



BALTIMORE CITY WAYS AND MEANS COMMITTEE  
TESTIMONY OF MARYLAND VOLUNTEER LAWYERS SERVICE  
IN SUPPORT OF BILL 21-0058:  
TUESDAY, SEPTEMBER 28, 2021

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Chairman Costello and distinguished members of the Committee, thank you for the opportunity to testify in support of Council Bill 21-0058.

My name is Margaret Henn, and I am the Director of Program Management at the Maryland Volunteer Lawyer Service (MVLS). MVLS is the oldest and largest provider of pro bono civil legal services to low-income Marylanders. MVLS was founded in 1981 by a group of concerned Maryland lawyers, legal services providers, and leadership of the Maryland State Bar Association. Since then, our statewide panel of over 1,700 volunteers has provided free legal services to over 100,000 Marylanders in a wide range of civil legal matters. In FY21, MVLS volunteers and staff provided legal services to 3,353 people across the state.

MVLS represents clients who face losing their homes due to unpaid property taxes. Tax sale often affects the poorest homeowners in the most distressed neighborhoods and contributes to vacant and abandoned properties all over the City. In 2013, MVLS and other nonprofit organizations came together to form the Tax Sale Workgroup. Our goal was to protect communities and homeowners, especially people with lower incomes and the elderly, who face the devastating effects of the tax sale process. Since 2014, MVLS has maintained a partnership with the Pro Bono Resource Center of Maryland to conduct tax sale workshops aimed at helping homeowners avoid tax sale. In the past four years, volunteers have assisted over 350 people at these workshops.

From the data we collected at our 2020 Baltimore City tax sale clinics, 72% of clients are seniors, 48% were disabled, 85% identified as Black, and 72% reported a household income of \$30,000 or less per year. Many of these clients survive on fixed incomes and struggle to pay their bills even before a tax sale happens. We also found that most homeowners live in multigenerational households where they provide shelter and support for their children and grandchildren.

One such client is Estelle. Last year, Estelle came to MVLS to help her save her home when she had nowhere else to turn. For 58 years, she has raised her family in Middle East, participated in community events, and been a staple in her neighborhood. Estelle was proactive and made sure to apply for the Homeowner's Property Tax Credit every year. However, this past year Estelle was hospitalized, and as a result, she missed the Homeowner's Property Tax Credit application deadline. Without the tax credit, Estelle faced a property tax bill that she could not afford on her limited pension. When she was finally released from the hospital,



## EXPANDING ACCESS TO JUSTICE FOR 40 YEARS

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instead of focusing on her recovery, Estelle faced the threat of losing her home to tax sale. Estelle needed to pay \$2,017.11 in a short time to keep her home out of the tax sale auction. With no savings and a limited income, she had few options. Desperate to save her home, Estelle began looking around her home, identifying any furniture and other personal items that she might sell to raise funds. She also started making a list of everyone she knew that she might be able to borrow money from to pay her property taxes. Thankfully, Estelle also took one more key step – she contacted MVLS. Once Estelle was matched with an attorney, they contacted the Maryland State Department of Assessment and Taxation. The attorney explained the situation and requested that the property tax credits be applied retroactively. Once the attorney had filed the necessary paperwork, the credits were approved, and Estelle was able to remain in her home.

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Unfortunately, by the time someone comes to MVLS at risk of tax sale, it is often very difficult to come up with the lump sum they would need to keep their property out of tax sale or redeem it. Our clients are typically older adults on a fixed income and coming up with hundreds or thousands of dollars all at once is nearly impossible. Estelle was able to get a tax credit applied retroactively, but this retroactive credit has strict requirements and is not available to all clients. For many clients, in the past they had a mortgage that escrowed their payments each month, so they never had to think about getting hit by one big property tax bill in July. After having paid off their mortgage, this huge property bill can be a shock. CB 21-0058 would allow these clients to pay their tax bills each month in manageable monthly payments, so they did not find themselves facing one large payment and the prospect of tax sale.

Based on our experience serving Baltimoreans facing tax sale and the data we have compiled over the years, MVLS strongly supports Council Bill 21-0058. We believe that providing our most vulnerable citizens a straightforward and more affordable way to pay their property tax bill will help stabilize communities and preserve homeownership in neighborhoods across the City.

Mister Chairman and members of the Committee, thank you again for the opportunity to testify.