N1, L2 8lr1353 CF 8lr0891

By: Senators Kelley, Conway, King, Madaleno, Nathan-Pulliam, Pinsky, Ramirez, and Smith

Introduced and read first time: January 29, 2018

Assigned to: Judicial Proceedings

## A BILL ENTITLED

|   | A TAT | AOM | •          |   |
|---|-------|-----|------------|---|
| L | AN    | ACT | concerning | 2 |

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## Landlord and Tenant – Repossession for Failure to Pay Rent – Lead Risk Reduction Compliance

4 FOR the purpose of requiring an action for repossession for failure to pay rent to contain a 5 certain statement on whether the property is an affected property under certain 6 lead-based paint abatement laws; requiring a court to dismiss an action for 7 repossession for failure to pay rent that does not include certain information on the 8 status of the property as an affected property under certain circumstances; 9 authorizing a court to adjourn a certain trial to enable either party to obtain 10 documents or other proof of claim or defense under certain circumstances; repealing 11 a certain prohibition against raising as an issue of fact a landlord's compliance with 12 certain requirements related to lead-based paint abatement; requiring a rental 13 property in Baltimore City to be in compliance with certain lead-based paint abatement requirements before a landlord may file a complaint for repossession of 14 15 the property for failure to pay rent; authorizing a court in Baltimore City to adjourn 16 a certain trial to enable a party to procure certain witnesses or obtain documents or 17 other proof of claim or defense under certain circumstances; making stylistic 18 changes; and generally relating to actions for repossession for failure to pay rent.

19 BY repealing and reenacting, without amendments,

20 Article – Real Property

21 Section 8–401(a)

22 Annotated Code of Maryland

23 (2015 Replacement Volume and 2017 Supplement)

24 BY repealing and reenacting, with amendments,

25 Article – Real Property

26 Section 8–401(b) and (c)

27 Annotated Code of Maryland

28 (2015 Replacement Volume and 2017 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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| 1<br>2<br>3<br>4<br>5      | BY repealing and reenacting, with amendments, The Public Local Laws of Baltimore City Section 9–2 and 9–5(a) Article 4 – Public Local Laws of Maryland (1979 Edition and 1997 Supplement and 2000 Supplement, as amended)   |  |  |  |  |  |  |  |
|----------------------------|---|--|--|--|--|--|--|--|
| 6<br>7                     | SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:  |  |  |  |  |  |  |  |
| 8                          | Article - Real Property   |  |  |  |  |  |  |  |
| 9                          | 8–401.  |  |  |  |  |  |  |  |
| 10<br>11                   | (a) Whenever the tenant or tenants fail to pay the rent when due and payable, it shall be lawful for the landlord to have again and repossess the premises.   |  |  |  |  |  |  |  |
| 12<br>13<br>14<br>15<br>16 | the landlord is entitled under the provisions of subsection (a) of this section, the landlord or the landlord's duly qualified agent or attorney shall file the landlord's written complaint under oath or affirmation, in the District Court of the county wherein the property is |  |  |  |  |  |  |  |
| 17<br>18                   | (i) Describing in general terms the property sought to be repossessed;  |  |  |  |  |  |  |  |
| 19<br>20                   | (ii) Setting forth the name of each tenant to whom the property is rented or any assignee or subtenant;   |  |  |  |  |  |  |  |
| 21<br>22<br>23             | (iii) Stating the amount of rent and any late fees due and unpaid, less the amount of any utility bills, fees, or security deposits paid by a tenant under § 7–309 of the Public Utilities Article;   |  |  |  |  |  |  |  |
| 24<br>25<br>26<br>27       | landlord, a judgment for the amount of rent due, costs, and any late fees, less the amount of any utility bills, fees, or security deposits paid by a tenant under § 7–309 of the Public  |  |  |  |  |  |  |  |
| 28<br>29                   | (v) If applicable, stating that, to the best of the landlord's knowledge, the tenant is deceased, intestate, and without next of kin; [and]   |  |  |  |  |  |  |  |
| 30<br>31<br>32             | (VI) STATING WHETHER THE PROPERTY TO BE REPOSSESSED IS AN AFFECTED PROPERTY AS DEFINED IN § 6–801 OF THE ENVIRONMENT ARTICLE; AND   |  |  |  |  |  |  |  |
|                            |   |  |  |  |  |  |  |  |

[(vi)] (VII) If the property to be repossessed is an affected property as defined in  $\S$  6–801 of the Environment Article, stating that the landlord has registered the

- affected property as required under § 6–811 of the Environment Article and renewed the registration as required under § 6–812 of the Environment Article and:
- 1. A. If the current tenant moved into the property on or after February 24, 1996, stating the inspection certificate number for the inspection conducted for the current tenancy as required under § 6–815(c) of the Environment Article; or
- B. On or after February 24, 2006, stating the inspection certificate number for the inspection conducted for the current tenancy as required under § 6–815(c), § 6–817(b), or § 6–819(f) of the Environment Article; or
- 10 2. Stating that the owner is unable to provide an inspection 11 certificate number because:
- A. The owner has requested that the tenant allow the owner access to the property to perform the work required under Title 6, Subtitle 8 of the Environment Article;
- B. The owner has offered to relocate the tenant in order to allow the owner to perform work if the work will disturb the paint on the interior surfaces of the property and to pay the reasonable expenses the tenant would incur directly related to the relocation; and
- 19 C. The tenant has refused to allow access to the owner or 20 refused to vacate the property in order for the owner to perform the required work.
- 21 (2) THE COURT SHALL DISMISS A COMPLAINT THAT FAILS TO
  22 PROVIDE THE INFORMATION REQUIRED UNDER PARAGRAPH (1)(VI) AND (VII) OF
  23 THIS SUBSECTION UNLESS THE COURT ADJOURNS THE TRIAL ON THE COMPLAINT IN
  24 ACCORDANCE WITH SUBSECTION (C) OF THIS SECTION.
- [(2)] (3) For the purpose of the court's determination under subsection (c) of this section the landlord shall also specify the amount of rent due for each rental period under the lease, the day that the rent is due for each rental period, and any late fees for overdue rent payments.
- [(3)] (4) The District Court shall issue its summons, directed to any constable or sheriff of the county entitled to serve process, and ordering the constable or sheriff to notify the tenant, assignee, or subtenant by first—class mail:
- 32 (i) To appear before the District Court at the trial to be held on the 33 fifth day after the filing of the complaint; and
- 34 (ii) To answer the landlord's complaint to show cause why the 35 demand of the landlord should not be granted.

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- [(4)] (5) (i) The constable or sheriff shall proceed to serve the summons upon the tenant, assignee, or subtenant or their known or authorized agent as follows:
- In If personal service is requested and any of the persons whom the sheriff shall serve is found on the property, the sheriff shall serve any such persons; or
- 7 2. If personal service is requested and none of the persons 8 whom the sheriff is directed to serve shall be found on the property and, in all cases where 9 personal service is not requested, the constable or sheriff shall affix an attested copy of the 10 summons conspicuously upon the property.
- 11 (ii) The affixing of the summons upon the property after due 12 notification to the tenant, assignee, or subtenant by first—class mail shall conclusively be 13 presumed to be a sufficient service to all persons to support the entry of a default judgment 14 for possession of the premises, together with court costs, in favor of the landlord, but it shall 15 not be sufficient service to support a default judgment in favor of the landlord for the 16 amount of rent due.
- [(5)] (6) Notwithstanding the provisions of paragraphs (1) through [(4)]
  (5) of this subsection, in Wicomico County, in an action to repossess any premises under
  this section, service of process on a tenant may be directed to any person authorized under
  the Maryland Rules to serve process.
  - [(6)] (7) (i) Notwithstanding the provisions of paragraphs [(3)] (4) through [(5)] (6) of this subsection, if the landlord certifies to the court in the written complaint required under paragraph (1) of this subsection that, to the best of the landlord's knowledge, the tenant is deceased, intestate, and without next of kin, the District Court shall issue its summons, directed to any constable or sheriff of the county entitled to serve process, and ordering the constable or sheriff to notify the occupant of the premises or the next of kin of the deceased tenant, if known, by personal service:
- 28 1. To appear before the District Court at the trial to be held 29 on the fifth day after the filing of the complaint; and
- To answer the landlord's complaint to show cause why the demand of the landlord should not be granted.
- 32 (ii) 1. The constable or sheriff shall proceed to serve the 33 summons upon the occupant of the premises or the next of kin of the deceased tenant, if 34 known, as follows:
- A. If any of the persons whom the sheriff is directed to serve are found on the property or at another known address, the sheriff shall serve any such persons; or

| 1<br>2<br>3                      | are found on the property   |  | If none of the persons whom the sheriff is directed to serve<br>another known address, the constable or sheriff shall affix<br>s conspicuously upon the property.  |  |  |
|----------------------------------|---|--|--|--|--|
| 4<br>5<br>6<br>7<br>8            | conclusively be presumed default judgment for poss  | session<br>be suff                             | The affixing of the summons upon the property shall a sufficient service to all persons to support the entry of a of the premises, together with court costs, in favor of the ficient service to support a default judgment in favor of the due.   |  |  |
| 9<br>10<br>11<br>12<br>13        | the court is satisfied that<br>enable either party to pro<br>OTHER PROOF OF CLAIM   | the int<br>cure tl<br><b>M OR I</b><br>, excep | al on the fifth day indicated in subsection (b) of this section, serests of justice will be better served by an adjournment to heir necessary witnesses <b>OR TO OBTAIN DOCUMENTS OR DEFENSE</b> , the court may adjourn the trial for a period not at with the consent of all parties, the trial may be adjourned         |  |  |
| 15<br>16                         | (2) (i) section may not be an issu  | _  | information required under subsection (b)(1)(vi) of this act in a trial under this section.  |  |  |
| 17<br>18<br>19<br>20<br>21<br>22 | court, that the rent, or an court shall determine the filed less the amount of an   | ny part<br>amour<br>ny util<br>lities          | then the trial occurs, it appears to the satisfaction of the softhe rent and late fees are actually due and unpaid, the not of rent and late fees due as of the date the complaint was ity bills, fees, or security deposits paid by a tenant under § Article, if the trial occurs within the time specified by a section. |  |  |
| 23<br>24<br>25<br>26<br>27       | in subsection [(b)(3)(i)] (B)(4)(I) of this section and the tenant has not become current since the filing of the complaint, the court, if the complaint so requests, shall enter a judgment in favor of the landlord for possession of the premises and determine the rent and late fees |  |  |  |  |
| 28<br>29                         | following:  | 2.   | The determination of rent and late fees shall include the  |  |  |
| 30                               |   | A.   | Rent claimed in the complaint;   |  |  |
| 31                               |   | В.   | Rent accruing after the date of the filing of the complaint;   |  |  |
| 32<br>33                         | complaint was filed; and  | C.   | Late fees accruing in or prior to the month in which the   |  |  |

34 D. Credit for payments of rent and late fees and other fees, utility bills, or security deposits paid by a tenant under § 7-309 of the Public Utilities

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1 Article after the complaint was filed.

- [(iv)] (III) In the case of a residential tenancy, the court may also give judgment in favor of the landlord for the amount of rent and late fees determined to be due together with costs of the suit if the court finds that the residential tenant was personally served with a summons.
- [(v)] (IV) In the case of a nonresidential tenancy, if the court finds that there was such service of process or submission to the jurisdiction of the court as would support a judgment in contract or tort, the court may also give judgment in favor of the landlord for:
- 1. The amount of rent and late fees determined to be due;
- 11 2. Costs of the suit; and
- 3. Reasonable attorney's fees, if the lease agreement authorizes the landlord to recover attorney's fees.
- [(vi)] (V) A nonresidential tenant who was not personally served with a summons shall not be subject to personal jurisdiction of the court if that tenant asserts that the appearance is for the purpose of defending an in rem action prior to the time that evidence is taken by the court.
- 18 (3) The court, when entering the judgment, shall also order that possession of the premises be given to the landlord, or the landlord's agent or attorney, within 4 days after the trial.
- 21 (4) The court may, upon presentation of a certificate signed by a physician 22 certifying that surrender of the premises within this 4-day period would endanger the 23 health or life of the tenant or any other occupant of the premises, extend the time for 24 surrender of the premises as justice may require but not more than 15 days after the trial.
  - (5) However, if the tenant, or someone for the tenant, at the trial, or adjournment of the trial, tenders to the landlord the rent and late fees determined by the court to be due and unpaid, together with the costs of the suit, the complaint against the tenant shall be entered as being satisfied.

## **Article 4 – Baltimore City**

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Whenever the tenant under any demise or agreement of rental, express or implied, verbal or written, of lands or tenements, whether real estate or chattels real within the limits of the City of Baltimore, shall fail to pay the rent thereunder when due and payable, it shall be lawful for the lessor to have again and repossess the premises so rented SO LONG AS THE PREMISES COMPLIES WITH THE REGISTRATION, PERMIT, OR LICENSE

- 1 REQUIREMENTS SET FORTH IN ARTICLE 13 OF THE BALTIMORE CITY CODE AND
- 2 THE ENVIRONMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND. The filing
- 3 of a complaint in summary ejectment under this subtitle, the trial of said cause and the
- 4 granting of a judgment of restitution shall not preclude the plaintiff or the owner of said
- 5 premises from filing and maintaining an independent suit for rent due and unpaid.
- 6 9-5.

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- If, at the trial aforesaid, the judge shall be satisfied the interest of justice will be better served by an adjournment, TO ENABLE A PARTY TO PROCURE NECESSARY WITNESSES OR OBTAIN DOCUMENTS OR OTHER PROOF OF A CLAIM OR DEFENSE, OR FOR OTHER PURPOSES OF THE JUDGE'S DISCRETION, [he] THE JUDGE may adjourn the trial for a period not exceeding seven days, except by consent of the parties, and if at said trial or due adjournment, as aforesaid, it shall appear to the satisfaction of the judge before whom said complaint has been tried as aforesaid, that the rent or any part of the rent for said premises is actually due and unpaid, then the said judge shall give judgment in favor of said lessor for the amount of rent found due, with costs of suit, and shall order that said tenant and all persons claiming or holding by or under said tenant shall yield and render up possession of said premises unto said lessor, or unto [his] THE LESSOR'S duly qualified agent or attorney within 4 days thereafter; provided, however, that upon presentation of certificate signed by a practicing physician certifying that surrender of said premises within said period of 4 days would endanger the health or life of any occupant thereof, said judge may, at the trial or subsequent thereto, extend the time for such surrender of the premises upon such terms and for such period or periods as [he] THE JUDGE shall deem necessary and just. If the interval between the filing of the landlord's complaint and the trial of the cause shall be more than three days, any order or judgment of said court with respect to the payment of rent shall include all rent due and unpaid up to and including the day of trial; and the proceedings amended to set forth the basis of said judgment or order.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 29 October 1, 2018.