customers have difficulty paying water and/or sewer bills. MAMWA Members already work with these customers on payment arrangements to assist during financially stressful times. That said, if we are not collecting revenues from some customers, MAMWA Members will be compelled to recoup those lost revenues from our remaining customers to pay the fixed costs of running a municipal utility, forcing water and sewer rates up across the State. County and municipal water and wastewater plants are critically important public facilities that are very costly to operate.

^{PLC} For these reasons, MAMWA requests amendments to create a statewide fund to assist with overdue water and sewer bills (with funding from the State's general revenues) rather than prohibit the use of the tax sale process to recover water and sewer debt as provided in HB 59.

Please feel free to contact me with any questions at Lisa@AquaLaw.com or 804-716-9021.

Sincerely,

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Lisa M. Ochsenhirt MAMWA Deputy General Counsel

cc: House Ways and Means Committee Members HB 59 Sponsor

Allegany County Anne Arundel County City of Baltimore Baltimore County Town of Berlin Cecil County Charles County City of Cumberland D.C. Water Frederick County City of Hagerstown Harford County City of Havre de Grace Howard County Ocean City Pocomoke City Queen Anne's County City of Salisbury Somerset County Sanitary District St. Mary's Metro. Comm. Washington County WSSC Water

MEMBER AGENCIES

CONSULTANT MEMBERS

Black & Veatch GHD Inc. Hazen & Sawyer HDR Engineering, Inc. Jacobs Ramboll Americas WRA

GENERAL COUNSEL

AquaLaw PLC