

SENATE BILL 968

Q1

2lr3050

By: **Senator Edwards**

Introduced and read first time: February 15, 2022

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Tax Sales – Foreclosure Actions – Assignment of Certificates of Sale**

3 FOR the purpose of authorizing the governing body of a county or municipal corporation to
4 file a petition with a court to request that a certain certificate of sale be assigned to
5 the governing body of the county or the municipal corporation in a certain foreclosure
6 action under certain circumstances; providing that, on a grant of the petition by the
7 court, the holder of the certificate of sale forfeits certain rights and the amount paid
8 to acquire the certificate of sale; applying this Act retroactively; and generally
9 relating to tax sales of property.

10 BY adding to

11 Article – Tax – Property

12 Section 14–821(c)

13 Annotated Code of Maryland

14 (2019 Replacement Volume and 2021 Supplement)

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

17 **Article – Tax – Property**

18 14–821.

19 **(C) (1) THE GOVERNING BODY OF A COUNTY OR MUNICIPAL**
20 **CORPORATION MAY FILE A PETITION WITH THE COURT REQUESTING THAT A**
21 **CERTIFICATE OF SALE BE ASSIGNED TO THE GOVERNING BODY OF THE COUNTY OR**
22 **MUNICIPAL CORPORATION IF:**

23 **(I) A FORECLOSURE ACTION HAS BEEN INITIATED BY THE**
24 **HOLDER OF THE CERTIFICATE OF SALE IN ACCORDANCE WITH THIS SUBTITLE; AND**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(II) THE FORECLOSURE ACTION IS SUBJECT TO DISMISSAL FOR**
2 **A LACK OF PROSECUTION UNDER MARYLAND RULE 2-507 OR A FINAL ORDER HAS**
3 **NOT BEEN ENTERED IN THE FORECLOSURE ACTION WITHIN 18 MONTHS AFTER THE**
4 **FILING OF THE COMPLAINT, WHICHEVER IS EARLIER.**

5 **(2) ON THE FILING OF A PETITION UNDER THIS SUBSECTION, THE**
6 **COURT SHALL ISSUE A SUMMONS TO PROCURE AN ANSWER AND APPEARANCE OF**
7 **THE HOLDER OF THE CERTIFICATE OF SALE TO SHOW GOOD CAUSE AS TO WHY THE**
8 **COURT SHOULD NOT GRANT THE PETITION.**

9 **(3) IF THE HOLDER OF THE CERTIFICATE OF SALE FAILS TO RESPOND**
10 **TO THE PETITION IN ACCORDANCE WITH THE MARYLAND RULES, THE COURT SHALL**
11 **GRANT THE PETITION.**

12 **(4) IF A COURT GRANTS A PETITION UNDER THIS SUBSECTION, THE**
13 **HOLDER OF THE CERTIFICATE OF SALE SHALL FORFEIT:**

14 **(I) ANY RIGHTS UNDER THE CERTIFICATE OF SALE; AND**

15 **(II) THE AMOUNT PAID TO ACQUIRE THE CERTIFICATE OF SALE.**

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
17 apply retroactively and shall be applied to and interpreted to affect any tax sale actions
18 foreclosing the right of redemption that are pending on enactment of this Act.

19 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June
20 1, 2022.