

HOUSE BILL 236

Q1

3lr0701

By: **Delegates Kaiser, Ebersole, Fair, Hill, McCaskill, McComas, Taveras, and Terrasa**

Introduced and read first time: January 23, 2023

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Tax Sales – State Tax Sale Ombudsman – Outreach Campaign**

3 FOR the purpose of requiring the State Tax Sale Ombudsman to contract with a vendor to
4 conduct an annual outreach campaign to homeowners in tax sale; requiring the
5 outreach campaign to consist of making telephone calls to each homeowner whose
6 dwelling is sold at a tax sale to inform the homeowner of the assistance available to
7 the homeowner through the Ombudsman’s office; authorizing the State Department
8 of Assessments and Taxation and the vendor to use any reliable public or private
9 source of information to compile the list of homeowners the vendor is required to call
10 and those homeowners’ telephone numbers; providing that the Homeowner
11 Protection Fund is the exclusive source of funding for the outreach campaign; and
12 generally relating to tax sales.

13 BY adding to

14 Article – Tax – Property
15 Section 2–113
16 Annotated Code of Maryland
17 (2019 Replacement Volume and 2022 Supplement)

18 BY repealing and reenacting, with amendments,

19 Article – Tax – Property
20 Section 14–891
21 Annotated Code of Maryland
22 (2019 Replacement Volume and 2022 Supplement)

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
24 That the Laws of Maryland read as follows:

25 **Article – Tax–Property**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **2-113.**

2 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
3 INDICATED.

4 (2) "HOMEOWNER" HAS THE MEANING STATED IN § 9-105 OF THIS
5 ARTICLE.

6 (3) "OMBUDSMAN" MEANS THE STATE TAX SALE OMBUDSMAN
7 ESTABLISHED UNDER § 2-112 OF THIS SUBTITLE.

8 (4) "TELEPHONE NUMBER" INCLUDES A LANDLINE OR MOBILE
9 TELEPHONE NUMBER.

10 (5) "VENDOR" MEANS THE PRIVATE ENTITY CONTRACTED BY THE
11 OMBUDSMAN TO CARRY OUT THIS SECTION.

12 (B) THE OMBUDSMAN SHALL CONTRACT WITH A VENDOR TO CONDUCT AN
13 ANNUAL OUTREACH CAMPAIGN TO HOMEOWNERS IN TAX SALE IN ACCORDANCE
14 WITH THIS SECTION.

15 (C) (1) THE OUTREACH CAMPAIGN SHALL CONSIST OF MAKING
16 TELEPHONE CALLS TO EACH HOMEOWNER WHOSE DWELLING IS SOLD AT A TAX SALE
17 TO INFORM THE HOMEOWNER OF THE ASSISTANCE AVAILABLE TO THE HOMEOWNER
18 THROUGH THE OMBUDSMAN'S OFFICE.

19 (2) EACH CALL SHALL BE MADE BY A LIVE HUMAN CALLER AND MAY
20 NOT BE PRERECORDED OR AUTOMATED.

21 (3) THE VENDOR MUST CONTINUE TO PLACE SEPARATE CALLS TO
22 EACH HOMEOWNER WITH INTERVALS OF AT LEAST 2 DAYS BETWEEN EACH CALL
23 UNTIL THE VENDOR HAS EITHER:

24 (I) HAD A CONVERSATION DIRECTLY WITH THE HOMEOWNER;
25 OR

26 (II) MADE AT LEAST THREE SEPARATE CALLS TO THE
27 HOMEOWNER.

28 (4) THE CALLS TO EACH HOMEOWNER SHALL BE MADE:

29 (I) AS SOON AS POSSIBLE AFTER THE HOMEOWNER'S
30 DWELLING IS SOLD AT A TAX SALE; AND

1 (II) BEFORE THE HOLDER OF THE CERTIFICATE OF SALE FOR
2 THE HOMEOWNER'S DWELLING MAY FILE A COMPLAINT TO FORECLOSE THE
3 HOMEOWNER'S RIGHT TO REDEEM THE DWELLING UNDER § 14-833 OF THIS
4 ARTICLE.

5 (5) DURING EACH CALL, THE CALLER SHALL:

6 (I) PROVIDE A BRIEF SUMMARY OF THE ASSISTANCE
7 AVAILABLE THROUGH THE OMBUDSMAN'S OFFICE, INCLUDING THE HOMEOWNERS'
8 TAX CREDIT AND THE HOMEOWNER PROTECTION PROGRAM; AND

9 (II) EXPLAIN TO THE HOMEOWNER WHY IT IS IN THE
10 HOMEOWNER'S INTEREST TO WORK WITH THE OMBUDSMAN.

11 (6) THE CALLER MAY LEAVE THE INFORMATION REQUIRED UNDER
12 PARAGRAPH (5) OF THIS SUBSECTION IN A VOICEMAIL MESSAGE BUT SHALL MAKE
13 SUBSEQUENT CALLS IN AN EFFORT TO SPEAK TO THE HOMEOWNER DIRECTLY IF
14 REQUIRED UNDER PARAGRAPH (3) OF THIS SUBSECTION.

15 (7) (I) IF THE CALLER SPEAKS TO THE HOMEOWNER, THE CALLER
16 SHALL OFFER TO TRANSFER THE HOMEOWNER DIRECTLY TO THE OMBUDSMAN'S
17 OFFICE FOR ASSISTANCE AFTER PROVIDING THE INFORMATION REQUIRED UNDER
18 PARAGRAPH (5) OF THIS SUBSECTION.

19 (II) IF THE CALLER LEAVES A VOICEMAIL MESSAGE FOR THE
20 HOMEOWNER OR IF THE HOMEOWNER DECLINES TO BE TRANSFERRED DIRECTLY TO
21 THE OMBUDSMAN'S OFFICE, THE CALLER SHALL PROVIDE THE HOMEOWNER WITH
22 THE OMBUDSMAN'S WEBSITE ADDRESS, E-MAIL ADDRESS, AND TELEPHONE
23 NUMBER.

24 (D) (1) THE DEPARTMENT AND THE VENDOR MAY USE ANY RELIABLE
25 PUBLIC OR PRIVATE SOURCE OF INFORMATION TO COMPILE THE LIST OF
26 HOMEOWNERS THE VENDOR IS REQUIRED TO CALL UNDER THIS SECTION AND
27 THOSE HOMEOWNERS' TELEPHONE NUMBERS.

28 (2) AT THE REQUEST OF THE DEPARTMENT OR THE VENDOR, EACH
29 STATE OR LOCAL GOVERNMENT AGENCY SHALL PROMPTLY PROVIDE ANY
30 INFORMATION REQUIRED TO CARRY OUT THIS SECTION.

31 (3) PROMPTLY AFTER EACH COUNTY TAX SALE, THE COLLECTOR
32 SHALL PROVIDE THE DEPARTMENT OR VENDOR WITH THE LIST OF HOMEOWNERS
33 WHOSE DWELLINGS WERE SOLD AT THE TAX SALE.

1 **(4) NOTWITHSTANDING § 13–202 OF THE TAX–GENERAL ARTICLE,**
2 **AT THE REQUEST OF THE DEPARTMENT OR VENDOR, THE COMPTROLLER SHALL**
3 **PROVIDE THE TELEPHONE NUMBER OF A HOMEOWNER THE VENDOR IS REQUIRED**
4 **TO CALL UNDER THIS SECTION IF THE HOMEOWNER INCLUDED THE HOMEOWNER’S**
5 **TELEPHONE NUMBER ON A TAX RETURN FILED WITH THE COMPTROLLER.**

6 **(5) THE DEPARTMENT OR VENDOR MAY PURCHASE TELEPHONE**
7 **NUMBERS OF HOMEOWNERS FROM A PRIVATE SOURCE TO CARRY OUT THIS SECTION.**

8 **(E) THE DEPARTMENT MAY ADOPT REGULATIONS TO CARRY OUT THIS**
9 **SECTION.**

10 14–891.

11 (a) In this section, “Fund” means the Homeowner Protection Fund.

12 (b) There is a Homeowner Protection Fund.

13 (c) The purpose of the Fund is to finance the Program **AND THE OUTREACH**
14 **CAMPAIGN UNDER § 2–113 OF THIS ARTICLE.**

15 (d) The Department shall administer the Fund.

16 (e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of
17 the State Finance and Procurement Article.

18 (2) The State Treasurer shall hold the Fund separately, and the
19 Comptroller shall account for the Fund.

20 (f) The Fund consists of:

21 (1) tax and interest payments made to the Department by homeowners
22 enrolled in the Program;

23 (2) money appropriated in the State budget to the Fund;

24 (3) interest earnings; and

25 (4) any other money from any other source accepted for the benefit of the
26 Fund.

27 (g) For each of fiscal years 2023, 2024, and 2025, the Governor shall include in
28 the annual budget bill an appropriation of \$750,000 to the Fund.

1 (h) (1) The Fund may be used only for any expenses associated with the
2 Program **AND THE OUTREACH CAMPAIGN UNDER § 2-113 OF THIS ARTICLE.**

3 (2) The Fund may not be used for any expenses of the office of the State
4 Tax Sale Ombudsman that are not directly related to the Program **OR THE OUTREACH**
5 **CAMPAIGN UNDER § 2-113 OF THIS ARTICLE.**

6 (i) (1) The State Treasurer shall invest the money of the Fund in the same
7 manner as other State money may be invested.

8 (2) Any interest earnings of the Fund shall be credited to the Fund.

9 (j) Expenditures from the Fund may be made only in accordance with the State
10 budget.

11 (k) The Fund is the exclusive source of funding for the Program **AND THE**
12 **OUTREACH CAMPAIGN UNDER § 2-113 OF THIS ARTICLE.**

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 October 1, 2023.