

Water Taxpayer Protection Act

Sponsored by Sen. Mary Washington and Del. Nick Mosby

The Water Taxpayer Protection Act would protect homes and places of worship in Baltimore City from tax sale over unaffordable and incorrect water bills.

Current Law

In 2018, the Maryland General Assembly passed a one-year moratorium on tax sales of residential property for water-only liens in Baltimore City. Places of worship are not protected. Homes can still be sent to tax sale to collect water bills when they have other outstanding liens, such as environmental control board citations or property registration bills.

New Protections

The Water Taxpayer Protection Act will provide strong, lasting protections. It would prohibit Baltimore City from selling residential property and places of worship at tax sale to collect water bills, even when water bills are not the sole lien on the property.

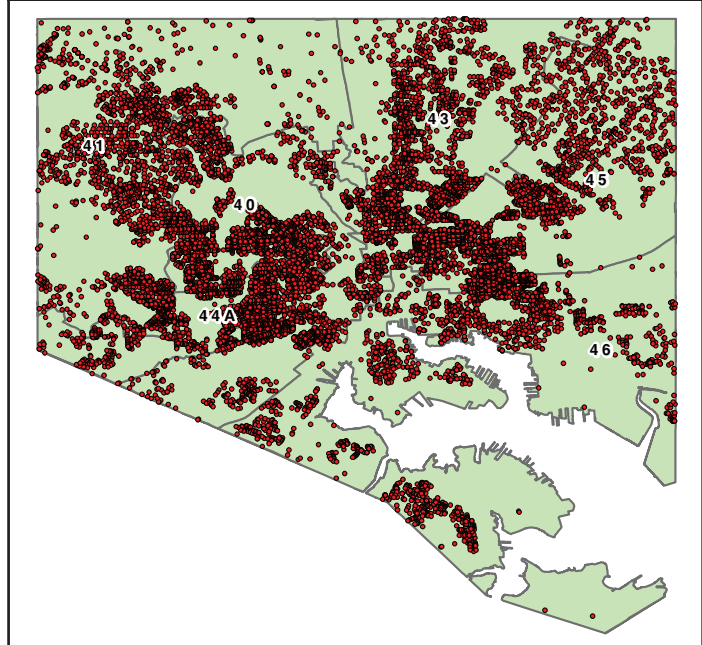
Who will be protected?

Homeowners, renting households and places of worship.

Tax Sales in Baltimore City

In Baltimore City, there were 16,535 non-vacant properties on the March properties listings for the May 2018 tax sale. This included 82 churches, synagogues and parsonages, and 3,894 owner-

March 2018 Tax Sale Listing Baltimore City Properties and Legislative Districts



NOTE: Excludes removed properties, vacant properties, and alleys and descriptive properties.

SOURCE: Baltimore City. Tax Sale 2018 Property List. March 28, 2018.

March 2018 Tax Sale Listing (occupied properties with mappable addresses)	
Legislative District	Properties
40	3,689
41	2,413
43	2,316
44A	1,642
45	3,452
46	2,236

occupied homes. Legal advocates estimate that between 70 and 80 percent of homes sent to tax sale in Baltimore City include water bills in their outstanding charges.

Baltimore's Water Billing Crisis: Many households and places in worship in Baltimore City struggle with incorrect and unaffordable water bills. According to a report by utility affordability expert Roger Colton, water bills became unaffordable for the typical household in more than half the city in Fiscal Year 2019. Water rates in Baltimore City have doubled since Fiscal Year 2012, and on January 9, 2019, the city passed an additional three-year, 30 percent water rate increase.

- **Water billing issues are widespread and longstanding.** Some customers have received incorrect bills as high as \$80,000 since the rollout of the new billing system in October 2016. For example, in February 2018, more than 500 Baltimore water customers received water bills that were excessively wrong and excessively high — most exceeding \$50,000 — because of a software glitch.
- **Seniors, disabled individuals and people of color are disproportionately affected.** Home equity can be a low-income senior's sole savings for retirement, so a senior can lose his or her entire savings — perhaps even hundreds of thousands of dollars — over an unpaid water bill as low as \$750 in Baltimore City. Low-income households are being hit the hardest, and communities of color are also disproportionately affected by tax sale foreclosures, according to the National Consumer Law Center.
- **Many water systems do not use tax sales to collect unpaid water bills.** Maryland's largest water system, the Washington Suburban Sanitary Commission, cannot use tax sale to collect unpaid water bills.

Organizational Endorsements

1199 SEIU, AARP Maryland, Food & Water Watch, Homeless Persons Representation Project, Interdenominational Ministerial Alliance of Baltimore, Jews United for Justice, Maryland Consumer Rights Coalition, Maryland Environmental Health Network, Maryland Volunteer Lawyers Service, NAACP Maryland State Conference, National Lawyers Guild — Maryland Chapter, Neighborhood Housing Services, Pro Bono Resource Center of Maryland, Progressive Maryland, Public Justice Center, Sierra Club Greater Baltimore, United Workers, and University of Baltimore Community Law Clinic — Right to Water Project

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