

Department of Legislative Services
Maryland General Assembly
2023 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 845

(Delegate Wivell)

Judiciary

**Real Property - Recordation of Instrument With False Information - Penalties
and Actions to Quiet Title**

This bill prohibits a person from recording a deed or other instrument that the person knows or has reason to know contains false information, including information related to the ownership of the property. A violator is guilty of a misdemeanor and subject to a maximum penalty of a \$500 fine; prosecution must be initiated within three years after the offense was committed. Additionally, unless otherwise prohibited under § 14-607(b) of the Real Property Article, the bill authorizes a court to award either party costs and reasonable attorney's fees in an action to quiet title, if a claim or defense in the case is related to an alleged recordation of a deed or other instrument with false information.

Fiscal Summary

State Effect: The bill's provisions, including any potential minimal increase in fine revenues from cases heard in the District Court, are not anticipated to materially affect State operations or finances.

Local Effect: The bill is not anticipated to materially affect local government operations or finances.

Small Business Effect: Minimal.

Analysis

Current Law: In general, prosecution for a misdemeanor must be commenced within one year after the offense was committed. However, statute includes numerous exceptions.

Statutory provisions set forth a process by which a person may bring action to “quiet” title (determine the validity of adverse claims or other issues regarding title) to real property. In such actions, the court is deemed to have obtained possession and control of the property for the purposes of the action. Statutory provisions do not limit any authority the court may have to grant equitable relief that may be proper under the circumstances.

A complaint (and answer) in such actions must be verified and include specified information. For example, an answer must state (1) any claim the defendant has to the property that is the subject of the action; (2) any facts tending to controvert any material allegations of the complaint that the defendant does not wish to be taken as true; and (3) a statement of any new matter constituting a defense. Pursuant to § 14-607(b) of the Real Property Article, if a defendant disclaims any interest in the title of the property in the answer or allows judgment to be taken without answer, the plaintiff may not recover costs.

In all cases, the plaintiff must submit evidence at a hearing before the court establishing the plaintiff’s title, and the court may hear or take any evidence offered respecting the claims of any defendant (other than claims to which the plaintiff admitted validity in the complaint). A judgment in an action to quiet title must be recorded in the land records of the county in which any portion of the property is located. The clerk is required to index the judgment in accordance with specified law governing the indexing of instruments, with the party against whom judgment is entered listed as the grantor of the property, and the party in whose favor the judgment is entered listed as the grantee.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts); Office of the Public Defender; Maryland State’s Attorneys’ Association; Department of Legislative Services

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km/jkb

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