

MARYLAND REGISTER

Proposed Action on Regulations

Transmittal Sheet PROPOSED OR REPROPOSED Actions on Regulations	Date Filed with AELR Committee	TO BE COMPLETED BY DSD
	06/16/2017	Date Filed with Division of State Documents
		Document Number
		Date of Publication in MD Register

1. Desired date of publication in Maryland Register: 7/21/2017

2. COMAR Codification

Title	Subtitle	Chapter	Regulation
09	03	12	08
09	03	12	01

3. Name of Promulgating Authority

Department of Labor, Licensing, and Regulation

4. Name of Regulations Coordinator	Telephone Number
Jessica V Carter	410-230-6112

Mailing Address

500 N. Calvert Street, Suite 406

City	State	Zip Code
Baltimore	MD	21202

Email
jessica.carter1@maryland.gov

5. Name of Person to Call About this Document	Telephone No.
Brian Weeks	410-230-6359

Email Address
brianp.weeks@maryland.gov

6. Check applicable items:
 New Regulations

X- Amendments to Existing Regulations

Date when existing text was downloaded from COMAR online: 5/31/17.

Repeal of Existing Regulations

Recodification

Incorporation by Reference of Documents Requiring DSD Approval

Reproposal of Substantively Different Text:

: _____ Md. R _____
(vol.) (issue) (page nos) (date)

Under Maryland Register docket no.: --P.

7. Is there emergency text which is identical to this proposal:

Yes **X-** No

8. Incorporation by Reference

Check if applicable: Incorporation by Reference (IBR) approval form(s) attached and 18 copies of documents proposed for incorporation submitted to DSD. (Submit 18 paper copies of IBR document to DSD and one copy to AELR.)

9. Public Body - Open Meeting

OPTIONAL - If promulgating authority is a public body, check to include a sentence in the Notice of Proposed Action that proposed action was considered at an open meeting held pursuant to General Provisions Article, §3-302(c), Annotated Code of Maryland.

OPTIONAL - If promulgating authority is a public body, check to include a paragraph that final action will be considered at an open meeting.

10. Children's Environmental Health and Protection

Check if the system should send a copy of the proposal to the Children's Environmental Health and Protection Advisory Council.

11. Certificate of Authorized Officer

I certify that the attached document is in compliance with the Administrative Procedure Act. I also certify that the attached text has been approved for legality by Brian Weeks, Assistant Attorney General, (telephone #410-230-6359) on May 31, 2017. A written copy of the approval is on file at this agency.

Name of Authorized Officer

Teresa Louro

Title

Deputy Commissioner of Financial Regulation

Telephone No.

410-230-6022

Date

May 31, 2017

Title 09
DEPARTMENT OF LABOR, LICENSING, AND
REGULATION

Subtitle 03 COMMISSIONER OF FINANCIAL REGULATION
09.03.12 Foreclosure Procedures for Residential Property

Subtitle 03 COMMISSIONER OF FINANCIAL REGULATION
09.03.12 Foreclosure Procedures for Residential Property

Authority: Real Property Article, §§7-105.1 and 7-105.14, Annotated Code of Maryland

Notice of Proposed Action

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The Commissioner of Financial Regulation proposes to amend Regulations .01 and .08 under COMAR 09.03.12 Foreclosure Procedures for Residential Property.

Statement of Purpose

The purpose of this action is to prescribe a new form to be used by secured parties in expedited foreclosure proceedings for vacant and abandoned properties. The form is to be sent by secured parties to borrowers to inform them of their right to contest a finding that a borrower's property is vacant and abandoned.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

The proposed action has no economic impact.

Economic Impact on Small Businesses

The proposed action has minimal or no economic impact on small businesses.

Impact on Individuals with Disabilities

The proposed action has no impact on individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to Jedd Bellman, Assistant Commissioner, Commissioner of Financial Regulation, 500 North Calvert Street, Suite 402, or call 410-230-6390, or email to jedd.bellman@maryland.gov, or fax to 410-333-0475. Comments will be accepted through August 28, 2017. A public hearing has not been scheduled.

Economic Impact Statement Part C

A. Fiscal Year in which regulations will become effective: FY 18

B. Does the budget for the fiscal year in which regulations become effective contain funds to implement the regulations?

Yes

C. If 'yes', state whether general, special (exact name), or federal funds will be used:
Nondepository special fund

D. If 'no', identify the source(s) of funds necessary for implementation of these regulations:

E. If these regulations have no economic impact under Part A, indicate reason briefly:
The regulation is not expected to have any economic impact as it prescribes a form that is only required to be sent by a secured party if the secured party elects to pursue an expedited foreclosure based on its belief that a property is vacant and abandoned.

F. If these regulations have minimal or no economic impact on small businesses under Part B, indicate the reason and attach small business worksheet.

The regulation is not expected to have any economic impact as it prescribes a form that is only required to be sent by a secured party if the secured party elects to pursue an expedited foreclosure based on its belief that a property is vacant and abandoned.

G. Small Business Worksheet:

1a. Intended Beneficiaries. Who are the intended beneficiaries of the proposed regulation? Are these intended beneficiaries primarily households or businesses?

Consumers.

1b. Intended Beneficiaries: Households. If households are the primary intended beneficiaries, will the proposal affect their income or purchasing power such that the volume or patterns of their consumer spending will change? If so, what directions of change would you anticipate? Will these expected spending changes have a disproportionate impact on small businesses? Can you descriptively identify the industries or types of business activities that are impacted?

N/a

1c. Intended Beneficiaries: Businesses. If businesses are the intended beneficiaries, identify the businesses by industry or by types of business activities. How will businesses be impacted? Are these Maryland establishments disproportionately small businesses? If so, how will these Maryland small businesses be affected? Can you identify or estimate the present number of small businesses affected? Can you estimate the present total payroll or total employment of small businesses affected?

Businesses will not be affected by the proposed action unless they elect to utilize the new process for expedited foreclosure proceedings for vacant and abandoned properties.

2a. Other Direct or Indirect Impacts: Adverse. Businesses may not be the intended beneficiaries of the proposal. Instead, the proposal may direct or otherwise cause businesses to incur additional expenses of doing business in Maryland. Does this proposal require Maryland businesses to respond in such a fashion that they will incur

additional work-time costs or monetary costs in order to comply? Describe how Maryland establishments may be adversely affected. Will Maryland small businesses bear a disproportionate financial burden or suffer consequences that affect their ability to compete? Can you estimate the possible number of Maryland small businesses adversely affected? (Note that small business compliance costs in the area of regulation are the sum of out-of-pocket (cash) costs plus time costs — usually expressed as payroll, akin to calculations for legislative fiscal notes. Precise compliance costs may be difficult to estimate, but the general nature of procedures that businesses must accomplish to comply can be described.)

None.

2b. Other Direct or Indirect Impacts: Positive. Maryland businesses may positively benefit by means other than or in addition to changed consumer spending patterns. How may Maryland businesses be positively impacted by this initiative? Will Maryland small businesses share proportionately or disproportionately in these gains? Can you estimate the possible number of Maryland small businesses positively affected?

None.

3. Long-Term Impacts. There are instances where the longer run economic impact effect from regulations differ significantly from immediate impact. For example, regulations may impose immediate burdens on Maryland small businesses to comply, but the overall restructuring of the industry as a consequence of monitoring and compliance may provide offsetting benefits to the affected small businesses in subsequent years. Can you identify any long run economic impact effects on Maryland small businesses that over time (a) may compound or further aggravate the initial economic impact described above, or (b) may mitigate or offset the initial economic impact described above?

There is no long-term economic impact.

4. Estimates of Economic Impact. State Government Article, §2-1505.2 requires that an agency include estimates, as appropriate, directly relating to: (1) cost of providing goods and services; (2) effect on the work force; (3) effect on the cost of housing; (4) efficiency in production and marketing; (5) capital investment, taxation, competition, and economic development; and (6) consumer choice.

(1) There is no anticipated effect on the cost of providing goods and services; (2) There is no anticipated effect on the work force; (3) There is no anticipated effect on the cost of housing; (4) There is no anticipated effect on efficiency in production and marketing; (5) There is no anticipated capital investment, taxation, competition, and economic development; and (6) There is no anticipated effect on consumer choice.

Attached Document:

Title 09 DEPARTMENT OF LABOR, LICENSING, AND REGULATION

Subtitle 03 COMMISSIONER OF FINANCIAL REGULATION

Chapter 12 Foreclosure Procedures for Residential Property

.01 Definitions.

A. (text unchanged)

B. Terms Defined.

(1) — (27) (text unchanged)

(28) *“Vacant and abandoned” means a finding by the appropriate circuit court that a residential property is vacant and abandoned pursuant to Real Property Article, §7-105.14(c), Annotated Code of Maryland.*

[Click here to view ALL Appendices referenced in this chapter.](#)

.08 Notice of Filing.

A. — D. (text unchanged)

E. Notice of Filing with Respect to Properties Found to Be Vacant and Abandoned. A form substantially similar to that in Appendix H-6 of this chapter shall be used to comply with the notice of filing requirement when accompanying an order to docket or complaint to foreclose with respect to a property that is vacant and abandoned.

[Click here to view ALL Appendices referenced in this chapter.](#)