

SENATE BILL 28

N1

3lr0384

(PRE-FILED)

By: **Senator Young**

Requested: August 23, 2012

Introduced and read first time: January 9, 2013

Assigned to: Judicial Proceedings

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 20, 2013

CHAPTER _____

1 AN ACT concerning

2 **Real Property – Blighted Property – Nuisance Abatement**

3 FOR the purpose of authorizing a local government to use a certain process to
4 remediate blighted property; requiring the owner of a blighted property, on
5 notification from the appropriate unit of local government, to remediate the
6 property's ~~code violations~~ blighted condition in a certain manner and within a
7 certain period of time; requiring the appropriate unit of local government to
8 send a certain notice to certain lienholders; authorizing the appropriate unit of
9 local government to grant an extension of certain required time periods;
10 ~~prohibiting an owner of a blighted property from offering the property for lease~~
11 ~~until the property meets certain code requirements~~; authorizing the appropriate
12 unit of a certain local government to declare a blighted property a nuisance
13 under certain circumstances and order the owner to abate the nuisance;
14 requiring the appropriate unit of local government to grant a certain extension
15 if, within a certain period of time, the owner lists the property for sale ~~with a~~
16 ~~licensed real estate broker at a price that does not exceed a certain amount~~;
17 requiring the owner to provide certain notice to potential buyers; authorizing
18 the appropriate unit of local government to grant a certain additional extension;
19 authorizing a local government to impose a fine equal to a certain amount under
20 certain circumstances; authorizing a local government to record a notice of a
21 fine in the land records; providing for the establishment of a certain lien;
22 requiring the new owner to remediate the property's ~~code violations~~ blighted
23 condition in a certain manner and within a certain period of time under certain

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 circumstances; defining ~~a certain term;~~ terms; providing for the construction of
 2 this Act; and generally relating to nuisance abatement of blighted properties.

3 BY adding to

4 Article – Real Property

5 Section 14–120.1

6 Annotated Code of Maryland

7 (2010 Replacement Volume and 2012 Supplement)

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

10 **Article – Real Property**

11 **14–120.1.**

12 (A) (1) IN THIS SECTION, ~~“BLIGHTED PROPERTY” MEANS THE~~
 13 FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

14 (2) (I) “BLIGHTED PROPERTY” MEANS A PROPERTY THAT:

15 ~~(1)~~ 1. HAS EXCEPT AS PROVIDED IN SUBPARAGRAPH
 16 (II) OF THIS PARAGRAPH, HAS BEEN VACANT OR BOARDED FOR AT LEAST 1
 17 YEAR;

18 ~~(2)~~ 2. HAS BEEN THE SUBJECT OF NUISANCE
 19 COMPLAINTS; ~~AND~~

20 ~~(3)~~ 3. DOES NOT MEET THE REQUIREMENTS OF THE
 21 APPLICABLE LOCAL HOUSING CODE ~~OR THE MINIMUM LIVABILITY CODE;~~ AND

22 4. A. HAS EXTERNAL STRUCTURAL FAILINGS,
 23 INCLUDING COLLAPSING OR MISSING WALLS, ROOF, FLOORS, OR FOUNDATION;
 24 OR

25 B. POSES A HEALTH OR SAFETY HAZARD, AS
 26 DETERMINED BY THE APPROPRIATE CODE ENFORCEMENT, BUILDING, OR
 27 HEALTH INSPECTOR.

28 (II) “BLIGHTED PROPERTY” DOES NOT INCLUDE A VACANT
 29 OR BOARDED PROPERTY THAT WAS DAMAGED BY FIRE OR FLOODING WITHIN 2
 30 YEARS BEFORE THE APPROPRIATE UNIT OF LOCAL GOVERNMENT ISSUES A
 31 NOTICE UNDER SUBSECTION (C) OF THIS SECTION, IF THE OWNER PROVIDES
 32 EVIDENCE THAT THE OWNER PROMPTLY FILED AN INSURANCE CLAIM AND THE
 33 OWNER’S INSURER HAS NOT PAID THE CLAIM.

1 **(3) “LIENHOLDER” MEANS A PERSON WHO HAS A LIEN ON OR A**
2 **SECURED INTEREST IN BLIGHTED PROPERTY.**

3 **(4) “OWNER” MEANS:**

4 **(I) A PERSON HOLDING RECORD TITLE TO BLIGHTED**
5 **PROPERTY;**

6 **(II) A SUCCESSFUL BIDDER AT A FORECLOSURE SALE OF**
7 **BLIGHTED PROPERTY, ON RATIFICATION OF THE SALE AND EXHAUSTION OF ALL**
8 **RIGHTS TO APPEAL THE RATIFICATION OR OTHERWISE TO DELAY TRANSFER OF**
9 **TITLE; OR**

10 **(III) A PERSON WHO HAS A LEGAL RIGHT UNDER A COURT**
11 **ORDER, INCLUDING A COURT ORDER EXTINGUISHING A RIGHT OF REDEMPTION,**
12 **TO POSSESSION OF PROPERTY THAT IS OR BECOMES BLIGHTED PROPERTY.**

13 **(B) (1) A LOCAL GOVERNMENT MAY USE THE PROCESS DESCRIBED IN**
14 **THIS SECTION TO REMEDIATE BLIGHTED PROPERTY.**

15 **(2) THIS SECTION MAY NOT BE CONSTRUED TO LIMIT OR**
16 **SUPERSEDE ANY OTHER POWER OF A LOCAL GOVERNMENT TO REMEDIATE**
17 **BLIGHTED PROPERTY.**

18 **(C) (1) ON NOTIFICATION FROM THE APPROPRIATE UNIT OF LOCAL**
19 **GOVERNMENT, THE OWNER OF A BLIGHTED PROPERTY SHALL REMEDIATE THE**
20 **PROPERTY’S ~~CODE VIOLATIONS~~ BLIGHTED CONDITION BY:**

21 **(I) SUBMITTING A REMEDIATION PLAN FOR APPROVAL BY**
22 **THE APPROPRIATE UNIT OF LOCAL GOVERNMENT ON A FORM PROVIDED BY THE**
23 **APPROPRIATE UNIT;**

24 **(II) BEGINNING THE REMEDIATION WITHIN ~~30~~ 90 DAYS**
25 **AFTER THE PLAN IS APPROVED; AND**

26 **(III) COMPLETING THE REMEDIATION WITHIN ~~90~~ 120 DAYS**
27 **AFTER THE REMEDIATION HAS BEGUN.**

28 **(2) THE APPROPRIATE UNIT OF LOCAL GOVERNMENT MAY GRANT**
29 **AN EXTENSION OF THE TIME PERIODS REQUIRED FOR REMEDIATION UNDER**
30 **PARAGRAPH (1)(II) OF THIS SUBSECTION.**

~~(3) AN OWNER OF A BLIGHTED PROPERTY MAY NOT OFFER THE PROPERTY FOR LEASE UNTIL THE PROPERTY MEETS THE REQUIREMENTS OF THE APPLICABLE LOCAL HOUSING CODE OR THE MINIMUM LIVABILITY CODE.~~

(3) (I) AT THE SAME TIME THE NOTIFICATION TO THE OWNER OF A BLIGHTED PROPERTY IS SENT UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE UNIT OF LOCAL GOVERNMENT SHALL SEND WRITTEN NOTICE TO ALL LIENHOLDERS OF RECORD OR OTHERWISE KNOWN TO THE UNIT OF LOCAL GOVERNMENT.

(II) THE WRITTEN NOTICE TO LIENHOLDERS SHALL INCLUDE A COPY OF THE NOTIFICATION SENT TO THE OWNER AND SHALL DESCRIBE THE REQUIREMENTS UNDER PARAGRAPH (1) OF THIS SUBSECTION.

~~(C) (D)~~ (1) IF AN OWNER OF A BLIGHTED PROPERTY VIOLATES SUBSECTION ~~(B)~~ (C) OF THIS SECTION, THE APPROPRIATE UNIT OF LOCAL GOVERNMENT IN THE JURISDICTION IN WHICH THE BLIGHTED PROPERTY IS LOCATED MAY DECLARE THE PROPERTY A NUISANCE AND ORDER THE OWNER PROMPTLY TO ABATE THE NUISANCE.

(2) (I) THE APPROPRIATE UNIT OF LOCAL GOVERNMENT SHALL GRANT THE OWNER OF A BLIGHTED PROPERTY A 6-MONTH EXTENSION FOR COMPLIANCE WITH AN ORDER ISSUED UNDER PARAGRAPH (1) OF THIS SUBSECTION IF, WITHIN 30 DAYS AFTER RECEIVING THE ORDER ISSUED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE OWNER LISTS THE PROPERTY FOR SALE:

~~1. WITH A REAL ESTATE BROKER LICENSED UNDER TITLE 17 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE; AND~~

~~2. AT A LISTING PRICE THAT DOES NOT EXCEED THE HIGHER OF THE VALUE OF THE PROPERTY AS ASSESSED FOR THE PURPOSES OF APPLYING PROPERTY TAX OR AS ASSESSED WITHIN THE PAST YEAR BY A REAL ESTATE APPRAISER LICENSED UNDER TITLE 16 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE.~~

(II) IN ADDITION TO AN EXTENSION GRANTED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE APPROPRIATE UNIT OF LOCAL GOVERNMENT MAY APPROVE AN ADDITIONAL REASONABLE EXTENSION FOR THE OWNER TO SELL OR CONCLUDE SETTLEMENT OF THE SALE OF THE BLIGHTED PROPERTY.

1 (III) IF AN OWNER OF BLIGHTED PROPERTY LISTS THE
 2 PROPERTY FOR SALE, THE OWNER SHALL PROVIDE WRITTEN NOTICE TO
 3 POTENTIAL BUYERS THAT ~~THE~~:

4 1. THE PROPERTY HAS BEEN DECLARED A
 5 NUISANCE; AND THE

6 2. THE OWNER HAS BEEN ORDERED TO ABATE THE
 7 NUISANCE; AND

8 3. THE PROPERTY IS BEING SOLD "AS IS".

9 (3) (I) UNLESS THE PROPERTY IS SOLD IN ACCORDANCE WITH
 10 PARAGRAPH (2) OF THIS ~~SECTION~~ SUBSECTION, IF THE OWNER OF A BLIGHTED
 11 PROPERTY FAILS TO COMPLY WITH AN ORDER ISSUED UNDER THIS SECTION BY
 12 A LOCAL GOVERNMENT TO ABATE A NUISANCE, THE LOCAL GOVERNMENT MAY
 13 IMPOSE A FINE ON THE OWNER EQUAL TO THREE TIMES THE AMOUNT OF THE
 14 LOCAL PROPERTY TAX IMPOSED ON THE PROPERTY.

15 (II) 1. THE LOCAL GOVERNMENT MAY RECORD A NOTICE
 16 OF THE FINE AMONG THE LAND RECORDS OF THE COUNTY WHERE THE
 17 PROPERTY IS LOCATED, INDEXED IN THE NAME OF THE RECORD OWNER AS
 18 GRANTOR.

19 2. ON RECORDATION OF THE NOTICE, THE FINE
 20 SHALL CONSTITUTE A LIEN ON THE PROPERTY EFFECTIVE AS OF THE DATE OF
 21 RECORDATION.

22 (4) IF THE PROPERTY IS SOLD UNDER PARAGRAPH (2) OF THIS
 23 SUBSECTION, THE NEW OWNER, ~~ON SETTLEMENT,~~ SHALL REMEDIATE THE
 24 PROPERTY'S ~~CODE VIOLATIONS IN THE MANNER REQUIRED UNDER~~ BLIGHTED
 25 CONDITION IN ACCORDANCE WITH SUBSECTION ~~(B)(1)~~ (C)(1) OF THIS SECTION.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
 27 October 1, 2013.