



THE PRINCE GEORGE'S COUNTY GOVERNMENT

(301) 952-3700
County Council

POSITION STATEMENT

HB 225 Foreclosure Proceedings – Residential Mortgagors and
Delegates Charles, Fair, Grantors – Access to Counsel
Grossman, Harris,
Taveras, and Taylor

POSITION:

SUPPORT

HB 225 – Foreclosure Proceedings – Residential Mortgagors and Grantors – Access to Counsel – For the purpose of establishing the Access to Counsel in Foreclosure Proceedings Program requiring that residential mortgagors and grantors under a specified threshold have access to legal representation in foreclosure proceedings. This bill would take effect October 1, 2023.

HB 225 creates the Access to Counsel in Foreclosure Proceedings Program with an associated Special Fund to be administered by the Maryland Legal Services Corporation with the purpose of organizing and directing services and resources in order to provide covered individuals in the State with access to legal representation in foreclosure proceedings. Covered individuals are defined as a mortgagor or grantor who owns and occupies a residential property as their primary residence and is a member of the household with an income of 50% or less of the median income in Maryland. The median income in Maryland, as determined by the United States Department of Health and Human Services is currently \$94,384. Therefore, access to counsel would apply to any property owner making \$47,192 or less. The bill specifies that access to counsel shall be available as soon as notice of intent to foreclose is filed with the Commissioner of Financial Regulation. To fund this program, there will be a fee assessed to each residential property sale in Maryland based on the price of the home, as outlined in the bill.

The Prince George's County Council supports all housing-related legislation aimed at assisting Prince George's County residents. The foreclosure process is often long, arduous, and complex. As the housing protections from the COVID-19 pandemic are set to expire soon, experts anticipate a drastic uptick in foreclosures. This legislation is essential in protecting homeowners and ensuring they are able to stay in their homes, particularly our senior population. It expands on the program created in 2021 that provides access to counsel for tenants in eviction proceedings and codifies the legal right to representation in foreclosure proceedings.

For the foregoing reasons, the Prince George's County Council SUPPORTS HB 225 and respectfully requests the Committee's favorable consideration of its position.

Prepared by: Evans & Associates
On behalf of Prince George's County Council

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