

41 thereof and to provide that persons undertaking responsibility for disbursement of funds in real estate conveyances shall furnish the buyer and seller ~~the original or a copy of a recorded release~~ CERTAIN EVIDENCE OF THE RECORDING OF RELEASES OF MORTGAGES AND DEEDS OF TRUST within a certain period of time; that a court of equity may upon petition order an audit of the accounts of any person failing to furnish such evidence of release, and generally relating to real estate settlements in Maryland.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That new Section 42 be and it is hereby added to Article 21 of the Annotated Code of Maryland (1966 Replacement Volume), title "Conveyancing," subtitle "Mortgages," to follow immediately after Section 41 thereof, and to read as follows:

42.

(a) *When a person has undertaken responsibility for the disbursement of funds in connection with the conveyance of title to real property, it shall be the duty of such person to furnish to the seller and buyer in the transaction, the original or a photographic, photostatic or similarly reproduced copy of the recorded release of any mortgage or deed of trust which such person was obliged to obtain and record with all or part of the funds to be disbursed* OR, IF SUCH ORIGINAL OR COPY OF A RECORDED RELEASE IS NOT READILY OBTAINABLE AT THE TIME OF RECORDING, IT SHALL BE SUFFICIENT TO FURNISH THE BUYER OR SELLER THE ORIGINAL OR A COPY OF THE COURT'S RECORDATION RECEIPT FOR SUCH RELEASE OR OTHER CERTIFIED COURT DOCUMENT CLEARLY EVIDENCING THE RECORDATION OF SUCH RELEASE.

(b) *The original or such copy* REQUIRED EVIDENCE of a recorded release shall be mailed or otherwise delivered to the seller and buyer within thirty days from the ~~execution~~ DELIVERY of the deed or deeds conveying title to the real property, except that if the recording of the release will be delayed beyond the thirty day period for causes not attributable to the neglect, omission or malfeasance of the person responsible for the disbursement of funds, a letter explaining the delay shall be mailed or otherwise delivered to the seller and buyer within the thirty day period, and such person shall furnish to the seller and buyer the required evidence of the recorded release at the earliest opportunity thereafter, provided that the person shall follow the procedure of mailing or otherwise delivering a letter of explanation each thirty days until the required evidence of a recorded release is furnished to the buyer and seller.

(c) *If the provisions of subsections (a) and (b) are not complied with by the person responsible for the disbursement of funds, the seller, buyer or a duly organized bar association of this State, may petition a Court of Equity to order an audit to be made of the accounts maintained by such person for funds received in connection with real estate closing transactions in this State. The petition shall state concisely the facts showing such non-compliance and shall be verified. The Court shall upon receipt of such petition issue an order to the person to show cause within ten days why such audit should not be conducted. If such cause is not shown, the Court*