



FROM	NAME & TITLE	Janice Simmons, Chief 	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of Revenue Collections 200 Hollidav Street Room 7 (410) 396-3961		
	SUBJECT	City Council Bill # 17-0098 - Water Bills – Restoring Informal Conferences		

TO

DATE: .

The Honorable President and
Members of the City Council
Room 400, City Hall

July 28, 2017

Attention: Natawna Austin

City Council Bill # 17-0098, “Water Bills – Restoring Informal Conferences,” would require the Director of Public Works to provide informal conferences before a neutral party for certain customers seeking abatements of water charges. A “residential owner-occupied customer” or authorized tenant, under certain circumstances, seeking such a conference must be granted a conference before the Director may “cut off service for non-payment (or) ... take any other formal action to collect on a delinquent account.”

The bill does not specifically mention the Department of Finance and we defer to the Department of Public Works as to the efficacy and details of the bill. However, to the extent that “other formal action to collect” delinquent water charges may be construed to include the City’s annual tax sale process, we have several comments.

The State-mandated tax sale process begins in February of each year with the issuance of Final Bills and Legal Notices (“FBLNs”) by the Department of Finance. Water charges are liens on real property and are included in the FBLNs. While the City routinely mails about 40,000 FBLNs to delinquent property owners in February, the tax sale in May typically has only about 10,000 properties. Between February and May, the City provides additional notices in March and April in several forms and customers make payments, resulting in the reduction of properties in tax sale.

If the bill is construed to prevent certain unpaid water charges from being added to the FBLNs, then those customers will not receive the notices and will not be eligible for tax sale. Consequently, the City may lose revenue or the receipt of revenue will be delayed.

We recommend that the bill be amended to exempt tax sales and to ensure that customers receive all the notices necessary for tax sale.

cc: Henry Raymond
Kyron Banks