## **Department of Fiscal Services**

Maryland General Assembly

# FISCAL NOTE

Senate Bill 362 (Senator Pica) Judicial Proceedings

#### Baltimore City - Residential Leases - Tenant Liability

This bill provides that a tenant in Baltimore City who receives AFDC or assistance under the State Public Assistance Programs Act and breaches a residential lease is liable to the landlord for: (1) the loss of rent caused by the termination or two months' rent, whichever is less; and (2) the cost of repairing damages to the property caused by the tenant. Furthermore, the bill increases the number of months' rent for which all other tenants are liable upon breach of a residential lease from two to six months.

#### **Fiscal Summary**

State Effect: None. The bill would not directly affect governmental finances.

Local Effect: None, as discussed below.

### **Fiscal Analysis**

**Local Revenues:** The bill increases the damages the Housing Authority of Baltimore City (HABC) may recover by making a tenant liable for up to six months' rent instead of two. However, any impact on city revenues would be minimal because HABC has a historically low vacancy rate and therefore rarely needs to recover such damages.

Furthermore, the provision of the bill which makes tenants on AFDC or public assistance liable for breach of a lease is essentially a clarification of current law and, therefore, does not impact city revenues.

Local Expenditures: No effect.

**Information Source**(s): Baltimore City, Department of Human Resources, Department of Fiscal Services

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