HB1374/900118/1

BY: Environmental Matters Committee

AMENDMENTS TO HOUSE BILL 1374

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 13, strike "substantial repair" and substitute "property unfit for human habitation"; in line 16, after "requiring" insert "and authorizing"; in line 18, after "changes;" insert "allowing a subtraction modification under the Maryland income tax for income resulting from a foreclosure settlement negotiated by the Attorney General;"; and in line 20, after "regulations;" insert "requiring the Commissioner of Financial Regulation to develop a certain description of a certain procedure and a certain form to be served under a certain provision of law;".

On page 2, after line 3, insert:

"BY repealing and reenacting, without amendments,

<u>Article – Tax – General</u>

<u>Section 10-208(a)</u>

Annotated Code of Maryland

(2010 Replacement Volume and 2011 Supplement)

BY adding to

<u> Article – Tax – General</u>

Section 10-208(r)

Annotated Code of Maryland

(2010 Replacement Volume and 2011 Supplement)".

AMENDMENT NO. 2

On page 18, after line 25, insert:

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"(S) THE COMMISSIONER OF FINANCIAL REGULATION MAY ADOPT ADDITIONAL REGULATIONS NECESSARY TO CARRY OUT THE REQUIREMENTS OF THIS SECTION."

AMENDMENT NO. 3

On pages 18 and 19, strike in their entirety the lines beginning with line 27 on page 18 through line 22 on page 19, and substitute:

- "(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (2) "CERTIFICATE OF PROPERTY UNFIT FOR HUMAN HABITATION" MEANS:
- (I) IN BALTIMORE CITY, A CERTIFICATE OF SUBSTANTIAL REPAIR; OR
- (II) A CERTIFICATE FOR RESIDENTIAL PROPERTY ISSUED BY A UNIT OF A COUNTY OR MUNICIPAL CORPORATION INDICATING THAT THE COUNTY OR MUNICIPAL CORPORATION HAS DETERMINED THAT THE RESIDENTIAL PROPERTY IS UNFIT FOR HUMAN HABITATION.
- (3) "CERTIFICATE OF VACANCY" MEANS A CERTIFICATE FOR A RESIDENTIAL PROPERTY ISSUED BY A UNIT OF A COUNTY OR MUNICIPAL CORPORATION INDICATING THAT THE RESIDENTIAL PROPERTY IS VACANT.
- (B) A PERSON WITH A SECURED INTEREST IN RESIDENTIAL PROPERTY THAT IS IN DEFAULT ON A MORTGAGE OR DEED OF TRUST MAY REQUEST THAT A COUNTY OR MUNICIPAL CORPORATION ISSUE A CERTIFICATE OF VACANCY OR A CERTIFICATE OF PROPERTY UNFIT FOR HUMAN HABITATION.

- (C) (1) THE COUNTY OR MUNICIPAL CORPORATION SHALL ISSUE TO A
 SECURED PARTY A CERTIFICATE OF VACANCY FOR A RESIDENTIAL PROPERTY IF
 THE COUNTY OR MUNICIPAL CORPORATION DETERMINES THAT THE
 RESIDENTIAL PROPERTY IS VACANT.
- (2) THE COUNTY OR MUNICIPAL CORPORATION SHALL ISSUE TO A SECURED PARTY A CERTIFICATE OF PROPERTY UNFIT FOR HUMAN HABITATION FOR A RESIDENTIAL PROPERTY IF THE COUNTY OR MUNICIPAL CORPORATION DETERMINES IN ACCORDANCE WITH REQUIREMENTS OF LOCAL, COUNTY, OR STATE HOUSING CODES, THAT THE RESIDENTIAL PROPERTY IS UNFIT FOR HUMAN HABITATION.
- (3) A CERTIFICATE OF VACANCY OR CERTIFICATE OF PROPERTY
 UNFIT FOR HUMAN HABITATION ISSUED UNDER THIS SUBSECTION IS VALID FOR
 60 DAYS AFTER THE DATE THE CERTIFICATE IS ISSUED.".

On page 19, in line 23, strike "(E)" and substitute "(D)"; in the same line, strike "(F)" and substitute "(E)"; in line 24, strike "SUBSTANTIAL REPAIR" and substitute "PROPERTY UNFIT FOR HUMAN HABITATION"; in line 29, strike "(F)" and substitute "(E)"; in line 30, after "CHALLENGE" insert "THE CERTIFICATE OF VACANCY AND"; in the same line, strike the second "PROPERTY"; and strike in their entirety lines 31 and 32 and substitute "UNDER THIS SECTION BY NOTIFYING THE CIRCUIT COURT OF THE CHALLENGE.".

On pages 19 and 20, strike in their entirety the lines beginning with line 33 on page 19 through line 5 on page 20 and substitute:

"(2) A SECURED PARTY FILING A CERTIFICATE OF VACANCY OR A CERTIFICATE OF PROPERTY UNFIT FOR HUMAN HABITATION UNDER THIS

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SECTION SHALL INCLUDE WITH THE DOCUMENTS SERVED UNDER § 7-105.1(H)(1) OF THIS SUBTITLE A DESCRIPTION OF THE PROCEDURE TO CHALLENGE THE CERTIFICATE AND THE FORM TO BE USED TO MAKE THE CHALLENGE.

(3) IF A CHALLENGE UNDER PARAGRAPH (1) OF THIS SUBSECTION IS UPHELD, THE SECURED PARTY SHALL COMPLY WITH THE REQUIREMENTS OF § 7-105.1 OF THIS SUBTITLE.".

On page 20, in line 6, strike "(G)" and substitute "(F)"; and in line 8, strike "SUBSTANTIAL REPAIR" and substitute "PROPERTY UNFIT FOR HUMAN HABITATION".

AMENDMENT NO. 4

On page 20, after line 8, insert:

"Article - Tax - General

10-208.

- (a) In addition to the modification under § 10–207 of this subtitle, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.
- (R) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES ANY PAYMENT TO AN INDIVIDUAL MADE AS A RESULT OF A FORECLOSURE SETTLEMENT NEGOTIATED BY THE ATTORNEY GENERAL.".

AMENDMENT NO. 5

On page 20, after line 14, insert:

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"SECTION 3. AND BE IT FURTHER ENACTED, That the Commissioner of Financial Regulation shall develop the description of the procedure to challenge a certificate of vacancy or certificate of property unfit for human habitation and the form to be used to make the challenge that are required to be served under § 7-105.11(e)(2), as enacted by this Act.";

and in line 15, strike "3." and substitute "4.".