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To: Members of the Senate Judicial Proceedings Committee
From: MLTA Legislative Committee
Date: February 13, 2024 [Hearing date: February 14, 2024]
Subject: **SB 0423** – Real Property – Recordation – Procedures
Position: **Support with Amendments**

The Maryland Land Title Association (MLTA) is a professional organization working on behalf of title industry service providers and consumers and is comprised of agents, abstractors, attorneys, and underwriters. **MLTA SUPPORTS Senate Bill 423 – Real Property – Recordation – Procedures with amendments.**

The bill requires a county, through its designated agent to provide, upon request, a certificate enumerating what taxes, assessments, and charges are due against a property. The bill would further require a county employee presented with a certificate to endorse a deed and establishes that the endorsement is sufficient authority for a transfer on the assessment books. A bona fide purchaser for value of real property in the county would be entitled to rely on the certificate to establish any tax or assessment due to the county.

MLTA support this bill because such certificates would speed the recording process, and provide greater certainty to parties in a real estate settlement. Currently, it is not uncommon for parties, generally through a settlement agent, to contact those jurisdictions that do not offer “lien certificates” to find out what charges are due to the county, only get to recordation and find that the county has changed the charges or forgotten to add something, and recordation will be refused until those sums are paid. The settlement agent then needs to either come out of pocket to pay the costs or return to the parties to seek extra funds. This bill would require counties presented with a certificate to record the deed as long as all charges identified by the county on the certificate are paid. This provides greater certainty to all parties involved in the transaction.

The members of the Maryland Land Title Association urge a favorable report on SB 423 with two minor amendments, which are in the nature of clarifications.

I. Page 3, Lines 14-19

A COLLECTING AGENT PRESENTED WITH A CERTIFICATE ISSUED UNDER THIS PARAGRAPH WITHIN 45 DAYS AFTER ISSUANCE INDICATING THAT ALL TAXES, ASSESSMENTS, AND CHARGES DUE TO THE COUNTY OR MUNICIPALITY HAVE BEEN PAID SHALL ENDORSE THAT ALL TAXES, ASSESSMENTS, AND CHARGES HAVE BEEN PAID AND THE ENDORSEMENT SHALL BE SUFFICIENT AUTHORITY FOR TRANSFER ON THE ASSESSMENT BOOKS THE DEED AS REQUIRED UNDER PARAGRAPH (1)(II) OR (2)(II) OF THIS SUBSECTION ON PAYMENT OF ALL CHARGES SET FORTH IN THE CERTIFICATE AS WELL AS ANY APPLICABLE TRANSFER OR RECORDATION TAXES.

II. Page 3, Lines 25-26

1. **THE RECORD OWNER OF THE PROPERTY AT THE TIME OF THE ISSUANCE OF THE CERTIFICATE; OR**