

BY: Judicial Proceedings Committee

AMENDMENTS TO SENATE BILL NO. 321

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and McFadden” and substitute “McFadden, and Giannetti”.

AMENDMENT NO. 2

On page 1, in line 2, strike “Rent” and substitute “Rents”; in the same line, strike “Limit on Costs” and substitute “Reimbursement for Costs and Expenses”; in lines 3 and 4, strike “more than a certain amount in” and substitute “any”; in line 4, after “rent” insert “unless certain notice requirements are met”; in the same line, after the semicolon insert “providing that a holder of a ground rent is entitled to reimbursement for certain expenses not exceeding a certain amount incurred in collecting a certain past due ground rent and complying with certain notice requirements; providing that a certain plaintiff or holder of a ground rent is entitled to reimbursement for certain reasonable expenses incurred in the preparation and filing of a certain action for ejectment if certain notice requirements are met; defining a certain term;”; in line 5, strike “rent” and substitute “rents”; after line 5, insert:

“BY renumbering

Article - Real Property

Section 8-402.3

to be Section 8-402.4

Annotated Code of Maryland

(1996 Replacement Volume and 2002 Supplement)”;

after line 10, insert:

“BY adding to

Article - Real Property

(Over)

Section 8-402.3
Annotated Code of Maryland
(1996 Replacement Volume and 2002 Supplement)”;

and in line 12, after “That” insert “Section(s) 8-402.3 of Article - Real Property of the Annotated Code of Maryland be renumbered to be Section(s) 8-402.4.”

SECTION 2. AND BE IT FURTHER ENACTED, That”.

AMENDMENT NO. 3

On pages 1 and 2, strike beginning with “THAT” in line 25 on page 1 down through “\$400” in line 1 on page 2 and substitute “UNLESS THE NOTICE REQUIREMENTS OF §§ 8-402.2 AND 8-403.3 OF THIS TITLE ARE MET”.

On page 3, strike beginning with “THAT” in line 9 down through “\$400” in line 11 and substitute “UNLESS THE NOTICE REQUIREMENTS OF THIS SECTION AND § 8-403.3 OF THIS SUBTITLE ARE MET”.

AMENDMENT NO. 4

On page 2, in line 5, strike “30” and substitute “45”; and in line 7, after “address” insert “, AND ALSO BY FIRST CLASS MAIL TO THE TITLE AGENT OR ATTORNEY LISTED ON THE DEED TO THE PROPERTY OR THE INTAKE SHEET RECORDED WITH THE DEED,”.

AMENDMENT NO. 5

On page 3, after line 11, insert:

“8-402.3.

(A) IN THIS SECTION, “GROUND RENT” MEANS A RESIDENTIAL LEASE OR SUBLEASE IN EFFECT ON OR AFTER OCTOBER 1, 2003, THAT HAS AN INITIAL TERM OF 99 YEARS RENEWABLE FOREVER AND CREATES A LEASEHOLD ESTATE SUBJECT TO THE PAYMENT OF SEMIANNUAL INSTALLMENTS OF AN ANNUAL LEASE AMOUNT.

(B) (1) A HOLDER OF A GROUND RENT THAT IS AT LEAST 6 MONTHS IN ARREARS IS ENTITLED TO REIMBURSEMENT FOR ACTUAL EXPENSES NOT EXCEEDING \$500 INCURRED IN THE COLLECTION OF THAT PAST DUE GROUND RENT AND IN COMPLYING WITH THE NOTICE REQUIREMENTS UNDER § 8-402.2(A) OF THIS

SUBTITLE, INCLUDING:

- (I) TITLE ABSTRACT AND EXAMINATION FEES;
- (II) JUDGMENT REPORT FEES;
- (III) PHOTOCOPYING AND POSTAGE FEES; AND
- (IV) ATTORNEY'S FEES.

(2) UPON FILING AN ACTION FOR EJECTMENT, THE PLAINTIFF OR HOLDER OF A GROUND RENT IS ENTITLED TO REIMBURSEMENT FOR REASONABLE EXPENSES INCURRED IN THE PREPARATION AND FILING OF THE EJECTMENT ACTION, INCLUDING:

- (I) FILING FEES AND COURT COSTS;
- (II) EXPENSES INCURRED IN THE SERVICE OF PROCESS OR OTHERWISE PROVIDING NOTICE;
- (III) TITLE ABSTRACT AND EXAMINATION FEES NOT INCLUDED UNDER PARAGRAPH (1) OF THIS SUBSECTION, NOT EXCEEDING \$300;
- (IV) REASONABLE ATTORNEY'S FEES NOT EXCEEDING \$700;

AND

(V) TAXES, INCLUDING INTEREST AND PENALTIES, THAT HAVE BEEN PAID BY THE PLAINTIFF OR HOLDER OF A GROUND RENT.

(C) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION OR IN § 8-402.2(C) OF THIS SUBTITLE, THE PLAINTIFF OR HOLDER OF A GROUND RENT IS NOT ENTITLED TO REIMBURSEMENT FOR ANY OTHER EXPENSES INCURRED IN THE COLLECTION OF A GROUND RENT.

(Over)

(D) (1) THE HOLDER OF A GROUND RENT MAY NOT BE REIMBURSED FOR EXPENSES UNDER SUBSECTION (B) OF THIS SECTION UNLESS THE HOLDER SENDS THE TENANT AS IDENTIFIED IN THE RECORDS OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION WRITTEN NOTICE AT LEAST 30 DAYS BEFORE TAKING ANY ACTION IN ACCORDANCE WITH § 8-402.2(A) OF THIS SUBTITLE AND § 14-108.1 OF THIS ARTICLE.

(2) THE NOTICE SHALL BE IN 14 POINT, BOLD FONT, AND CONTAIN THE FOLLOWING:

(I) THE AMOUNT OF THE PAST DUE GROUND RENT;

(II) A STATEMENT THAT UNLESS THE PAST DUE GROUND RENT IS PAID WITHIN 30 DAYS, FURTHER ACTION WILL BE TAKEN IN ACCORDANCE WITH § 8-402.2(A) OF THIS SUBTITLE AND § 14-108.1 OF THIS ARTICLE AND THE TENANT WILL BE LIABLE FOR THE EXPENSES AND FEES INCURRED IN CONNECTION WITH THE COLLECTION OF THE PAST DUE GROUND RENT AS PROVIDED IN THIS SECTION.

(3) THE HOLDER OF THE GROUND RENT SHALL:

(I) MAIL THE NOTICE BY FIRST CLASS MAIL TO THE TENANT'S LAST KNOWN ADDRESS AS SHOWN IN THE RECORDS OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION; AND

(II) OBTAIN A CERTIFICATE OF MAILING FROM THE UNITED STATES POSTAL SERVICE.”;

and in line 12, strike “2.” and substitute “3.”.