

# SENATE BILL 250

N1

8lr1516  
CF 8lr2607

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By: **Senators Kelley, Benson, Eckardt, Ferguson, Kagan, Lee, Manno, Muse, Pinsky, Smith, and Young**

Introduced and read first time: January 19, 2018

Assigned to: Judicial Proceedings

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## A BILL ENTITLED

1 AN ACT concerning

2 **Landlord and Tenant – Prohibited Lease Provisions – Late Fees for Tenants**  
3 **Receiving Government Benefits**

4 FOR the purpose of prohibiting a landlord from including a certain provision in a  
5 residential lease that provides for a penalty for the late payment of rent under  
6 certain circumstances; defining the term “government benefit”; and generally  
7 relating to late fees for tenants receiving government benefits.

8 BY repealing and reenacting, with amendments,  
9 Article – Real Property  
10 Section 8–208(d)  
11 Annotated Code of Maryland  
12 (2015 Replacement Volume and 2017 Supplement)

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

15 **Article – Real Property**

16 8–208.

17 (d) **(1) IN THIS SUBSECTION, “GOVERNMENT BENEFIT” MEANS**  
18 **MONETARY ASSISTANCE FROM A STATE OR FEDERAL PUBLIC ASSISTANCE**  
19 **PROGRAM, INCLUDING:**

20 **(I) TEMPORARY CASH ASSISTANCE, FOOD STAMPS, OR OTHER**  
21 **ASSISTANCE RECEIVED UNDER TITLE 5 OF THE HUMAN SERVICES ARTICLE;**

22 **(II) SUPPLEMENTAL SECURITY INCOME;**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1                   (III) SOCIAL SECURITY DISABILITY INCOME;
- 2                   (IV) UNEMPLOYMENT INSURANCE BENEFITS;
- 3                   (V) VETERANS ADMINISTRATION BENEFITS;
- 4                   (VI) SOCIAL SECURITY BENEFITS; AND
- 5                   (VII) TRANSITIONAL EMERGENCY, MEDICAL, AND HOUSING
- 6 ASSISTANCE.

7                   (2) A landlord may not use a lease or form of lease containing any provision

8 that:

9                   [(1)] (I) Has the tenant authorize any person to confess judgment on a

10 claim arising out of the lease;

11                   [(2)] (II) Has the tenant agree to waive or to forego any right or remedy

12 provided by applicable law;

13                   [(3) (i)] (III) 1. Provides for a penalty for the late payment of rent

14 in excess of 5% of the amount of rent due for the rental period for which the payment was

15 delinquent; [or]

16   2. IN THE CASE OF A LEASE WITH A TENANT WHO

17 RECEIVES A GOVERNMENT BENEFIT, PROVIDES FOR A PENALTY FOR THE LATE

18 PAYMENT OF RENT THAT IS IMPOSED BEFORE 5 BUSINESS DAYS AFTER THE DATE

19 THE GOVERNMENT BENEFIT IS ISSUED IF THE TENANT HAS PROVIDED TO THE

20 LANDLORD:

21   A. WRITTEN NOTICE THAT THE GOVERNMENT BENEFIT

22 WAS ISSUED TO THE TENANT AFTER THE DATE THE RENT WAS DUE; AND

23   B. SATISFACTORY EVIDENCE OF THE DATE THE

24 GOVERNMENT BENEFIT WAS ISSUED; OR

25   [(ii)] 3. In the case of leases under which the rent is paid in weekly

26 rental installments, provides for a late penalty of more than \$3 per week or a total of no

27 more than \$12 per month;

28                   [(4)] (IV) Has the tenant waive the right to a jury trial;

29                   [(5)] (V) Has the tenant agree to a period required for landlord's notice to

1 quit which is less than that provided by applicable law; provided, however, that neither  
2 party is prohibited from agreeing to a longer notice period than that required by applicable  
3 law;

4           **[(6)] (VI)** Authorizes the landlord to take possession of the leased  
5 premises, or the tenant's personal property unless the lease has been terminated by action  
6 of the parties or by operation of law, and the personal property has been abandoned by the  
7 tenant without the benefit of formal legal process;

8           **[(7)] (VII)** Is against public policy and void pursuant to § 8–105 of this title;  
9 or

10           **[(8)] (VIII)** Permits a landlord to commence an eviction proceeding or issue  
11 a notice to quit solely as retaliation against any tenant for planning, organizing, or joining  
12 a tenant organization with the purpose of negotiating collectively with the landlord.

13           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
14 October 1, 2018.