



July 25, 2024

Governor Maura Healey
Office of the Governor, Room 280
Massachusetts State House
24 Beacon Street
Boston, Massachusetts 02133

Re: Tax Foreclosure Provisions in Sections 80-97 of H. 4800

Dear Governor Healey,

We are writing to support the tax foreclosure changes that are included in the budget that awaits your signature.

These measures provide critical changes to the tax foreclosure process and correct the current scheme which is unconstitutional following the United State Supreme Court's ruling in *Tyler v. Hennepin County* and one Massachusetts' trial court.¹

The changes ensure that if a home is lost to a tax foreclosure the homeowner receives the excess equity, and if the owner can't be found the money goes to Massachusetts' unclaimed asset fund.

Importantly, the legislation also serves to preserve homeownership and prevent tax foreclosures by reducing the interest rate on property tax arrears from 16% to 8% and gives

¹ See Mills v. Springfield et. al., 2379CV00545 Hampden County Superior Court, J. Callan

municipalities the flexibility to enter into longer tax repayment plans that can eliminate interest charges.

For many “house rich and cash poor” homeowners with property tax arrears this provides a path to stabilizing their housing and allows them to stay in their homes.

For municipalities, this provides a clear, lawful path forward to resolve property tax arrears and gives them the tools and flexibility to work with homeowners to bring their taxes current.

Finally, the legislation provides clear, early notices that help homeowners understand that tax arrears can lead to the loss of their home.

All of these measures greatly improve how tax arrears are addressed and will go a long way to stabilizing housing for older adults and lower-income homeowners.

We encourage you to sign the budget with these changes intact and are happy to answer any questions or concerns you may have.

Respectfully submitted by:

Andrea Bopp Stark
John Rao
National Consumer Law Center
7 Winthrop Square, 4th Floor
Boston, MA 02110
617.542.8010 | astark@nclc.org
Cell phone: 978-518-0203

Kristen Bor-Zale
Todd Kaplan
Consumer Rights Unit
Greater Boston Legal Services
197 Friend Street
Boston, MA 02114
617-603-1647 | tkaplan@gbls.org

Justin Davidson, General Counsel & Director of Government Affairs
Massachusetts Association of Realtors
18 Washington Street
Foxborough, MA 02035
781-839-5510 | jdavidson@marealtor.com

Frank J. Bailey
John La Liberte
Pioneer Public Interest Law Center
185 Devonshire Street, Suite 1101
Boston, MA 02110
617-877-9511 | frank.bailey@pioneerlegal.org

Gavi Wolfe, Legislative Director
ACLU of Massachusetts
1 Center Plaza, Suite 850
Boston, MA 02108
617-482-3170 | gwolfe@aclum.org

Hannah L. Kilson, President
Boston Bar Association
16 Beacon Street
Boston MA 02108
617-778-1942