N1 5lr2945 CF 5lr2944

By: Delegate B. Robinson

Introduced and read first time: February 27, 2015 Assigned to: Rules and Executive Nominations

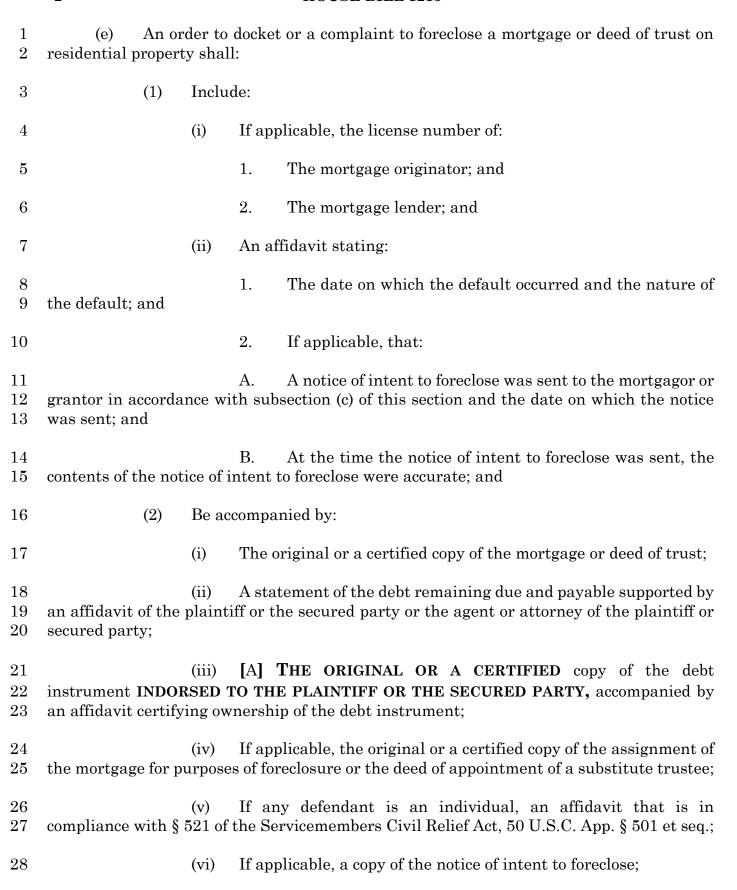
A BILL ENTITLED

1	AN ACT concerning
2 3	Foreclosure – Indorsement of Debt Instrument, Lost Note Affidavit, and Penalties for False Statements
4 5 6 7 8 9 10	FOR the purpose of altering the requirements for the debt instrument required to be filed with an order to docket or complaint to foreclose a mortgage or deed of trust on residential property; altering the requirements for a certain lost note affidavit; establishing certain penalties for knowingly making a false statement in certain documents required to be filed with a court; providing for the application of this Act; and generally relating to actions to foreclose a mortgage or deed of trust on residential property.
11 12 13 14 15	BY repealing and reenacting, with amendments, Article – Real Property Section 7–105.1(e) and (f) Annotated Code of Maryland (2010 Replacement Volume and 2014 Supplement)
16 17 18 19 20	BY adding to Article – Real Property Section 7–105.1(t) Annotated Code of Maryland (2010 Replacement Volume and 2014 Supplement)
21 22	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
23	Article - Real Property
24	7-105.1.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.





- 1 (vii) If the secured party and mortgagor or grantor have elected to participate in prefile mediation, the report of the prefile mediation issued by the Office of Administrative Hearings;
- 4 (viii) If the secured party and the mortgagor or grantor have not 5 elected to participate in prefile mediation, a statement that the parties have not elected to 6 participate in prefile mediation;
- 7 (ix) In addition to any other filing fees required by law, a filing fee in 8 the amount of \$300; and
- 9 (x) 1. If the loss mitigation analysis has been completed subject 10 to subsection (g) of this section, a final loss mitigation affidavit in the form prescribed by 11 regulation adopted by the Commissioner of Financial Regulation; and
- 2. If the loss mitigation analysis has not been completed, a preliminary loss mitigation affidavit in the form prescribed by regulation adopted by the Commissioner of Financial Regulation.
- 15 (f) Notwithstanding any other law, the court may not accept a lost note affidavit 16 in lieu of a copy of the debt instrument required under subsection (e)(2)(iii) of this section, 17 unless the affidavit:
- 18 (1) [Identifies the owner of the debt instrument and states from whom and the date on which the owner acquired ownership] LISTS EACH OWNER IN THE CHAIN OF TITLE OF THE DEBT INSTRUMENT AND STATES FROM WHOM AND THE DATE ON WHICH EACH OWNER ACQUIRED OWNERSHIP;
 - (2) States why a copy of the debt instrument cannot be produced; and
- 23 (3) Describes the good faith efforts made to produce a copy of the debt 24 instrument.

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- 25 (T) A PERSON WHO KNOWINGLY MAKES A FALSE STATEMENT IN A 26 DOCUMENT REQUIRED TO BE FILED WITH A COURT UNDER THIS SECTION IS GUILTY 27 OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT 28 EXCEEDING 1 YEAR OR A FINE NOT EXCEEDING \$10,000 OR BOTH.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any order to docket or complaint to foreclose filed before the effective date of this Act.
- 33 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect 34 October 1, 2015.