

HOUSE BILL 1373

N1

2lr0147

By: **Chair, Environmental Matters Committee (By Request – Departmental – Labor, Licensing and Regulation)**

Introduced and read first time: February 22, 2012

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – Foreclosed Property Registry**

3 FOR the purpose of requiring the Department of Labor, Licensing, and Regulation to
4 establish and maintain a Foreclosed Property Registry for certain property;
5 requiring certain foreclosure purchasers to register certain residential property
6 and to pay certain fees under certain circumstances; imposing certain limits on
7 access to the Foreclosed Property Registry; establishing the Foreclosed Property
8 Registry Fund; providing for the purpose and composition of the Fund;
9 requiring the State Treasurer to invest money in the Fund; providing that
10 earnings from the Fund shall be credited to the Fund; exempting the Fund from
11 a certain provision of law requiring interest on State money in special funds to
12 accrue to the General Fund of the State; and generally relating to the
13 Foreclosed Property Registry.

14 BY adding to

15 Article – Real Property
16 Section 14–126.1
17 Annotated Code of Maryland
18 (2010 Replacement Volume and 2011 Supplement)

19 BY repealing and reenacting, with amendments,

20 Article – State Finance and Procurement
21 Section 6–226(a)(2)(ii)62. and 63.
22 Annotated Code of Maryland
23 (2009 Replacement Volume and 2011 Supplement)

24 BY adding to

25 Article – State Finance and Procurement
26 Section 6–226(a)(2)(ii)64.
27 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2009 Replacement Volume and 2011 Supplement)

2 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
3 MARYLAND, That the Laws of Maryland read as follows:

4 **Article – Real Property**

5 **14–126.1.**

6 (A) (1) IN THIS SECTION, THE FOLLOWING WORDS HAVE THE
7 MEANINGS INDICATED.

8 (2) “DEPARTMENT” MEANS THE DEPARTMENT OF LABOR,
9 LICENSING, AND REGULATION.

10 (3) “FORECLOSED PROPERTY REGISTRY” MEANS THE
11 FORECLOSED PROPERTY REGISTRY ESTABLISHED BY THE DEPARTMENT
12 UNDER SUBSECTION (B) OF THIS SECTION.

13 (4) “FORECLOSURE PURCHASER” MEANS THE PERSON
14 IDENTIFIED AS THE PURCHASER ON THE REPORT OF SALE REQUIRED BY
15 MARYLAND RULE 14–305 FOR A FORECLOSURE SALE OF RESIDENTIAL
16 PROPERTY.

17 (5) “FUND” MEANS THE FORECLOSED PROPERTY REGISTRY
18 FUND ESTABLISHED BY THE DEPARTMENT UNDER SUBSECTION (H) OF THIS
19 SECTION.

20 (6) “LOCAL JURISDICTION” MEANS:

21 (I) A COUNTY; OR

22 (II) A MUNICIPAL CORPORATION.

23 (7) “RESIDENTIAL PROPERTY” MEANS REAL PROPERTY
24 IMPROVED BY FOUR OR FEWER DWELLING UNITS THAT ARE DESIGNED
25 PRINCIPALLY AND ARE INTENDED FOR HUMAN HABITATION.

26 (B) THE DEPARTMENT SHALL ESTABLISH AND MAINTAIN AN
27 INTERNET–BASED FORECLOSED PROPERTY REGISTRY FOR INFORMATION
28 RELATING TO FORECLOSURE SALES OF RESIDENTIAL PROPERTY.

29 (C) AT THE TIME OF THE FORECLOSURE SALE, THE PERSON
30 RESPONSIBLE FOR CONDUCTING THE FORECLOSURE SHALL OBTAIN FROM THE

1 FORECLOSURE PURCHASER A WRITTEN ACKNOWLEDGMENT OF THE
2 REQUIREMENTS OF THIS SECTION.

3 (D) (1) WITHIN 30 DAYS AFTER A FORECLOSURE SALE, A
4 FORECLOSURE PURCHASER SHALL SUBMIT AN INITIAL REGISTRATION TO THE
5 FORECLOSED PROPERTY REGISTRY.

6 (2) THE INITIAL REGISTRATION SHALL:

7 (I) BE IN THE FORM THE DEPARTMENT REQUIRES; AND

8 (II) CONTAIN THE FOLLOWING INFORMATION:

9 1. THE NAME, TELEPHONE NUMBER, AND ADDRESS
10 OF THE FORECLOSURE PURCHASER;

11 2. THE ADDRESS OF THE PROPERTY THAT IS THE
12 SUBJECT OF THE FORECLOSURE SALE;

13 3. THE DATE OF FORECLOSURE SALE;

14 4. THE SALE PRICE OF THE PROPERTY;

15 5. WHETHER THE PROPERTY IS A SINGLE-FAMILY
16 OR MULTIFAMILY PROPERTY;

17 6. THE NAME AND ADDRESS OF THE PERSON,
18 INCLUDING A SUBSTITUTE PURCHASER, WHO CAN ACCEPT LEGAL SERVICE FOR
19 THE FORECLOSURE PURCHASER;

20 7. TO THE BEST OF THE FORECLOSURE
21 PURCHASER'S KNOWLEDGE AT THE TIME OF REGISTRATION:

22 A. WHETHER THE RESIDENTIAL PROPERTY IS
23 VACANT; AND

24 B. THE NAME, TELEPHONE NUMBER, AND ADDRESS
25 OF THE PERSON WHO IS RESPONSIBLE FOR THE MAINTENANCE OF THE
26 PROPERTY; AND

27 8. WHETHER THE FORECLOSURE PURCHASER HAS
28 POSSESSION OF THE PROPERTY.

1 **(3) WITHIN 30 DAYS AFTER THE DEED HAS BEEN RECORDED FOR**
2 **A FORECLOSURE SALE OF RESIDENTIAL PROPERTY OR TITLE HAS**
3 **TRANSFERRED IN ACCORDANCE WITH A DEED IN LIEU OF FORECLOSURE, THE**
4 **FORECLOSURE PURCHASER SHALL SUBMIT A FINAL REGISTRATION TO THE**
5 **FORECLOSED PROPERTY REGISTRY.**

6 **(4) THE FINAL REGISTRATION SHALL:**

7 **(I) BE IN THE FORM THE DEPARTMENT REQUIRES; AND**

8 **(II) CONTAIN THE FOLLOWING INFORMATION AS OF THE**
9 **DATE OF FINAL REGISTRATION:**

10 1. **THE NAME, TELEPHONE NUMBER, AND ADDRESS**
11 **OF THE OWNER ON THE DEED;**

12 2. **THE DATE OF THE RATIFICATION OF THE SALE;**
13 **AND**

14 3. **THE DATE THE DEED WAS RECORDED.**

15 **(E) (1) THE FILING FEES FOR REGISTERING A RESIDENTIAL**
16 **PROPERTY ARE:**

17 **(I) \$50 FOR AN INITIAL REGISTRATION FILED WITHIN THE**
18 **TIME PERIOD REQUIRED UNDER SUBSECTION (D)(1) OF THIS SECTION; AND**

19 **(II) \$100 FOR AN INITIAL REGISTRATION FILED AFTER THE**
20 **TIME PERIOD REQUIRED UNDER SUBSECTION (D)(1) OF THIS SECTION.**

21 **(2) THERE IS NO FEE FOR A FINAL REGISTRATION.**

22 **(3) A LOCAL JURISDICTION MAY ENACT A LOCAL LAW THAT**
23 **IMPOSES A FINE FOR VIOLATING THIS SECTION IN AN AMOUNT NOT EXCEEDING**
24 **\$1,000.**

25 **(F) (1) THE FORECLOSED PROPERTY REGISTRY:**

26 **(I) IS NOT A PUBLIC RECORD AS DEFINED BY § 10-611 OF**
27 **THE STATE GOVERNMENT ARTICLE; AND**

28 **(II) IS NOT SUBJECT TO TITLE 10, SUBTITLE 6 OF THE**
29 **STATE GOVERNMENT ARTICLE.**

1 **(2) THE DEPARTMENT MAY AUTHORIZE ACCESS TO THE**
2 **FORECLOSED PROPERTY REGISTRY ONLY TO LOCAL JURISDICTIONS AND**
3 **STATE AGENCIES.**

4 **(3) NOTWITHSTANDING PARAGRAPHS (1) AND (2) OF THIS**
5 **SUBSECTION, THE DEPARTMENT MAY PROVIDE LIMITED CONTACT**
6 **INFORMATION FOR A SPECIFIC PROPERTY IN THE FORECLOSED PROPERTY**
7 **REGISTRY TO:**

8 **(I) A PERSON WHO OWNS PROPERTY ON THE SAME BLOCK;**
9 **OR**

10 **(II) A HOMEOWNERS ASSOCIATION OR CONDOMINIUM IN**
11 **WHICH THE PROPERTY IS LOCATED.**

12 **(G) REVENUE COLLECTED FROM THE FILING FEES REQUIRED UNDER**
13 **SUBSECTION (E)(1) OF THIS SECTION SHALL BE DISTRIBUTED TO THE FUND.**

14 **(H) (1) THERE IS A FORECLOSED PROPERTY REGISTRY FUND IN THE**
15 **DEPARTMENT.**

16 **(2) THE PURPOSE OF THE FUND IS TO SUPPORT THE**
17 **DEVELOPMENT, ADMINISTRATION, AND MAINTENANCE OF THE FORECLOSED**
18 **PROPERTY REGISTRY ESTABLISHED UNDER THIS SECTION.**

19 **(3) THE DEPARTMENT SHALL ADMINISTER THE FUND.**

20 **(4) (I) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS**
21 **NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT**
22 **ARTICLE.**

23 **(II) THE STATE TREASURER SHALL HOLD THE FUND**
24 **SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

25 **(5) THE FUND CONSISTS OF:**

26 **(I) REVENUE DISTRIBUTED TO THE FUND UNDER**
27 **SUBSECTION (G) OF THIS SECTION;**

28 **(II) INVESTMENT EARNINGS OF THE FUND;**

1 **(III) MONEY APPROPRIATED IN THE STATE BUDGET TO THE**
2 **FUND; AND**

3 **(IV) ANY OTHER MONEY FROM ANY OTHER SOURCE**
4 **ACCEPTED FOR THE BENEFIT OF THE FUND.**

5 **(6) (I) THE STATE TREASURER SHALL INVEST THE MONEY OF**
6 **THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

7 **(II) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE**
8 **PAID INTO THE FUND.**

9 **Article – State Finance and Procurement**

10 6–226.

11 (a) (2) (ii) The provisions of subparagraph (i) of this paragraph do not
12 apply to the following funds:

13 62. Veterans Trust Fund; [and]

14 63. Transportation Trust Fund; AND

15 **64. FORECLOSED PROPERTY REGISTRY FUND.**

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 October 1, 2012.