

HOUSE BILL 149

N1

0lr0067

By: **Chair, Environment and Transportation Committee (By Request –
Departmental – Assessments and Taxation)**

Introduced and read first time: January 15, 2020

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – Ground Leases – Required Notifications – Private Transaction**
3 **Redemptions**

4 FOR the purpose of altering the requirement that a ground lease holder notify the State
5 Department of Assessments and Taxation of certain changes concerning a ground
6 lease; authorizing a leasehold tenant or an interested party to submit to the
7 Department certain documentation of the redemption of a ground lease if the ground
8 lease is redeemed in a private transaction under certain circumstances; requiring
9 the Department to update a certain online registry after accepting documentation of
10 a redemption under certain circumstances; and generally relating to ground leases.

11 BY repealing and reenacting, with amendments,
12 Article – Real Property
13 Section 8–706
14 Annotated Code of Maryland
15 (2015 Replacement Volume and 2019 Supplement)

16 BY adding to
17 Article – Real Property
18 Section 8–707.1
19 Annotated Code of Maryland
20 (2015 Replacement Volume and 2019 Supplement)

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

23 **Article – Real Property**

24 8–706.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



After a ground lease is registered, the ground lease holder shall promptly notify the Department of:

- (1) A change in the name or address of the ground lease holder[, leasehold tenant,] or person to whom the ground rent payment is sent;
- (2) A redemption of the ground lease; and
- (3) Any other information the Department requires.

8-707.1.

(A) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A LEASEHOLD TENANT OR AN INTERESTED PARTY MAY SUBMIT TO THE DEPARTMENT DOCUMENTATION SATISFACTORY TO THE DEPARTMENT OF THE REDEMPTION OF A GROUND LEASE IF:

(I) THE GROUND LEASE IS REDEEMED IN A PRIVATE TRANSACTION BETWEEN THE GROUND LEASE HOLDER AND THE LEASEHOLD TENANT; AND

(II) THE GROUND LEASE HOLDER HAS FAILED TO NOTIFY THE DEPARTMENT OF THE REDEMPTION AS REQUIRED UNDER § 8-706(2) OF THIS SUBTITLE.

(2) THE DOCUMENTATION SUBMITTED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE A CERTIFIED COPY OF THE GROUND LEASE REDEMPTION DEED THAT HAS BEEN FILED IN THE LAND RECORDS OF THE COUNTY IN WHICH THE PROPERTY THAT WAS SUBJECT TO THE GROUND LEASE IS LOCATED.

(B) AFTER ACCEPTING DOCUMENTATION UNDER SUBSECTION (A) OF THIS SECTION, THE DEPARTMENT SHALL UPDATE THE ONLINE REGISTRY AS REQUIRED UNDER § 8-703 OF THIS SUBTITLE TO INDICATE THAT A GROUND LEASE HAS BEEN REDEEMED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.