

HOUSE BILL 425

D3, N1

9lr0599

By: **Delegates Sydnor and Pena–Melnik**
Introduced and read first time: January 31, 2019
Assigned to: Judiciary

A BILL ENTITLED

1 AN ACT concerning

2 **Civil Actions – Unfair, Abusive, or Deceptive Trade Practices by Mortgage**
3 **Servicer – Statute of Limitations**

4 FOR the purpose of extending the statute of limitations applicable to certain civil actions
5 relating to unfair, abusive, or deceptive trade practices filed against a mortgage
6 servicer; limiting the application of this Act to claims relating to certain residential
7 property; providing for the retroactive application of this Act; defining certain terms;
8 and generally relating to unfair, abusive, or deceptive trade practices by mortgage
9 servicers and the applicable statute of limitations.

10 BY adding to

11 Article – Courts and Judicial Proceedings
12 Section 5–121
13 Annotated Code of Maryland
14 (2013 Replacement Volume and 2018 Supplement)

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

17 **Article – Courts and Judicial Proceedings**

18 **5–121.**

19 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANING**
20 **INDICATED.**

21 **(2) “HOMEOWNER” MEANS:**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(I) A RECORD OWNER OF RESIDENTIAL PROPERTY THAT IS**
2 **OWNER–OCCUPIED AT THE TIME THE ALLEGED VIOLATION OF § 13–301 OF THE**
3 **COMMERCIAL LAW ARTICLE OR OTHER STATE LAW OCCURRED; OR**

4 **(II) AN INDIVIDUAL WHO OCCUPIES RESIDENTIAL PROPERTY**
5 **UNDER A USE AND POSSESSION ORDER ISSUED UNDER TITLE 8, SUBTITLE 2 OF THE**
6 **FAMILY LAW ARTICLE.**

7 **(3) “MORTGAGE SERVICER” HAS THE MEANING STATED IN § 11–501**
8 **OF THE FINANCIAL INSTITUTIONS ARTICLE.**

9 **(4) “RESIDENTIAL PROPERTY” HAS THE MEANING STATED IN §**
10 **7–105.1 OF THE REAL PROPERTY ARTICLE.**

11 **(5) “UNFAIR, ABUSIVE, OR DECEPTIVE TRADE PRACTICE” HAS THE**
12 **MEANING STATED IN § 13–301 OF THE COMMERCIAL LAW ARTICLE.**

13 **(B) THIS SECTION APPLIES ONLY TO CLAIMS RELATING TO RESIDENTIAL**
14 **PROPERTY.**

15 **(C) AN ACTION FILED BY A HOMEOWNER AGAINST A MORTGAGE SERVICER**
16 **FOR DAMAGES ARISING OUT OF AN UNFAIR, ABUSIVE, OR DECEPTIVE TRADE**
17 **PRACTICE SHALL BE FILED WITHIN THE LATER OF:**

18 **(1) 12 YEARS AFTER A FORECLOSURE SALE OF THE RESIDENTIAL**
19 **PROPERTY; OR**

20 **(2) 3 YEARS AFTER THE HOMEOWNER DISCOVERED OR SHOULD HAVE**
21 **DISCOVERED THE MORTGAGE SERVICER’S UNFAIR, ABUSIVE, OR DECEPTIVE TRADE**
22 **PRACTICE.**

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
24 apply retroactively to revive an action that was barred by the application of the period of
25 limitations applicable before October 1, 2019.

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2019.