HOUSE BILL 1000

N1 HB 1121/23 – ENT

By: Delegate Ruff

Introduced and read first time: February 5, 2024 Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 Real Property – Residential Contracts of Sale – Buyer Privacy Rights

FOR the purpose of prohibiting a contract of sale for single-family residential real property from containing the name of an individual buyer prior to acceptance of the contract of sale by the seller; and generally relating to residential contracts of sale.

6 BY adding to

- 7 Article Real Property
- 8 Section 10–714
- 9 Annotated Code of Maryland
- 10 (2023 Replacement Volume)
- 11

Preamble

WHEREAS, Under § 20–702 of the State Government Article, it is the policy of the State to provide for fair housing throughout the State to all, regardless of race, color, religion, sex, familial status, national origin, marital status, sexual orientation, gender identity, disability, or source of income; and

16 WHEREAS, The name of a buyer of real property, where the buyer is a natural 17 person, can hold or be used to access information about certain of these protected 18 classifications; and

19 WHEREAS, Advances in modern technology have increased access to personal 20 information that may be indicative of a person's membership in a protected class; and

WHEREAS, Fair housing guidelines and protections alone are inadequate to protect citizens against the intentional or unintentional misuse of available information about a buyer of real property; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.



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$egin{array}{c} 1 \\ 2 \\ 3 \end{array}$	WHEREAS, The act of removing the buyer's name from the contract of sale, prior to contract acceptance, will help eliminate bias, intentional or otherwise, in housing decisions; now, therefore,
4 5	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
6	Article – Real Property
7	10-714.
8 9 10	(A) (1) THIS SECTION APPLIES ONLY TO A CONTRACT OF SALE FOR SINGLE–FAMILY RESIDENTIAL REAL PROPERTY THAT AN INDIVIDUAL BUYER EXECUTES WITH THE SERVICES OF A REAL ESTATE BROKER.
11	(2) THIS SECTION DOES NOT APPLY TO A PURCHASE BY:
12	(I) A CORPORATE OR OTHER BUSINESS ENTITY; OR
13	(II) A FIDUCIARY ACTING FOR THE BENEFIT OF A THIRD PARTY.
$\begin{array}{c} 14 \\ 15 \end{array}$	(B) IT IS THE INTENT OF THE GENERAL ASSEMBLY TO ELIMINATE BIAS, INTENTIONAL OR OTHERWISE, IN HOUSING DECISIONS CONCERNING THE SALE OF
16 17 18	SINGLE-FAMILY RESIDENTIAL REAL PROPERTY TO AN INDIVIDUAL BUYER BY REMOVING THE NAME OF THE BUYER FROM THE CONTRACT OF SALE PRIOR TO ACCEPTANCE OF THE CONTRACT BY THE SELLER.
19 20	(C) A RESIDENTIAL CONTRACT OF SALE MAY NOT CONTAIN THE NAME OF AN INDIVIDUAL BUYER PRIOR TO ACCEPTANCE OF THE CONTRACT BY THE SELLER.
$\begin{array}{c} 21\\ 22\\ 23 \end{array}$	(D) BEFORE OR DURING THE PREPARATION OF A RESIDENTIAL CONTRACT OF SALE, THE INDIVIDUAL BUYER SHALL EXECUTE WITH THE BUYER'S REAL ESTATE BROKER:
24	(1) A BUYER-BROKER AGREEMENT; OR
25	(2) AN UNREPRESENTED BUYER AGREEMENT THAT:
26	(I) IDENTIFIES THE BUYER AS AN INDIVIDUAL; AND
27	(II) STATES THAT THE BUYER:
28 29	1. HAS NOT MISREPRESENTED THE BUYER'S STATUS AS AN INDIVIDUAL;

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HAS NOT BEEN CONVICTED OF FRAUD FOR A

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MISREPRESENTATION MADE IN CONNECTION WITH THE PURCHASE OF RESIDENTIAL REAL PROPERTY; AND 3. INTENDS TO OCCUPY THE RESIDENTIAL REAL PROPERTY AS THE INDIVIDUAL BUYER'S PRINCIPAL PLACE OF RESIDENCE. **(E)** NOTHING IN THIS SECTION MAY BE INTERPRETED TO AFFECT **REQUIREMENTS REGARDING THE IDENTIFICATION OF AN INDIVIDUAL BUYER:** (1) IN A DEED OR OTHER INSTRUMENT OFFERED FOR RECORDATION IN THE LAND RECORDS UNDER TITLE 3 OF THIS ARTICLE; (2) IN A MORTGAGE APPLICATION, MORTGAGE, OR DEED OF TRUST SECURED BY RESIDENTIAL REAL PROPERTY; (3) MARKING THE INDIVIDUAL **BUYER'S INITIALS** ON THE RESIDENTIAL CONTRACT OF SALE AS VALID AND BINDING ACCORDING TO THE STATUTE OF FRAUDS; OR (4) ON THE RESIDENTIAL CONTRACT OF SALE AT THE TIME OF CONTRACT ACCEPTANCE BY THE SELLER.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to 18 apply only prospectively and may not be applied or interpreted to have any effect on or 19 application to any residential contract of sale before the effective date of this Act.

20 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect 21 October 1, 2025.