

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE

Senate Bill 133
Judicial Proceedings

(Senator Kelley, *et al.*)

Residential Leases – Termination – Limitation of Liability

This bill limits the liability of a tenant who terminates a lease prior to its stated termination date to 30 days' rent after the date on which the tenant vacates the premises if, at least 30 days before vacating the premises, the tenant provides the landlord with: (1) a notice of termination of the lease; and (2) a physician's written certification that states that the tenant or member of the tenant's family residing at the property is no longer able to live at the premises. The certification must specify the condition or situation that requires the tenant to vacate the premises. The certification must also state that the reason for no longer being able to live at the premises is because: (1) the physical mobility of the tenant or family member is substantially restricted by the premises' structure or property; or (2) the tenant or family member is required to move to a home, facility, or institution to obtain a higher level of care than can be provided at the leased premises. The bill may not be construed to affect a landlord's duty to mitigate damages, a tenant's obligation under the lease to pay for repairs to the premises, or the rights or obligations of a landlord or tenant under the federal Fair Housing Act.

Fiscal Summary

State Effect: The bill would not directly affect governmental operations or finances.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: At common law as followed by Maryland, when a tenant signs a lease and later breaches the lease by abandoning the property, the landlord may hold the tenant liable for the entire amount of the rent due under the lease. By statute, a landlord has a duty to mitigate the damages caused by a tenant's breach of the lease through terminating the occupancy before the end of its stated term. However, the landlord is under no obligation to show or lease the vacated unit in preference to other available units.

If a person who is on active duty with the U. S. military enters into a residential lease and subsequently receives permanent change of station orders or temporary duty orders for a period exceeding three months, the person's liability for rent under the lease may not exceed: (1) 30 days' rent after written notice and proof of the assignment is given to the landlord; and (2) the cost of repairing damage to the property caused by the tenant's act or omission. No provision limits the liability to pay rent of a tenant who moves because of a disability.

Additional Information

Prior Introductions: Similar bills were introduced in the 2003 and 2002 sessions. In 2003, SB 338 received an unfavorable report from the Senate Judicial Proceedings Committee. In 2002, SB 601 received an unfavorable report from the Senate Judicial Proceedings Committee, and HB 992 received an unfavorable report from the House Economic Matters Committee.

Cross File: None.

Information Source(s): Department of Health and Mental Hygiene, Office of the Attorney General (Consumer Protection Division), Department of Legislative Services

Fiscal Note History: First Reader - February 2, 2004
mam/jr

Analysis by: Ryan Wilson

Direct Inquiries to:
(410) 946-5510
(301) 970-5510

