

ODETTE RAMOS

Councilwoman District 14



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100 N. Holliday Street, Room 506, Baltimore MD 21202

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Testimony

21-0024R – Informational Hearing, Baltimore City Tax Sale

Chair Costello and Members of the Ways and Means Committee:

I am writing regarding resolution 21-0024R – Informational Hearing on Baltimore City Tax Sale. This resolution was introduced in February just as residents were receiving the Final Bill and Legal Notices that they still owed property taxes to the City. Our phone lines were lighting up and our email in-box was busy. Residents calling and emailing saying they already paid their taxes and should not have received the notice, or needed help so they would not lose their homes.

I introduced the resolution to begin the conversation about our predatory method of property tax and lien collection – how it works, whom it impacts and what reforms can be implemented.

Since then, a lot has happened. Residents raised over \$80,000 to help 65 families pay down their property taxes to avoid tax sale. Advocates and City Council members urged Mayor Scott and the Dept of Finance to remove homeowners from tax sale, and they did so. Councilwoman McCray's bill to create the Tax Sale Ombudsman and initiate a program to exempt some homeowners from tax sale has just been implemented. And in the General Assembly, HB852 passed that creates a program where the state purchases the liens and works directly with those homeowners to pay.

There is momentum now toward reforms of this system. This hearing will enable the Committee to prepare for those reforms. Agencies will outline the current system and who it impacts the most. We will receive testimony from residents who have been impacted by tax sale, and from advocates who work tirelessly with families to weave through the systems to get assistance.

We must reform this system. If homeowners are unable to pay their taxes by December 31st of each year, the lien is placed into tax sale in May. An investor may purchase the lien and turn to the homeowner to get reimbursed in addition to legal fees and up to 12% interest. This is why it is predatory. Residents may need to make decisions to pay including not eating, giving up medications, and more to save their homes. We need a system that actually works with our homeowners enabling them to pay their bills. While this City Council has begun that process (including 21-0058 coming before this committee soon and 21-0078 which passed second reader in yesterday's meeting), there is still much more to be done.

I look forward to the hearing and the longer term process we must go through to have a property tax system that enables our residents to pay, and does not make their situations worse.

Thank you for your time and consideration. I am looking forward to this hearing.

Amendments are submitted to remove the advocacy organizations from the resolution. I look forward to your favorable vote.

Respectfully Submitted:

A handwritten signature in black ink, appearing to read "Odette", written in a cursive style.

Odette Ramos
Baltimore City Councilwoman District 14