



February 19, 2026

COMMITTEE: House Economic Matters Committee

BILL: HB 523 – Real Property – Residential Foreclosures – Commencement Restrictions

POSITION: Support

The Horizon Foundation is the largest independent health philanthropy in Maryland. We are committed to a Howard County free from systemic inequities, where all people can live abundant and healthy lives. The Foundation is pleased to **support HB 523 – Real Property – Residential Foreclosures – Commencement Restrictions**. This bill would establish a 10-year time limit for lenders to bring a foreclosure action.

Maryland is only one of three states in the nation that does not have a statute of limitations on foreclosures. This leaves many of our residents vulnerable to problems with “zombie mortgages” – mortgages that homeowners believed were forgiven or satisfied long ago but still technically exist. Many of these mortgages were taken out as a second mortgage during the mid-2000s. When the financial crisis struck, many homeowners worked with banks to modify their mortgages to make their monthly payments manageable. Many of these homeowners believed or were wrongly told that their second mortgage was forgiven. Without a statute of limitations, lenders can start a foreclosure process on a second mortgage even when the homeowner is current on the first mortgage, and even when the homeowner received no statements or notices about their second mortgage for years. With many of our residents struggling with the rising cost of living – much of which is due to the high cost of housing – HB 523 is important to protect Marylanders from these predatory practices.

During the Horizon Foundation’s most recent strategic planning process that involved extensive community engagement, residents cited obtaining safe, affordable and high-quality housing as one of the biggest barriers to their ability to live a healthy and abundant life. Laws and practices remain in place that hold many of our friends and neighbors back and lead to poorer health outcomes and fewer opportunities for housing stability and social mobility. But we believe health is a fundamental right and that everyone deserves a fair opportunity to attain it at the highest level. For this reason, the Foundation **SUPPORTS HB 523** and urges a **FAVORABLE** report. Thank you for your consideration.

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