
By: **Senators Garagiola and Haines**

Introduced and read first time: February 4, 2005

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property - Mobile Home Park Owners - Interest on Security Deposits**

3 FOR the purpose of altering the interest rate payable by certain mobile home park
4 owners on security deposits to certain residents at the end of a tenancy;
5 providing for the application of this Act; and generally relating to the interest
6 payable by certain mobile home park owners on security deposits to certain
7 residents.

8 BY repealing and reenacting, with amendments,
9 Article - Real Property
10 Section 8A-1001(f)
11 Annotated Code of Maryland
12 (2003 Replacement Volume and 2004 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 8A-1001.

17 (f) (1) Within 45 days after the end of the tenancy, the park owner shall
18 return the security deposit to the resident together with simple interest which has
19 accrued in the amount of [4] 3 percent per annum less any damages rightfully
20 withheld.

21 (2) Interest shall accrue at 6-month intervals from the day the resident
22 gives the park owner the security deposit. Interest is not compounded.

23 (3) Interest shall be payable only on security deposits of \$50 or more.

24 (4) If the park owner, without a reasonable basis, fails to return any part
25 of the security deposit, plus accrued interest, within 45 days after the termination of
26 the tenancy, the resident has an action of up to threefold of the withheld amount, plus
27 reasonable attorney's fees.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be
2 construed to apply only prospectively and may not be applied or interpreted to have
3 any effect on or application to any mobile home park tenancy created or renewed
4 before the effective date of this Act.

5 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 October 1, 2005.