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To: Members of the Environment & Transportation Committee
From: MLTA Legislative Committee
Date: March 1, 2024 [Hearing date: March 5, 2024]
Subject: **HB 1408** – Residential Property – Assignment of Contracts of Sale – Disclosure Requirements and Rescission
Position: **Favorable with Amendments**

The Maryland Land Title Association (MLTA) is a professional organization working on behalf of title industry service providers and consumers, and is comprised of agents, abstractors, attorneys, and underwriters. **MLTA supports HB 1408 with amendments.**

MLTA supports the efforts of this bill to require disclosure to all parties in the event a residential real property contract is assigned. MLTA requests that the bill be amended by striking section 10-714(D)(2) from the proposed bill. The disposition of trust moneys is addressed by other sections of the Code, such as sections 17-105 of the Business and Occupations Article as well and Sections 10-802 and 10-803 of the Real Property Article, and this provision of the bill is inconsistent with those provisions. As currently written, this section of the bill would permit a seller to cancel a contract of sale and retain the buyer's earnest money deposit.

The Maryland Land Title Association asks that you return an **FAVORABLE WITH AMENDMENTS report** for House Bill 1408 - Residential Property – Assignment of Contracts of Sale – Disclosure Requirements and Rescission.