

MARYLAND JUDICIAL CONFERENCE
GOVERNMENT RELATIONS AND PUBLIC AFFAIRS

Hon. Matthew J. Fader
Chief Justice

187 Harry S. Truman Parkway
Annapolis, MD 21401

MEMORANDUM

TO: House Environment and Transportation Committee
FROM: Legislative Committee
Suzanne D. Pelz, Esq.
410-260-1523
RE: House Bill 1108
Real Property – Residential Leases – Fee in Lieu of Security
Deposit
DATE: February 14, 2024
(2/23)
POSITION: Oppose

The Maryland Judiciary opposes House Bill 1108. The proposed legislation establishes Real Property § 8-203.2 which states that a landlord may offer a fee in lieu of a security deposit.

The Judiciary takes no position on the policy aims of the legislation but has several concerns. This bill creates a burdensome and confusing statutory process to incorporate insurance policies of landlords for nonpayment or damage repairs by tenants. Importantly, the bill is unclear as to whether the fee in lieu of payments may be deemed “rent” in summary ejection and as such creates the possibility of inconsistent interpretations of the statute by courts around the State. Additionally, on page 12, the bill references debts that are “declared void” by the Court. This is not a legal term of art with which the Judiciary is familiar and there are no provisions within the bill to determine how such a declaration is to be made.

The Judiciary requests an unfavorable report for HB 1108.

cc. Hon. Regina Boyce
Judicial Council
Legislative Committee
Kelley O’Connor