



Testimony HB 979
Ways & Means Committee
March 1, 2022
Position: FAVORABLE

Dear Chairperson Atterbeary and Members of the Ways & Means Committee:

The Community Development Network of Maryland (CDN) is the voice for Maryland’s community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland’s urban, suburban and rural communities. CDN envisions a state in which all communities are thriving and where people of all incomes have abundant opportunities for themselves and their families.

CDN has been part of the ongoing work to reform the process of tax sale in the state since 2016. In 2017, CDN was a lead partner in the Task Force to Study Tax Sales in Maryland. CDN currently serves on the Baltimore City Mayor’s Tax Sale Workgroup in Baltimore City.

HB 979 - Requires the State Department of Assessments and Taxation to establish a process to automatically enroll each homeowner who meets certain eligibility requirements in the Homeowner Protection Program; repealing a requirement that the Department determine the maximum number of homeowners who may be enrolled in the Program in each fiscal year; requiring the Governor to include an additional \$20,000,000 appropriation for the Program for fiscal year 2024.

Most of the people in the state impacted by tax sale are older, single, African American women living at or below the poverty line. In 2019, the average amount owed was just under \$2500. Though most of the homeowners were eligible for the Homeowner’s Tax Credit Program, few had applied or were aware of the program. For these vulnerable homeowners, the tax sale has stripped away generational wealth and housing stability.

Over the years, Maryland has enacted more consumer-friendly policy to prevent the poorest homeowners from losing their houses to tax sale. These improvements include higher thresholds for tax sale, removal of water bills, and the appointment of a public ombudsman. Requiring the State Department of Assessments and Taxation to automatically enroll homeowners who meets certain eligibility for the newly established Homeowner Protection Program would help many older homeowners to stay in their homes. These older adults have experienced unimaginable losses to their health, to their economic and cognitive wellbeing during the last years. It is the least we can do to bring about recovery to all in Maryland.

We urge your favorable report.

Submitted by Claudia Wilson Randall, Executive Director