

SENATE BILL 222

N1, L6

(8lr2419)

ENROLLED BILL

— *Judicial Proceedings/Environment and Transportation* —

Introduced by **Senator Kelley**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Foreclosed Property Registry – Updated Information – Notice to Local**
3 **Governments**

4 FOR the purpose of requiring the Department of Labor, Licensing, and Regulation to
5 establish procedures that require a foreclosure purchaser to submit to the Foreclosed
6 Property Registry any change to certain information within a certain number of days
7 after the change is known to the purchaser; requiring the Department to notify, by
8 electronic means, certain authorized users from certain counties and municipal
9 corporations on receipt through the Foreclosed Property Registry of an initial
10 registration or a change to certain information; *providing for a delayed effective date*;
11 and generally relating to the Foreclosed Property Registry.

12 BY repealing and reenacting, with amendments,
13 Article – Real Property
14 Section 14–126.1

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 Annotated Code of Maryland
2 (2015 Replacement Volume and 2017 Supplement)
3 (As enacted by Chapters 348 and 349 of the Acts of the General Assembly of 2017)

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

6 **Article – Real Property**

7 14–126.1.

8 (a) (1) In this section the following words have the meanings indicated.

9 (2) “Department” means the Department of Labor, Licensing, and
10 Regulation.

11 (3) “Foreclosed Property Registry” means the Foreclosed Property Registry
12 established by the Department under subsection (b) of this section.

13 (4) “Foreclosure purchaser” means the person identified as the purchaser
14 on the report of sale required by Maryland Rule 14–305 for a foreclosure sale of residential
15 property.

16 (5) “Fund” means the Foreclosed Property Registry Fund established by
17 the Department under subsection (i) of this section.

18 (6) “Local jurisdiction” means:

19 (i) A county; or

20 (ii) A municipal corporation.

21 (7) “Residential property” means real property improved by four or fewer
22 dwelling units that are designed principally and are intended for human habitation.

23 (b) The Department shall establish and maintain an Internet–based Foreclosed
24 Property Registry for information relating to foreclosure sales of residential property.

25 (c) At the time of a foreclosure sale of residential property, the person responsible
26 for conducting the foreclosure shall obtain from the foreclosure purchaser a written
27 acknowledgment of the requirements of this section.

28 (d) (1) Within 30 days after a foreclosure sale of residential property, a
29 foreclosure purchaser shall submit an initial registration to the Foreclosed Property
30 Registry.

31 (2) The initial registration shall:

- 1 (i) Be in the form the Department requires; and
- 2 (ii) Contain the following information:
- 3 1. The name, telephone number, and address of the
4 foreclosure purchaser;
- 5 2. The street address of the property that is the subject of the
6 foreclosure sale;
- 7 3. The date of the foreclosure sale;
- 8 4. Whether the property is a single-family or multifamily
9 property;
- 10 5. The name and address of the person, including a
11 substitute purchaser, who is authorized to accept legal service for the foreclosure
12 purchaser;
- 13 6. To the best of the foreclosure purchaser's knowledge at the
14 time of registration:
- 15 A. Whether the residential property is vacant; and
- 16 B. The name, telephone number, and street address of the
17 person who is responsible for the maintenance of the property; and
- 18 7. Whether the foreclosure purchaser has possession of the
19 property.
- 20 (3) Within 30 days after a deed transferring title to the residential property
21 has been recorded, the foreclosure purchaser shall submit a final registration to the
22 Foreclosed Property Registry.
- 23 (4) The final registration shall:
- 24 (i) Be in the form the Department requires; and
- 25 (ii) Contain the following information as of the date of final
26 registration:
- 27 1. The name, telephone number, and address of the owner on
28 the deed;
- 29 2. The date of the ratification of the sale; and

1 3. The date the deed was recorded.

2 **(5) THE DEPARTMENT SHALL ESTABLISH PROCEDURES THAT**
 3 **REQUIRE A FORECLOSURE PURCHASER, AFTER SUBMITTING AN INITIAL**
 4 **REGISTRATION, TO SUBMIT TO THE FORECLOSED PROPERTY REGISTRY ANY**
 5 **CHANGE TO THE INFORMATION REQUIRED UNDER PARAGRAPH (2)(II)5 THROUGH 7**
 6 **OF THIS SUBSECTION WITHIN 21 BUSINESS DAYS AFTER THE CHANGE IS KNOWN TO**
 7 **THE PURCHASER.**

8 **(6) ON RECEIPT THROUGH THE FORECLOSED PROPERTY REGISTRY**
 9 **OF AN INITIAL REGISTRATION OR ANY CHANGE SUBMITTED UNDER PARAGRAPH (5)**
 10 **OF THIS SUBSECTION, THE DEPARTMENT SHALL PROMPTLY NOTIFY, BY**
 11 **ELECTRONIC MEANS, AUTHORIZED USERS FROM THE COUNTY AND, IF**
 12 **APPROPRIATE, THE MUNICIPAL CORPORATION IN WHICH THE PROPERTY IS**
 13 **LOCATED.**

14 (e) (1) The filing fees for registering a residential property are:

15 (i) \$50 for an initial registration filed within the time period
 16 required under subsection (d)(1) of this section; and

17 (ii) \$100 for an initial registration filed after the time period
 18 required under subsection (d)(1) of this section.

19 (2) There is no fee for a final registration.

20 (3) A filing fee paid under paragraph (1) of this subsection is
 21 nonrefundable.

22 (4) A local jurisdiction may enact a local law that imposes a civil penalty
 23 for failure to register under this section in an amount not exceeding \$1,000.

24 (f) (1) Subject to paragraph (2) of this subsection, a local jurisdiction that, in
 25 accordance with any applicable building code or local ordinance, abates a nuisance on a
 26 residential property registered under this section or takes action to maintain a residential
 27 property registered under this section may collect the cost associated with the abatement
 28 or other action as a charge included on the residential property's property tax bill.

29 (2) (i) The cost associated with an abatement or other action taken
 30 under paragraph (1) of this subsection may not be included as a charge on the residential
 31 property's property tax bill unless the local jurisdiction provides advance written notice in
 32 accordance with subparagraph (ii) of this paragraph to:

33 1. The person identified in the registry who is authorized to
 34 accept legal service for the foreclosure purchaser; and

1 2. The person identified in the registry who is responsible for
2 the maintenance of the property.

3 (ii) The notice described in subparagraph (i) of this paragraph shall:

4 1. Describe the intended abatement or other action the local
5 jurisdiction intends to take; and

6 2. Be provided:

7 A. In accordance with the notice provisions of the applicable
8 building code or local ordinance; or

9 B. If the applicable building code or local ordinance does not
10 provide for notice, at least 30 days before the local jurisdiction abates the nuisance or takes
11 action to maintain the property.

12 (g) (1) The Foreclosed Property Registry:

13 (i) Is not a public record as defined by § 4–101 of the General
14 Provisions Article; and

15 (ii) Is not subject to Title 4 of the General Provisions Article.

16 (2) The Department may authorize access to the Foreclosed Property
17 Registry only to local jurisdictions, their agencies, and representatives and State agencies.

18 (3) Notwithstanding paragraphs (1) and (2) of this subsection, the
19 Department or a local jurisdiction may provide information for a specific property in the
20 Foreclosed Property Registry to:

21 (i) A person who owns property on the same block; or

22 (ii) A homeowners association or condominium in which the property
23 is located.

24 (h) Revenue collected from the filing fees required under subsection (e)(1) of this
25 section shall be distributed to the Fund.

26 (i) (1) There is a Foreclosed Property Registry Fund in the Department.

27 (2) The purpose of the Fund is to support the development, administration,
28 and maintenance of the Foreclosed Property Registry established under this section.

29 (3) The Department shall administer the Fund.

1 (4) (i) The Fund is a special, nonlapsing fund that is not subject to §
2 7-302 of the State Finance and Procurement Article.

3 (ii) The State Treasurer shall hold the Fund separately, and the
4 Comptroller shall account for the Fund.

5 (5) The Fund consists of:

6 (i) Revenue distributed to the Fund under subsection (h) of this
7 section;

8 (ii) Investment earnings of the Fund;

9 (iii) Money appropriated in the State budget to the Fund; and

10 (iv) Any other money from any other source accepted for the benefit
11 of the Fund.

12 (6) (i) The State Treasurer shall invest the money of the Fund in the
13 same manner as other State money may be invested.

14 (ii) Any investment earnings of the Fund shall be paid into the Fund.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
16 ~~October 1, 2018~~ January 1, 2019.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.