



Bill Title: Senate Bill 170, Real Property - Ground Leases - Past Due Ground Rent

Committee: Judicial Proceedings Committee

Date: January 28, 2020

Position: Unfavorable

This testimony is offered on behalf of Maryland Multi-Housing Association (MMHA). We are a professional trade association established in 1996, whose members consists of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities. Our members house over 538,000 residents of the State of Maryland. Lastly, MMHA represents over 250 associate member companies who supply goods and services to the multi-housing industry.

This bill prohibits a ground lease holder from bringing any suit, action, or proceeding against the current leasehold tenant or a former leasehold tenant to recover the ground rent that was due and owing before the date the current leasehold tenant acquired title to the leasehold interest. Such an action is barred if the ground lease was not registered in accordance with this title before the date the current leasehold tenant acquired title.

In State of Maryland v. Stanley Goldberg, et al. 437 Md. 191 (2014) the Court declared the legislative elimination of the right of reentry and ejectment of the fee owner of the ground rent property to be an unconstitutional abrogation of vested property rights. By eliminating a landowner's ability to exercise their legal rights under a lease, Senate Bill 170 runs the risk of abrogating those very rights.

For these reasons, MMHA respectfully requests an unfavorable report on Senate Bill 170.

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