

HOUSE BILL 1209

Q1

9lr2309

By: ~~Delegate Kaiser~~ Delegates Kaiser, Ebersole, Washington, Walker, Mosby, Ivey, Palakovich Carr, Feldmark, Wilkins, and Patterson

Introduced and read first time: February 8, 2019

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 12, 2019

CHAPTER _____

1 AN ACT concerning

2 **Property Tax – Collection of Unpaid Taxes and Tax Sales**

3 FOR the purpose of establishing a State Tax Sale Ombudsman in the State Department of
4 Assessments and Taxation; providing for the appointment, employment status, and
5 removal of the Ombudsman; requiring the Ombudsman to perform certain functions;
6 authorizing a county to establish a County Tax Sale Ombudsman to perform the
7 functions of the State Tax Sale Ombudsman with respect to certain homeowners
8 within the county; requiring a collector to withhold from sale under certain
9 provisions of law certain properties that are subject to liens for unpaid taxes;
10 requiring that the dwellings of certain homeowners and certain other properties
11 designated by a county or municipal corporation that are subject to liens for unpaid
12 taxes are subject to certain procedures and requirements for collection of the unpaid
13 taxes; requiring a county and certain municipal corporations to enact a law
14 implementing certain requirements relating to collection of unpaid taxes; requiring
15 a local implementing law to include certain provisions relating to protections for
16 certain homeowners and certain matters relating to in rem foreclosure; authorizing
17 a county or municipal corporation to file a complaint for an in rem foreclosure action
18 at certain times for certain properties; requiring the county or municipal corporation
19 to send certain notice to certain taxing agencies before filing a certain complaint;
20 requiring a taxing agency receiving a certain notice to certify certain information to
21 the county or municipal corporation within a certain period of time; requiring certain
22 taxes to be included in the foreclosure action; ~~requiring a county or municipal~~
23 ~~corporation to obtain a certain lien release or make a certain payment before filing a~~
24 ~~certain action~~; requiring the county or municipal corporation to file the foreclosure

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 action in a certain circuit ~~court~~, court and provide certain notice and a copy of a
 2 certain complaint to certain persons in a certain manner; requiring the complaint for
 3 an in rem foreclosure to include certain information; allowing the complaint for an
 4 in rem foreclosure to be amended for certain purposes; authorizing certain persons
 5 to redeem certain property in a certain manner under certain circumstances;
 6 requiring a hearing on the in rem foreclosure complaint to be conducted at a certain
 7 time; providing that an interested party has the right to be heard at the hearing;
 8 requiring the court to enter a certain judgment on a certain finding; providing that
 9 a certain judgment is binding on certain persons; requiring that a certain judgment
 10 be recorded in certain land records; providing that title acquired in a certain sale of
 11 real property shall be an absolute or fee simple title except under certain
 12 circumstances; requiring the county or municipal corporation to sell at public auction
 13 real property after entry of a certain judgment; specifying the time of the sale;
 14 specifying the minimum bid for the sale; requiring the property to be sold to the
 15 highest bidder; authorizing a county or municipal corporation to bid the minimum
 16 bid under certain circumstances; requiring the county or municipal corporation to
 17 deposit certain excess bid amounts in escrow; requiring certain funds to be
 18 distributed to interested parties in a certain manner; requiring the county or
 19 municipal corporation to provide certain notice to the court of a sale; establishing
 20 that a sale of certain properties is final and binding; requiring the county or
 21 municipal corporation to report certain information to the court; requiring the
 22 Department to conduct an annual survey of each county and certain municipal
 23 corporations to obtain certain data regarding properties subject to liens for unpaid
 24 taxes; requiring the Department to analyze and summarize the information collected
 25 through the survey annually in a certain report and publish the report on its website
 26 and submit the report to certain committees of the General Assembly on or before a
 27 certain date each year; ~~requiring~~ authorizing the Court of Appeals to adopt certain
 28 rules; defining certain terms; making conforming changes; providing that certain
 29 provisions of this Act are applicable to liens for unpaid taxes that attach to real
 30 property on or after a certain date; providing for a delayed effective date; and
 31 generally relating to collection of unpaid property taxes and tax sales.

32 BY adding to

33 Article – Tax – Property

34 Section 2–112 and 14–811(e); 14–873 through 14–878 to be under the new part “Part
 35 V. Judicial In Rem Tax Foreclosure”; and 14–881 and 14–882 to be under the
 36 new part “Part VI. Tax Sale Reports”

37 Annotated Code of Maryland

38 (2012 Replacement Volume and 2018 Supplement)

39 BY repealing and reenacting, with amendments,

40 Article – Tax – Property

41 Section 14–603(a) and 14–811(a)

42 Annotated Code of Maryland

43 (2012 Replacement Volume and 2018 Supplement)

44 BY repealing and reenacting, without amendments,

1 Article – Tax – Property
2 Section 1–101(g) and (j)(1) and 14–801(d)
3 Annotated Code of Maryland
4 (2012 Replacement Volume and 2018 Supplement)

5 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
6 That the Laws of Maryland read as follows:

7 **Article – Tax – Property**

8 1–101.

9 (g) “County” means a county of the State and, unless expressly provided
10 otherwise, Baltimore City.

11 (j) (1) “Department” means the State Department of Assessments and
12 Taxation.

13 **2–112.**

14 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
15 INDICATED.

16 (2) “ELIGIBLE HOMEOWNER” HAS THE MEANING STATED IN § 14–873
17 OF THIS ARTICLE.

18 (3) “TAX” HAS THE MEANING STATED IN § 14–801 OF THIS ARTICLE.

19 (B) THERE IS A STATE TAX SALE OMBUDSMAN IN THE DEPARTMENT.

20 (C) THE OMBUDSMAN:

21 (1) SHALL BE APPOINTED BY THE DIRECTOR;

22 (2) SHALL BE IN THE MANAGEMENT SERVICE OF THE STATE
23 PERSONNEL MANAGEMENT SYSTEM; AND

24 (3) MAY BE REMOVED FROM OFFICE ONLY AFTER A HEARING BEFORE
25 THE DEPARTMENT AND A FINDING OF INCOMPETENCY OR OTHER GOOD CAUSE.

26 (D) THE OMBUDSMAN SHALL:

27 (1) ASSIST ELIGIBLE HOMEOWNERS TO UNDERSTAND THE PROCESS
28 FOR COLLECTION OF DELINQUENT TAXES;

1 **(2) ACTIVELY ASSIST ELIGIBLE HOMEOWNERS TO APPLY FOR TAX**
2 **CREDITS, DISCOUNT PROGRAMS, AND OTHER PUBLIC BENEFITS THAT MAY ASSIST**
3 **THE ELIGIBLE HOMEOWNERS TO PAY DELINQUENT TAXES AND IMPROVE THEIR**
4 **FINANCIAL SITUATION;**

5 **(3) REFER ELIGIBLE HOMEOWNERS TO LEGAL SERVICES, HOUSING**
6 **COUNSELING, AND OTHER SOCIAL SERVICES THAT MAY ASSIST ELIGIBLE**
7 **HOMEOWNERS TO PAY DELINQUENT TAXES AND IMPROVE THEIR FINANCIAL**
8 **SITUATION;**

9 **(4) MAINTAIN A WEBSITE THAT FUNCTIONS AS A CLEARINGHOUSE**
10 **FOR INFORMATION CONCERNING:**

11 **(I) THE PROCESS FOR COLLECTION OF DELINQUENT TAXES;**
12 **AND**

13 **(II) SERVICES AND PROGRAMS THAT ARE AVAILABLE TO ASSIST**
14 **ELIGIBLE HOMEOWNERS TO PAY DELINQUENT TAXES AND IMPROVE THEIR**
15 **FINANCIAL SITUATION;**

16 **(5) MAINTAIN A TOLL-FREE TELEPHONE NUMBER THAT AN ELIGIBLE**
17 **HOMEOWNER MAY CALL TO OBTAIN INDIVIDUALIZED PERSONAL ASSISTANCE WITH**
18 **DELINQUENT TAXES; AND**

19 **(6) COORDINATE WITH THE COMPTROLLER AND EACH COUNTY TO**
20 **COMPILE THE LIST OF ELIGIBLE HOMEOWNERS IN EACH COUNTY ON AN ANNUAL**
21 **BASIS.**

22 **(E) A COUNTY MAY, BY LAW, ESTABLISH A COUNTY TAX SALE OMBUDSMAN**
23 **TO FULFILL ALL THE RESPONSIBILITIES OF THE STATE TAX SALE OMBUDSMAN**
24 **UNDER SUBSECTION (D) OF THIS SECTION WITH RESPECT TO ELIGIBLE**
25 **HOMEOWNERS WITHIN THE COUNTY.**

26 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
27 as follows:

28 **Article – Tax – Property**

29 14–603.

30 (a) Except as provided in subsection (b) of this section, **§ 14–874 OF THIS TITLE,**
31 and for estimated personal property tax in § 14–604 of this subtitle, the rate of interest for
32 full year county or municipal corporation property tax or taxing district property tax is
33 two-thirds of 1% for each month or fraction of a month that the county or municipal
34 corporation property tax or taxing district property tax is overdue.

1 14-801.

2 (d) (1) "Tax" means any tax, or charge of any kind due to the State or any of
3 its political subdivisions, or to any other taxing agency, that by law is a lien against the
4 real property on which it is imposed or assessed.

5 (2) "Tax" includes interest, penalties, and service charges.

6 14-811.

7 (a) Except as provided in [subsection (b)] **SUBSECTIONS (B) AND (E)** of this
8 section, the collector may withhold from sale any property, when the total taxes on the
9 property, including interest and penalties, amount to less than \$250 in any 1 year.

10 **(E) THE COLLECTOR SHALL WITHHOLD FROM SALE UNDER THIS PART REAL**
11 **PROPERTY THAT IS SUBJECT TO PART V OF THIS SUBTITLE.**

12 **14-871. RESERVED.**

13 **14-872. RESERVED.**

14 **PART V. JUDICIAL IN REM TAX FORECLOSURE.**

15 **14-873.**

16 **(A) IN THIS PART THE FOLLOWING WORDS HAVE THE MEANINGS**
17 **INDICATED.**

18 **(B) "DWELLING" HAS THE MEANING STATED IN § 9-105 OF THIS ARTICLE.**

19 **(C) "ELIGIBLE HOMEOWNER" MEANS AN INDIVIDUAL WHO:**

20 **(1) OCCUPIES A DWELLING WITH AN ASSESSED VALUE OF \$300,000**
21 **OR LESS THAT IS SUBJECT TO A LIEN FOR UNPAID TAX; AND**

22 **(2) HAS A MARYLAND ADJUSTED GROSS INCOME OF \$60,000 OR LESS,**
23 **AS CALCULATED IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE TAX -**
24 **GENERAL ARTICLE.**

25 **(D) "INTERESTED PARTY" MEANS:**

26 **(1) THE PERSON WHO LAST APPEARS AS OWNER OF THE REAL**
27 **PROPERTY ON THE COLLECTOR'S TAX ROLL;**

1 **(2) A MORTGAGEE OF THE PROPERTY OR ASSIGNEE OF A MORTGAGE**
2 **OF RECORD;**

3 **(3) A HOLDER OF A BENEFICIAL INTEREST IN A DEED OF TRUST**
4 **RECORDED AGAINST THE REAL PROPERTY; OR**

5 **(4) ANY PERSON HAVING AN INTEREST IN THE REAL PROPERTY**
6 **WHOSE IDENTITY AND ADDRESS ARE:**

7 **(I) REASONABLY ASCERTAINABLE FROM THE COUNTY LAND**
8 **RECORDS; OR**

9 **(II) REVEALED BY A FULL TITLE SEARCH CONSISTING OF AT**
10 **LEAST 50 YEARS.**

11 **(E) "TAX" HAS THE MEANING STATED IN § 14-801 OF THIS SUBTITLE.**
12 **14-874.**

13 **(A) THIS PART APPLIES TO:**

14 **(1) THE DWELLING OF AN ELIGIBLE HOMEOWNER; AND**

15 **(2) ANY OTHER REAL PROPERTY THAT A COUNTY OR MUNICIPAL**
16 **CORPORATION DESIGNATES, BY LAW, TO BE SUBJECT TO THIS PART.**

17 **(B) (1) (I) EACH COUNTY SHALL ENACT A LAW IMPLEMENTING THE**
18 **REQUIREMENTS OF THIS PART.**

19 **(II) A MUNICIPAL CORPORATION SHALL ENACT A LAW**
20 **IMPLEMENTING THE REQUIREMENTS OF THIS PART ONLY IF THE MUNICIPAL**
21 **CORPORATION CONDUCTS AN IN REM FORECLOSURE AND SALE TO ENFORCE A**
22 **MUNICIPAL TAX LIEN.**

23 **(2) A LAW IMPLEMENTING THIS PART SHALL INCLUDE:**

24 **(I) A REQUIREMENT THAT THE DWELLING OF AN ELIGIBLE**
25 **HOMEOWNER NOT BE SUBJECT TO FORECLOSURE AND SALE UNDER THIS PART**
26 **UNLESS THE TAX ON THE DWELLING:**

27 **1. HAS BEEN DELINQUENT FOR AT LEAST 2 YEARS; AND**

28 **2. EXCEEDS \$1,000;**

1 **(II) NOTWITHSTANDING § 14-603 OF THIS TITLE, A RATE OF**
2 **INTEREST FOR EACH MONTH OR FRACTION OF A MONTH THAT TAX IS OVERDUE ON**
3 **THE DWELLING OF AN ELIGIBLE HOMEOWNER THAT DOES NOT EXCEED 0.5%;**

4 **(III) A PROHIBITION ON REQUIRING AN ELIGIBLE HOMEOWNER**
5 **TO PAY ANY FEES OR EXPENSES INCURRED BY THE COUNTY OR MUNICIPAL**
6 **CORPORATION UNDER THIS PART;**

7 **(IV) A REQUIREMENT THAT THE COUNTY OR MUNICIPAL**
8 **CORPORATION SEND AT LEAST FIVE NOTICES ~~AT APPROPRIATE INTERVALS~~ BY**
9 **FIRST-CLASS MAIL AT LEAST 30 DAYS APART TO AN ELIGIBLE HOMEOWNER THAT**
10 **CONVEY INFORMATION ABOUT THE PROCESS FOR COLLECTION OF DELINQUENT**
11 **TAXES AND OTHER INFORMATION REQUIRED BY THIS PART IN CLEAR, CONCISE, AND**
12 **EASILY UNDERSTANDABLE LANGUAGE;**

13 **(V) AN OPTION FOR AN ELIGIBLE HOMEOWNER TO PREVENT**
14 **FORECLOSURE AND SALE UNDER THIS PART BY ENTERING INTO AN INSTALLMENT**
15 **PLAN OF UP TO 60 MONTHS TO MAKE PAYMENTS OF DELINQUENT TAXES BASED ON**
16 **THE HOMEOWNER'S INCOME;**

17 **(VI) A PROCESS BY WHICH AN ELIGIBLE HOMEOWNER WHO IS**
18 **LOW-INCOME, AT LEAST 65 YEARS OLD, OR DISABLED MAY APPLY FOR THE ELIGIBLE**
19 **HOMEOWNER'S DWELLING TO BE EXEMPT FROM FORECLOSURE AND SALE UNDER**
20 **THIS PART IF THE ELIGIBLE HOMEOWNER MEETS CRITERIA SPECIFIED BY THE**
21 **COUNTY OR MUNICIPAL CORPORATION;**

22 **(VII) A PROCESS FOR REFERRING ELIGIBLE HOMEOWNERS TO**
23 **THE STATE TAX SALE OMBUDSMAN ESTABLISHED UNDER § 2-112 OF THIS ARTICLE**
24 **OR TO THE COUNTY TAX SALE OMBUDSMAN IF THE COUNTY HAS ESTABLISHED A**
25 **COUNTY TAX SALE OMBUDSMAN;**

26 **(VIII) A PROCEDURE FOR THE COUNTY OR MUNICIPAL**
27 **CORPORATION TO FILE A COMPLAINT FOR AN IN REM FORECLOSURE UNDER THIS**
28 **PART; AND**

29 **(IX) ADMINISTRATIVE RULES AND PROCEDURES NECESSARY TO**
30 **CARRY OUT THIS PART.**

31 **14-875.**

32 **(A) A COUNTY OR MUNICIPAL CORPORATION MAY FILE A COMPLAINT FOR**
33 **AN IN REM FORECLOSURE ACTION AFTER:**

1 (1) TAXES ON THE DWELLING OF AN ELIGIBLE HOMEOWNER HAVE
2 BEEN DELINQUENT FOR AT LEAST 2 YEARS; OR

3 (2) TAXES ON ANY OTHER PROPERTY SUBJECT TO THIS PART HAVE
4 BEEN DELINQUENT FOR AT LEAST ~~1 YEAR~~ 6 MONTHS.

5 (B) (1) AT LEAST 60 DAYS BEFORE FILING A COMPLAINT FOR AN IN REM
6 FORECLOSURE, THE COUNTY OR MUNICIPAL CORPORATION SHALL NOTIFY ALL
7 OTHER TAXING AGENCIES THAT HAVE THE AUTHORITY TO COLLECT TAXES ON THE
8 REAL PROPERTY OF THE COUNTY'S OR MUNICIPAL CORPORATION'S INTENTION TO
9 FILE A COMPLAINT FOR AN IN REM FORECLOSURE OF THE REAL PROPERTY.

10 (2) WITHIN 30 DAYS AFTER RECEIVING NOTICE UNDER PARAGRAPH
11 (1) OF THIS SUBSECTION, A TAXING AGENCY SHALL CERTIFY TO THE COUNTY OR
12 MUNICIPAL CORPORATION A STATEMENT OF ALL TAXES DUE TO THE TAXING
13 AGENCY.

14 (3) ALL TAXES CERTIFIED IN ACCORDANCE WITH PARAGRAPH (2) OF
15 THIS SUBSECTION SHALL:

16 (I) BE INCLUDED IN THE FORECLOSURE ACTION; AND

17 (II) CEASE TO BE A LIEN AGAINST THE REAL PROPERTY IF A
18 JUDGMENT IS ENTERED FORECLOSING THE EXISTING INTERESTS OF ALL
19 INTERESTED PARTIES IN THE REAL PROPERTY.

20 ~~(4) BEFORE FILING THE COMPLAINT UNDER SUBSECTION (C) OF THIS~~
21 ~~SECTION, THE COUNTY OR MUNICIPAL CORPORATION SHALL:~~

22 ~~(I) OBTAIN A LIEN RELEASE FROM THE STATE FOR ANY LIENS~~
23 ~~FOR UNPAID STATE PROPERTY TAXES, INTEREST, AND PENALTIES; OR~~

24 ~~(II) PAY TO THE STATE, IN ACCORDANCE WITH § 4 202 OF THIS~~
25 ~~ARTICLE, ANY UNPAID STATE PROPERTY TAXES, INTEREST, AND PENALTIES.~~

26 ~~(C) THE COUNTY OR MUNICIPAL CORPORATION SHALL FILE THE~~
27 ~~COMPLAINT FOR AN IN REM FORECLOSURE IN THE CIRCUIT COURT OF THE COUNTY~~
28 ~~WHERE THE REAL PROPERTY IS LOCATED.~~

29 (C) THE COUNTY OR MUNICIPAL CORPORATION SHALL:

30 (1) FILE THE COMPLAINT FOR AN IN REM FORECLOSURE IN THE
31 CIRCUIT COURT OF THE COUNTY WHERE THE REAL PROPERTY IS LOCATED; AND

1 **(2) WITHIN 5 DAYS AFTER FILING THE COMPLAINT FOR AN IN REM**
2 **FORECLOSURE, SEND A NOTICE AND A COPY OF THE COMPLAINT TO ALL**
3 **INTERESTED PARTIES BY:**

4 **(I) CERTIFIED MAIL; AND**

5 **(II) FIRST-CLASS MAIL.**

6 **(D) THE COMPLAINT FOR AN IN REM FORECLOSURE SHALL INCLUDE:**

7 **(1) THE IDENTITY OF THE COUNTY OR MUNICIPAL CORPORATION ON**
8 **BEHALF OF WHICH THE COMPLAINT IS FILED;**

9 **(2) A NAME AND ADDRESS FOR THE COUNTY OR MUNICIPAL**
10 **CORPORATION;**

11 **(3) A DESCRIPTION OF THE REAL PROPERTY AS IT APPEARS IN THE**
12 **COUNTY LAND RECORDS;**

13 **(4) THE TAX IDENTIFICATION NUMBER OF THE REAL PROPERTY;**

14 **(5) A STATEMENT THAT THE TAXES ARE DELINQUENT AT THE TIME OF**
15 **THE FILING;**

16 **(6) THE AMOUNT OF TAXES THAT ARE DELINQUENT AS OF THE DATE**
17 **OF FILING;**

18 **(7) THE NAMES AND LAST KNOWN ADDRESSES OF ALL INTERESTED**
19 **PARTIES IN THE REAL PROPERTY AND, IF APPLICABLE, A STATEMENT THAT THE**
20 **ADDRESS OF A PARTICULAR INTERESTED PARTY IN THE REAL PROPERTY IS**
21 **UNKNOWN;**

22 **(8) A REQUEST THAT THE CIRCUIT COURT NOT SCHEDULE A HEARING**
23 **ON THE COMPLAINT UNTIL 30 DAYS AFTER THE DATE THAT THE COMPLAINT IS**
24 **FILED; AND**

25 **(9) A REQUEST THAT THE CIRCUIT COURT ENTER A JUDGMENT THAT**
26 **FORECLOSES THE EXISTING INTERESTS OF ALL INTERESTED PARTIES IN THE REAL**
27 **PROPERTY AND ORDERS THE REAL PROPERTY TO BE SOLD AT PUBLIC AUCTION.**

28 **(E) A COMPLAINT FOR AN IN REM FORECLOSURE MAY BE AMENDED TO**
29 **INCLUDE ALL TAXES THAT BECOME DELINQUENT AFTER THE COMMENCEMENT OF**
30 **THE IN REM FORECLOSURE ACTION.**

1 (F) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AN
2 INTERESTED PARTY HAS THE RIGHT TO REDEEM THE PROPERTY BY PAYING ALL
3 TAXES DUE AT ANY TIME BEFORE THE ENTRY OF A FORECLOSURE JUDGMENT.

4 (2) THE RIGHT TO REDEEM THE PROPERTY TERMINATES WHEN THE
5 CIRCUIT COURT ENTERS A FORECLOSURE JUDGMENT.

6 14-876.

7 (A) A CIRCUIT COURT MAY NOT SET A HEARING FOR AN IN REM
8 FORECLOSURE UNTIL 30 DAYS AFTER THE COMPLAINT FOR AN IN REM
9 FORECLOSURE IS FILED.

10 (B) AT THE HEARING, ANY INTERESTED PARTY SHALL HAVE THE RIGHT TO
11 BE HEARD AND TO CONTEST THE DELINQUENCY OF THE TAXES AND THE ADEQUACY
12 OF THE PROCEEDINGS.

13 (C) IF THE CIRCUIT COURT FINDS THAT THE INFORMATION SET FORTH IN
14 THE COMPLAINT IS ACCURATE, THE COURT SHALL:

15 (1) ENTER A JUDGMENT THAT ~~PROPER NOTICE HAS BEEN PROVIDED~~
16 ~~TO~~ FORECLOSES THE EXISTING INTERESTS OF ALL INTERESTED PARTIES; AND

17 (2) ORDER THAT THE REAL PROPERTY BE SOLD IN ACCORDANCE
18 WITH THIS PART.

19 (D) A JUDGMENT UNDER SUBSECTION (C) OF THIS SECTION IS BINDING AND
20 CONCLUSIVE, REGARDLESS OF LEGAL DISABILITY, ON:

21 (1) ALL PERSONS, KNOWN AND UNKNOWN, WHO WERE PARTIES TO
22 THE ACTION AND WHO HAD A CLAIM TO THE PROPERTY, WHETHER PRESENT OR
23 FUTURE, VESTED OR CONTINGENT, LEGAL OR EQUITABLE, OR SEVERAL OR
24 UNDIVIDED; AND

25 (2) ALL PERSONS WHO WERE NOT PARTIES TO THE ACTION AND HAD
26 A CLAIM TO THE PROPERTY THAT WAS NOT RECORDED AT THE TIME THAT THE
27 ACTION WAS COMMENCED.

28 (E) THE ENTRY OF A JUDGMENT UNDER SUBSECTION (C) OF THIS SECTION
29 SHALL BE RECORDED IN THE LAND RECORDS OF THE COUNTY.

30 (F) THE TITLE ACQUIRED IN A SALE OF REAL PROPERTY UNDER § 14-877
31 OF THIS PART AFTER AN IN REM FORECLOSURE PROCEEDING SHALL BE AN
32 ABSOLUTE OR FEE SIMPLE TITLE INCLUDING THE RIGHT, TITLE, AND INTEREST OF

1 EACH OF THE DEFENDANTS IN THE PROCEEDING WHOSE PROPERTY HAS BEEN
2 FORECLOSED UNLESS A DIFFERENT TITLE IS SPECIFIED IN THE JUDGMENT
3 ENTERED.

4 14-877.

5 (A) (1) AFTER ENTRY OF JUDGMENT UNDER § 14-876 OF THIS SUBTITLE,
6 THE COUNTY OR MUNICIPAL CORPORATION SHALL SELL, IN ACCORDANCE WITH THE
7 MARYLAND RULES, THE REAL PROPERTY AT PUBLIC AUCTION.

8 (2) THE REAL PROPERTY MAY NOT BE SOLD UNTIL AT LEAST 45 DAYS
9 AFTER THE ENTRY OF JUDGMENT.

10 (B) THE MINIMUM BID FOR THE SALE OF THE REAL PROPERTY SHALL BE
11 DETERMINED BY THE COUNTY OR MUNICIPAL CORPORATION.

12 (C) (1) THE REAL PROPERTY SHALL BE SOLD TO THE PERSON MAKING
13 THE HIGHEST BID.

14 (2) THE PERSON MAKING THE HIGHEST BID SHALL PAY THE FULL BID
15 AMOUNT TO THE COUNTY OR MUNICIPAL CORPORATION.

16 (3) IF THE MINIMUM BID IS NOT MADE OR EXCEEDED, THE COUNTY
17 OR MUNICIPAL CORPORATION THAT FILED THE COMPLAINT MAY BID THE MINIMUM
18 BID PRICE AND PURCHASE THE REAL PROPERTY.

19 (D) (1) IF THE HIGHEST BID EXCEEDS THE MINIMUM BID AMOUNT, THE
20 COUNTY OR MUNICIPAL CORPORATION SHALL DEPOSIT THE FUNDS IN EXCESS OF
21 THE MINIMUM BID IN AN ESCROW ACCOUNT.

22 (2) THE CIRCUIT COURT SHALL DISTRIBUTE THE FUNDS DEPOSITED
23 INTO ESCROW TO THE INTERESTED PARTIES IN THE ORDER OF PRIORITY OF THE
24 INTERESTS OF THE INTERESTED PARTIES.

25 (E) AFTER A SALE, THE COUNTY OR MUNICIPAL CORPORATION SHALL FILE
26 A NOTICE INFORMING THE CIRCUIT COURT OF THE SALE AND STATING THE DATE OF
27 THE SALE.

28 (F) A SALE OF REAL PROPERTY UNDER THIS SECTION IS FINAL AND
29 BINDING ON THE MAKER OF THE HIGHEST BID.

30 14-878.

1 **(6) THE AVERAGE AMOUNT OF THE LIEN FOR UNPAID TAXES ON**
2 **PROPERTIES OFFERED FOR SALE;**

3 **(7) THE NUMBER OF PROPERTIES THAT ARE REDEEMED BEFORE**
4 **FORECLOSURE AND THE NUMBER OF YEARS THAT ELAPSE BETWEEN THE SALE OF**
5 **THE CERTIFICATE AND REDEMPTION OF EACH PROPERTY; AND**

6 **(8) THE NUMBER OF PROPERTIES THAT ARE SUBJECT TO**
7 **FORECLOSURE.**

8 **(C) THE DEPARTMENT SHALL OBTAIN THE FOLLOWING INFORMATION**
9 **CONCERNING PROPERTIES WITH DELINQUENT TAXES THAT ARE SUBJECT TO PART**
10 **V OF THIS SUBTITLE:**

11 **(1) THE TOTAL NUMBER OF PROPERTIES SUBJECT TO PART V OF THIS**
12 **SUBTITLE;**

13 **(2) THE NUMBER OF PROPERTIES THAT ARE OWNED BY AN ELIGIBLE**
14 **HOMEOWNER AS DEFINED IN § 14-873 OF THIS SUBTITLE;**

15 **(3) THE NUMBER OF PROPERTIES THAT ARE VACANT AND**
16 **ABANDONED;**

17 **(4) THE NUMBER OF PROPERTIES THAT ARE SUBJECT TO LIENS FOR**
18 **WATER OR SEWER SERVICES ONLY;**

19 **(5) THE NUMBER OF PROPERTIES FOR WHICH THE DELINQUENT**
20 **TAXES ARE PAID BEFORE FORECLOSURE AND THE NUMBER OF YEARS THAT ELAPSE**
21 **BETWEEN THE TAXES BECOMING DELINQUENT AND THE PAYMENT OF THE TAXES;**

22 **(6) THE AVERAGE AMOUNT OF THE LIEN FOR UNPAID TAXES ON**
23 **PROPERTIES SUBJECT TO PART V OF THIS SUBTITLE; AND**

24 **(7) THE NUMBER OF PROPERTIES THAT ARE SUBJECT TO**
25 **FORECLOSURE.**

26 **14-882.**

27 **THE DEPARTMENT SHALL ANALYZE AND SUMMARIZE THE INFORMATION**
28 **COLLECTED THROUGH THE SURVEY UNDER § 14-881 OF THIS PART ANNUALLY IN A**
29 **REPORT AND:**

30 **(1) PUBLISH THE REPORT ON THE DEPARTMENT'S WEBSITE; AND**

1 **(2) ON OR BEFORE DECEMBER 31 EACH YEAR, SUBMIT THE REPORT,**
2 **IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE**
3 **SENATE BUDGET AND TAXATION COMMITTEE AND THE HOUSE COMMITTEE ON**
4 **WAYS AND MEANS.**

5 SECTION 4. AND BE IT FURTHER ENACTED, That the Court of Appeals ~~shall~~
6 may adopt rules to carry out Section 2 of this Act.

7 SECTION 5. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall be
8 applicable to liens for unpaid taxes that attach to real property on or after July 1, 2020.

9 SECTION 6. AND BE IT FURTHER ENACTED, That, subject to Section 5 of this
10 Act, this Act shall take effect January 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.