Department of Legislative Services

Maryland General Assembly 2024 Session

FISCAL AND POLICY NOTE Third Reader - Revised

House Bill 970

(Delegate Wells)

Environment and Transportation

Judicial Proceedings

Real Property - Residential Leases - Rent Increase Prohibition

This bill establishes that if a landlord violates existing rent increase notification requirements, the landlord is prohibited from (1) increasing a tenant's rent for the lease term for which notice of the increase in rent was not adequately provided or (2) taking any retaliatory action against a tenant, including refusing to renew a lease because of the prohibition on an increase in rent.

Fiscal Summary

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

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

Small Business Effect: Minimal.

Analysis

Current Law: Subject to limited exception, and applicable only to residential leases, prior to increasing a tenant's rent, a landlord must send written notice to the tenant by first-class mail (with a certificate of mailing) or by electronic delivery, if the tenant has elected electronic delivery. Electronic delivery includes an email message, text message, or electronic tenant portal and must provide the landlord with proof of transmission of the notice.

A landlord must provide the notice required as follows:

- for a tenancy for a term of more than one month, the notice must be sent at least 90 days in advance of the rent increase;
- for a tenancy for a term of more than one week, but not more than one month, the notice must be sent at least 60 days in advance of the rent increase; and
- for a tenancy for a term of one week or less, the notice must be sent at least 7 days in advance of the rent increase if the parties have a written lease or at least 21 days in advance if the parties do not have a written lease.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

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 23, 2024 |
|----------------------|---|
| km/jkb | Third Reader - March 21, 2024 |
| - | Revised - Amendment(s) - March 21, 2024 |

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