

HOUSE BILL 274

D3, N1

4r1443
CF 4r1215

By: **Delegates Lafferty, Bobo, Carr, Clippinger, Conaway, Frush, Healey, Luedtke, McIntosh, Niemann, S. Robinson, Rosenberg, Stein, Valderrama, Waldstreicher, M. Washington, Wilson, and Zucker**

Introduced and read first time: January 20, 2014

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Civil Actions – Statute of Limitations for Certain Specialties and Motion for**
3 **Certain Deficiency Judgments**

4 FOR the purpose of altering the time period within which a civil action on certain
5 specialties shall be filed; authorizing a certain party, within a certain time
6 period, to file a motion for a deficiency judgment under certain circumstances;
7 requiring the party to serve the motion in accordance with certain procedures;
8 providing for the application of this Act; and generally relating to specialties
9 and deficiency judgments.

10 BY repealing and reenacting, without amendments,
11 Article – Courts and Judicial Proceedings
12 Section 5–101
13 Annotated Code of Maryland
14 (2013 Replacement Volume and 2013 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Courts and Judicial Proceedings
17 Section 5–102
18 Annotated Code of Maryland
19 (2013 Replacement Volume and 2013 Supplement)

20 BY adding to
21 Article – Real Property
22 Section 7–105.13
23 Annotated Code of Maryland
24 (2010 Replacement Volume and 2013 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article – Courts and Judicial Proceedings**

4 5–101.

5 A civil action at law shall be filed within three years from the date it accrues
6 unless another provision of the Code provides a different period of time within which
7 an action shall be commenced.

8 5–102.

9 (a) An action on one of the following specialties shall be filed within 12 years
10 after the cause of action accrues, or within 12 years from the date of the death of the
11 last to die of the principal debtor or creditor, whichever is sooner:

12 (1) Promissory note or other instrument under seal;

13 (2) Bond except a public officer's bond;

14 (3) Judgment;

15 (4) Recognizance;

16 (5) Contract under seal; or

17 (6) Any other specialty.

18 (b) A payment of principal or interest on a specialty suspends the operation
19 of this section as to the specialty for three years after the date of payment.

20 (c) This section does not apply to [a]:

21 (1) A specialty taken for the use of the State; OR

22 (2) A DEED OF TRUST, MORTGAGE, OR PROMISSORY NOTE THAT
23 HAS BEEN SIGNED UNDER SEAL BY A MORTGAGOR AND SECURES OR IS SECURED
24 BY OWNER-OCCUPIED RESIDENTIAL PROPERTY, AS THAT TERM IS DEFINED IN §
25 7–105.1 OF THE REAL PROPERTY ARTICLE.

26 **Article – Real Property**

27 **7–105.13.**

1 **(A) WITHIN 180 DAYS AFTER THE FINAL RATIFICATION OF THE**
2 **AUDITOR'S REPORT FOLLOWING A SALE MADE IN ACCORDANCE WITH §§ 7-105**
3 **THROUGH 7-105.8 OF THIS SUBTITLE OR THE MARYLAND RULES, A SECURED**
4 **PARTY OR AN APPROPRIATE PARTY IN INTEREST MAY FILE A MOTION FOR A**
5 **DEFICIENCY JUDGMENT IF THE PROCEEDS OF THE SALE, AFTER DEDUCTING**
6 **ALL COSTS AND EXPENSES ALLOWED BY THE COURT, ARE INSUFFICIENT TO**
7 **SATISFY THE DEBT AND ACCRUED INTEREST.**

8 **(B) THE SECURED PARTY OR PARTY IN INTEREST SHALL SERVE THE**
9 **MOTION IN ACCORDANCE WITH THE MARYLAND RULES.**

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be
11 construed to apply only prospectively and may not be applied or interpreted to have
12 any effect on or application to any cause of action arising before the effective date of
13 this Act.

14 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 July 1, 2014.