



**BALTIMORE CITY WAYS AND MEANS COMMITTEE
TESTIMONY OF MARYLAND VOLUNTEER LAWYERS SERVICE
IN SUPPORT OF BILL 21-0099:
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 21-0099.

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 tax sale. 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 Ama. Her story is typical of the convoluted and confusing experience homeowners face with the tax collection process. Ama is a Baltimore native and resident in her family home. She lives in Park Heights with her husband and children. She is a local entrepreneur. In 2016, her family home was sold in tax sale for a \$4000 water bill, which was the result of a hidden leak. Ama and the lawyer representing the certificate purchaser agreed on a payment plan to satisfy the lien. She honored that agreement. Due to an apparent lack of clear communication between the attorney representing the certificate purchaser and

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Baltimore City, the lien release was never sent to the City. As a result, the bills piled up, and in 2019 the house went back into tax sale. She called the City department that handles tax sales and was told there were now two liens on the house and that she would have to satisfy them both. On December 1, 2020, Ama went to the Abel Wolman Building to try to resolve this issue, and they were closed due to COVID-19.

She tried to go to the Circuit Court for Baltimore City on Calvert Street for help and they too were closed due to COVID-19. A security guard at the Abel Wolman building gave her a number to call for assistance with this problem. She called it and a staff member answered and she explained everything to her. Ama emphatically explained to her that the 2016 lien had been released. The employee put Ama on hold to dig a little deeper. One minute later she returned to the phone and told her upon looking a little further she could see that the first lien was satisfied. Ama asked what she should do now that the City was admitting she should not be in this position. She was put on hold yet again. Upon her return Ama was told that a supervisor had agreed to give her until the end of December to pay everything due to the error.

Exasperated, Ama reached out to the Stop Oppressive Seizures (SOS) Fund for help. The SOS Fund contacted Tax Sale Ombudsman Michael O'Leary on December 4th, 2020. The Tax Sale Ombudsman asked the Bureau of Revenue Collections (BRC) to investigate. In the end BRC said all they would do was give Ama until January 31, 2021 to pay the city the outstanding debt after paying the 2019 tax sale purchasers attorney.

Ama's story is just one example of a homeowner encounter with the tax sale system, but numerous stories and problems abound. Council Bill 21-0099 would require the Finance Department to issue a report outlining how it will address billing errors, how it would provide more customer accessibility to the billing system, how it will promote available credits and how it will incorporate those in tangled title properties into existing programs. MVLS strongly supports this initiative to make the property tax system more fair, transparent and equitable.

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