

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 851

(Delegate Folden, *et al.*)

Environment and Transportation

Judicial Proceedings

Landlord and Tenant - Military Personnel - Limitation on Liability for Rent

This bill defines “change of assignment” for determining limits on liability under a residential lease for a person on active duty with the U.S. military, and it clarifies that the limits on liability also apply to the person’s spouse.

Accordingly, if a person on active duty with the U.S. military, or the person’s spouse, enters into a residential lease and the person subsequently receives a change of assignment, any liability of the person or the person’s spouse is limited to any rent or other lawful charges then due plus 30 days’ rent and the cost to repair any property damage caused by an act or omission of the tenant. The 30-day limit commences when written notice and proof of the change of assignment are given to the landlord. Also, the provisions apply regardless of whether the change of assignment occurs before or after the property is occupied.

Fiscal Summary

State Effect: The bill is not anticipated to materially affect State operations or finances.

Local Effect: The bill is not anticipated to materially affect local government operations or finances.

Small Business Effect: Minimal.

Analysis

Bill Summary: The bill specifies that “change of assignment” includes:

- permanent change of station orders;
- temporary duty orders for a period exceeding 90 days;
- orders requiring a person to move into housing located on a military installation; and
- a release from active duty, including retirement, separation or discharge under honorable conditions, and demobilization of an activated reservist or member of the National Guard who was serving on active duty orders for at least 180 consecutive days.

Current Law/Background: If a person on active duty with the U.S. military enters into a residential lease and subsequently receives permanent change of station orders or temporary duty orders for more than three months, the person’s liability under the lease may not exceed 30 days’ rent and the cost of repairing damage to the premises caused by the tenant. The 30 days’ rent is calculated based on the date that written notice and proof of the assignment are given to the landlord.

The Office of the Attorney General, Consumer Protection Division, estimates that it has received 10 landlord-tenant complaints in the past three years that have involved military personnel.

Additional Information

Prior Introductions: As amended, HB 1365 of 2016 passed the House and was referred to the Senate Judicial Proceedings Committee, but no further action was taken. Its cross file, SB 62 (a similar bill), received an unfavorable report from the Senate Judicial Proceedings Committee.

Cross File: None designated; however, SB 49 (Senators Cassilly and Jennings – Judicial Proceedings) is identical.

Information Source(s): Office of the Attorney General (Consumer Protection Division); Judiciary (Administrative Office of the Courts); Department of Legislative Services

Fiscal Note History: First Reader - February 17, 2017
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