

HB1129/540313/1

BY: Environment and Transportation Committee

AMENDMENTS TO HOUSE BILL 1129
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 10, after “action;” insert “requiring a certain notice to be sent to certain holders of security interests; requiring the filing of a certain affidavit acknowledging that the plaintiff sent certain notices; providing for the effect of the failure of a holder of a security interest to receive a certain notice;”.

AMENDMENT NO. 2

On page 2, after line 27, insert:

“(C) “HOLDER OF A SECURITY INTEREST” MEANS:

(1) THE TRUSTEE, BENEFICIARY, NOMINEE, OR ASSIGNEE OF RECORD, IF ANY, OF A RECORDED DEED OF TRUST; OR

(2) A MORTGAGEE OF A RECORDED MORTGAGE.”;

in line 28, strike “(C)” and substitute “(D)”; and after line 29, insert:

“(E) “SECURITY INSTRUMENT” MEANS:

(1) A RECORDED MORTGAGE OR DEED OF TRUST; OR

(2) A RECORDED ASSIGNMENT OF A RECORDED MORTGAGE OR DEED OF TRUST.”.

AMENDMENT NO. 3

(Over)

On page 4, after line 10, insert:

“(D) (1) AT THE TIME A COMPLAINT IS FILED UNDER THIS SUBTITLE, THE PLAINTIFF SHALL SEND NOTICE TO EACH HOLDER OF A SECURITY INTEREST THAT IS NOT NAMED AS A PARTY IN THE COMPLAINT.

(2) THE NOTICE REQUIRED BY THIS SUBSECTION SHALL INCLUDE A COPY OF THE FILED COMPLAINT WITH EXHIBITS AND A STATEMENT THAT:

(I) THE PROPERTY FOR WHICH THE PLAINTIFF SEEKS A DETERMINATION OF TITLE MAY BE SUBJECT TO CLAIMS OF THE HOLDER OF THE SECURITY INTEREST;

(II) THE HOLDER OF THE SECURITY INTEREST IS NOT A PARTY IN THE PROCEEDING AND ANY JUDGMENT IN THE PROCEEDING WILL NOT AFFECT ANY CLAIM OF THE HOLDER OF THE SECURITY INTEREST IN THE PROPERTY; AND

(III) IF THE HOLDER OF THE SECURITY INTEREST ELECTS TO APPEAR IN THE PROCEEDING, THE HOLDER OF THE SECURITY INTEREST WILL APPEAR AS A DEFENDANT AND BE BOUND BY ANY JUDGMENT ENTERED IN THE PROCEEDING.

(3) THE NOTICE REQUIRED BY THIS SUBSECTION SHALL BE SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, AND BY FIRST-CLASS MAIL, TO EACH HOLDER OF A SECURITY INTEREST:

(I) AT THE ADDRESS FOR RECEIPT OF NOTICE INDICATED IN THE SECURITY INSTRUMENT THAT IDENTIFIES THE HOLDER OF THE SECURITY INTEREST; OR

(II) IF NO ADDRESS FOR RECEIPT OF NOTICE IS INDICATED IN THE SECURITY INSTRUMENT, AT THE LAST KNOWN ADDRESS OF THE HOLDER OF THE SECURITY INTEREST.

(4) (I) THE PLAINTIFF SHALL FILE WITH THE COURT AN AFFIDAVIT ACKNOWLEDGING THAT THE PLAINTIFF SENT ALL NOTICES REQUIRED BY THIS SUBSECTION.

(II) THE AFFIDAVIT REQUIRED BY THIS PARAGRAPH SHALL BE ACCOMPANIED BY A LIST OF THE NAMES AND ADDRESSES OF EACH HOLDER OF A SECURITY INTEREST TO WHICH THE PLAINTIFF SENT NOTICE.

(5) FAILURE OF A HOLDER OF A SECURITY INTEREST TO RECEIVE THE NOTICE REQUIRED BY THIS SUBSECTION MAY NOT AFFECT ANY JUDGMENT ENTERED IN THE PROCEEDING OR ANY CLAIM OF A HOLDER OF A SECURITY INTEREST WHO IS NOT MADE A DEFENDANT IN THE PROCEEDING.”.