
By: **Delegate Owings**

Introduced and read first time: February 7, 2003

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property - Residential Lease - Application Fee**

3 FOR the purpose of altering the amount of a fee a landlord may charge a prospective
4 residential tenant in addition to a security deposit; altering the type of fee from
5 a credit check to investigative reports; providing for the application of this Act;
6 and generally relating to a fee that may be required in a residential lease
7 application.

8 BY repealing and reenacting, with amendments,
9 Article - Real Property
10 Section 8-213
11 Annotated Code of Maryland
12 (1996 Replacement Volume and 2002 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article - Real Property**

16 8-213.

17 (a) An application for a lease shall contain a statement which explains:

18 (1) The liabilities which the tenant incurs upon signing the application;
19 and

20 (2) The provisions of subsections (b) and (c) of this section.

21 (b) (1) (i) If a landlord requires from a prospective tenant any fees other
22 than a security deposit as defined by § 8-203(a) of this subtitle, and these fees exceed
23 [\$25,] \$50, then the landlord shall return the fees, subject to the exceptions below, or
24 be liable for twice the amount of the fees in damages.

25 (ii) The return shall be made not later than 15 days following the
26 date of occupancy or the written communication, by either party to the other, of a
27 decision that no tenancy shall occur.

1 (2) The landlord may retain only that portion of the fees actually
2 expended for [a credit check] INVESTIGATIVE REPORTS or other expenses arising out
3 of the application, and shall return that portion of the fees not actually expended on
4 behalf of the tenant making application.

5 (c) This section does not apply to any landlord who offers four or less dwelling
6 units for rent on one parcel of property or at one location, or to seasonal or
7 condominium rentals.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be
9 construed to apply only prospectively and may not be applied or interpreted to have
10 any effect on or application to any residential lease application made before the
11 effective date of this Act.

12 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 July 1, 2003.