


FROM	NAME & TITLE	David E. Scott, Acting Director	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Department of Public Works 600 Abel Wolman Municipal Building		
	SUBJECT	CITY COUNCIL BILL 08-0040		

DATE: April 23, 2008

TO

The Honorable President and Members
of the Baltimore City Council
c/o Karen Randle
Room 400 - City Hall

I am herein reporting on City Council Bill 08-0040 introduced by Council Members Curran, Kraft, Cole, Henry, Young, Branch, Clarke, Welch, Reisinger, Middleton, D'Adamo, Conaway, Holton, and Spector.

The purpose of the Bill is to require the City to maintain and keep current a central registry of property owners; require purchasers at certain sales to notify the City of the purchase; and impose certain penalties.

The Department of Public Works is charged with the responsibility to identify all real property in the City, maintain a uniform system of identification, and keep and maintain adequate plats and other records, including records of ownership of all parcels of real property. These are the official plats and records to be used by all municipal agencies (Article VII § 40 Baltimore City Charter, 1996 Edition). The City's Real Property system was established and is updated predicated on the State of Maryland procedures, regulations and policies as dictated by Maryland law. The State of Maryland Assessment and Taxation Office accepts updates to its real property records for City properties because the information is based on the recordation of deeds performed as part of the process to transfer ownership of real property from one entity to another.

City Council Bill 08-0040, if approved, would establish a separate central registry of real property ownership based not on deed recordation, but on general notification sent to the Director of Public Works after all sales, auctions, foreclosures, or other judicial sales in which property ownership changes. The new owner would be required to notify the Department of Public Works of the ownership change within 30 days after the property sale. Public Works would have an additional 15 days in which to update the central registry and the City's assessment records of the ownership change, whether or not a deed recordation occurred. The proposed central registry would become the official record for identifying owners of real property. Failure to notify the City of ownership changes could result in finding the new owner guilty of a misdemeanor and upon conviction, subject to a fine of not more than \$500 for each offense.



Curran

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This Department understands the problems inherent in property ownership that is not recorded in a timely fashion. The Maryland General Assembly has attempted to pass bills at the State level to require recording of deeds within a specified period of time. House Bill 1286, introduced in the 2008 General Assembly Session, was the latest State attempt to require a deed recordation deadline. The Bill, which would have required recording a deed within 180 days after transfer of ownership, was not successful. However, this Department believes the provisions of City Council Bill 08-0040 requiring general notification of changes in real property ownership present the following problems for the City:

- The Charter recognizes the City's existing records to be the official plats and records [Article VII § 40(c)]. Creating a new central registry of property ownership and identifying it as the official record would appear to conflict with the Charter designation of official records.
- Two separate ownership listings would be maintained by the City with conflicting ownership information for some properties.
- The State of Maryland will not accept property ownership changes that are not based on deed recordation; therefore, some City and State real property ownership records would also conflict.
- Without the proposed notification being an affidavit or a certified document, the credibility of the submitted documentation would always be in jeopardy.
- If ownership identification is accomplished through the proposed notification to a new property owner registry, there would be little incentive for property owners to record their deed (and pay appropriate transfer and recordation taxes).
- Gathering, tracking, and maintaining this data would require additional personnel, software, and an administrative process for notifying, fining, or pursuing in court persons who do not comply with these requirements, at some unknown cost.

The Department of Public Works regrets it cannot support passage of City Council Bill 08-0040 as currently written, and urges the Council to carefully consider the potential legal and fiscal implications of the legislation as provided by the Departments of Law and Finance.



DAVID E. SCOTT
ACTING DIRECTOR

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