
By: **Delegates Bobo and James**

Introduced and read first time: February 14, 2003

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Residential Landlord and Tenant - Ratio Utility System - Prohibition**

3 FOR the purpose of prohibiting a certain landlord from using a certain ratio utility
4 system to charge a tenant for the cost of utilities used; authorizing a landlord to
5 charge a tenant separately for the actual cost of utilities used, including a
6 certain administrative fee; establishing certain penalties; establishing certain
7 exemptions from the scope of this Act; establishing an exception for an
8 undifferentiated rent or lease payment; defining certain terms; and generally
9 relating to the method of charging tenants for the cost of utilities.

10 BY adding to

11 Article - Real Property

12 Section 8-215

13 Annotated Code of Maryland

14 (1996 Replacement Volume and 2002 Supplement)

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

17 **Article - Real Property**

18 8-215.

19 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
20 INDICATED.

21 (2) (I) "LANDLORD" MEANS:

22 1. AN OWNER OF RESIDENTIAL RENTAL PROPERTY WHO
23 OFFERS MORE THAN 4 DWELLING UNITS FOR RENT ON ONE PARCEL OR IN ONE
24 LOCATION; OR

25 2. A PERSON ACTING ON BEHALF OF THE LANDLORD.

1 (II) "LANDLORD" DOES NOT INCLUDE A CONDOMINIUM UNDER
2 TITLE 11 OF THE REAL PROPERTY ARTICLE OR A COOPERATIVE HOUSING
3 CORPORATION UNDER TITLE 5, SUBTITLE 6A OF THE CORPORATIONS ARTICLE.

4 (3) "RATIO UTILITY SYSTEM" MEANS ALLOCATING ONE OR MORE OF THE
5 LANDLORD'S AGGREGATE UTILITY CHARGES BY USING ONE OR MORE OF THE
6 FOLLOWING METHODS:

7 (I) PER TENANT;

8 (II) PROPORTIONATELY BY LIVABLE SQUARE FOOTAGE;

9 (III) PER TYPE OF UNIT;

10 (IV) PER NUMBER OF WATER FIXTURES; OR

11 (V) BY ANY OTHER METHOD THAT ALLOCATES THE LANDLORD'S
12 AGGREGATE UTILITY CHARGES AMONG THE TENANTS BUT DOES NOT MEASURE
13 ACTUAL PER TENANT USAGE.

14 (4) "UTILITIES" MEANS WATER CONSUMPTION OR USAGE AND WASTE
15 WATER OR SEWAGE USE.

16 (B) (1) ON OR AFTER JANUARY 1, 2004, A LANDLORD MAY NOT USE A RATIO
17 UTILITY SYSTEM TO CHARGE A TENANT FOR THE COST OF THE UTILITIES THE
18 TENANT USES.

19 (2) (I) IF A LANDLORD CHARGES A TENANT SEPARATELY FOR
20 UTILITIES, THE TENANT MAY NOT BE CHARGED MORE THAN THE ACTUAL COST FOR
21 THE UTILITIES USED PLUS AN ADMINISTRATIVE FEE NOT TO EXCEED \$2.00 FOR EACH
22 BILLING.

23 (II) THE CHARGE DESCRIBED IN SUBPARAGRAPH (I) OF THIS
24 PARAGRAPH SHALL BE BASED ON THE TENANT'S ACTUAL USAGE OF THE UTILITIES
25 CHARGED.

26 (C) A LANDLORD WHO VIOLATES SUBSECTION (B) OF THIS SECTION IS LIABLE
27 TO THE TENANT AFFECTED BY THE VIOLATION FOR:

28 (1) THE GREATER OF:

29 (I) THE TOTAL AMOUNT OF ALL DAMAGES PROXIMATELY CAUSED
30 BY THE VIOLATION; OR

31 (II) \$1,000 PER VIOLATION; AND

32 (2) REASONABLE ATTORNEY FEES.

33 (D) NOTHING IN THIS SECTION PROHIBITS A LANDLORD FROM RECOVERING
34 THE COST OF UTILITIES DESCRIBED IN SUBSECTION (B) OF THIS SECTION BY
35 INCLUDING THE COSTS IN AN UNDIFFERENTIATED RENT OR LEASE PAYMENT.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2003.