

STEPHANIE SMITH
Legislative District 45
Baltimore City

Appropriations Committee

House Chair
Baltimore City Delegation



The Maryland House of Delegates
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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

HB0449 - Property Tax - Renters' Property Tax Relief Program - Application Period

Hearing: March 30th, 2022, 1:00pm, Budget and Taxation Committee

Chairman Guy Guzzone, Vice Chair Jim Rosapepe, and members of the committee,

HB0449 would allow Maryland renters who were at least 70 years old and previously eligible for tax credits to claim those credits retroactively for up to three (3) years, this would in effect reduce their financial burden. This bill will protect older adult, low-income renters from housing displacement, provide Maryland residents with the opportunity to protect their housing situation, and allow vulnerable older adults the means to age in place - maintaining their intergenerational investment and strengthening the communities they live in.

This bill seeks to address several issue areas:

First, aging in place is an important issue for the growing senior population. According to the AARP, most adults over 65 want to remain in their homes for as long as possible. Relocating for seniors can be detrimental to their overall wellbeing and financial health. Older adults typically have spent many years establishing and nurturing relationships with their neighbors and communities, which could be lost if they were forced to relocate.

Second, older adults are more vulnerable to housing displacement. They may not have secure incomes in retirement, or may be on fixed incomes that do not adjust well enough for soaring housing prices. Even for those who are employed, they may be living paycheck to paycheck and even one unexpected bill or illness could create an unstable housing situation. In 2018, 280,000 senior households in Maryland were below the ALICE (Asset-Limited, Income-Restrained, Employed) threshold and their housing costs alone were on average \$1,129 per month. HB 449 will benefit these elders.

Third, the ongoing COVID-19 pandemic has contributed to major financial burdens, especially in our most vulnerable communities. History shows us that adults 60 and older experience a large decrease in total net wealth and an increase in debts, particularly property related debt, and experience significant increases in poverty status post-recession. According to the United Way's 2021 COVID-19 impact survey, respondents below the ALICE Threshold were significantly more likely than respondents above the ALICE Threshold to say that they were concerned about paying housing expenses (47% vs. 13%). HB449 will give much needed financial support to Maryland renters during this difficult time and will continue to help vulnerable seniors through future economic downturns.

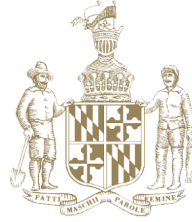
For these reasons, we urge the committee to vote favorably on HB 0449.

Sincerely,

STEPHANIE SMITH
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