

BY: Environmental Matters Committee

AMENDMENTS TO HOUSE BILL 502

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, after “Leases” insert “on Residential Property”; in lines 3, 4, 5, 8, and 11, in each instance, before “tenant” insert “leasehold”; in lines 3, 5, and 7, in each instance, strike “landlord” and substitute “ground lease holder”; in lines 3, 5, and 10, in each instance, before “ground” insert “certain”; in line 4, after “period;” insert “altering the method by which a leasehold tenant is required to give certain notices to a ground lease holder;”; in line 12, after “terms;” insert “providing for the application of the provisions of this Act;”; and in line 13, after “leases” insert “on residential property”.

AMENDMENT NO. 2

On page 2, strike in their entirety lines 8 through 18, inclusive, and substitute:

**“(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

**(2) “GROUND LEASE” MEANS A RESIDENTIAL LEASE OR SUBLEASE FOR A TERM OF YEARS RENEWABLE FOREVER SUBJECT TO THE PAYMENT OF A PERIODIC GROUND RENT.**

**(3) (I) “GROUND LEASE HOLDER” MEANS THE HOLDER OF THE REVERSIONARY INTEREST UNDER A GROUND LEASE.**

**(II) “GROUND LEASE HOLDER” INCLUDES AN AGENT OF THE GROUND LEASE HOLDER.**

(Over)

(4) “GROUND RENT” MEANS A RENT ISSUING OUT OF, OR COLLECTIBLE IN CONNECTION WITH, THE REVERSIONARY INTEREST UNDER A GROUND LEASE.

(5) “LEASEHOLD INTEREST” MEANS THE TENANCY IN REAL PROPERTY CREATED UNDER A GROUND LEASE.

(6) “LEASEHOLD TENANT” MEANS THE HOLDER OF THE LEASEHOLD INTEREST UNDER A GROUND LEASE.

(B) (1) THIS SECTION APPLIES TO RESIDENTIAL PROPERTY THAT WAS OR IS USED, INTENDED TO BE USED, OR AUTHORIZED TO BE USED FOR FOUR OR FEWER DWELLING UNITS.

(2) THIS SECTION DOES NOT APPLY TO PROPERTY:

(I) LEASED FOR BUSINESS, COMMERCIAL, MANUFACTURING, MERCANTILE, OR INDUSTRIAL PURPOSES, OR ANY OTHER PURPOSE THAT IS NOT PRIMARILY RESIDENTIAL;

(II) IMPROVED OR TO BE IMPROVED BY ANY APARTMENT, CONDOMINIUM, COOPERATIVE, OR OTHER BUILDING FOR MULTIFAMILY USE OF GREATER THAN FOUR DWELLING UNITS; OR

(III) LEASED FOR DWELLINGS OR MOBILE HOMES THAT ARE ERECTED OR PLACED IN A MOBILE HOME DEVELOPMENT OR MOBILE HOME PARK.”;

in lines 19, 22, and 26, strike “(B)”, “(C)”, and “(D)”, respectively, and substitute “(C)”, “(D)”, and “(E)”, respectively; in lines 19 and 20, in each instance, before “TENANT”

insert "LEASEHOLD"; in lines 20, 24, and 29, in each instance, strike "LANDLORD" and substitute "GROUND LEASE HOLDER"; in line 23, strike "transferor" and substitute "LEASEHOLD TENANT"; in line 26, strike "TRANSFEROR" and substitute "LEASEHOLD TENANT"; in the same line, strike "GIVE" and substitute "SEND"; and strike beginning with "by" in line 27 down through "Service," in line 28.

AMENDMENT NO. 3

On page 3, strike in their entirety lines 1 through 13, inclusive, and substitute:

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

(2) "GROUND LEASE" MEANS A RESIDENTIAL LEASE OR SUBLEASE FOR A TERM OF YEARS RENEWABLE FOREVER SUBJECT TO THE PAYMENT OF A PERIODIC GROUND RENT.

(3) (I) "GROUND LEASE HOLDER" MEANS THE HOLDER OF THE REVERSIONARY INTEREST UNDER A GROUND LEASE.

(II) "GROUND LEASE HOLDER" INCLUDES AN AGENT OF THE GROUND LEASE HOLDER.

(4) "GROUND RENT" MEANS A RENT ISSUING OUT OF, OR COLLECTIBLE IN CONNECTION WITH, THE REVERSIONARY INTEREST UNDER A GROUND LEASE.

(5) "LEASEHOLD INTEREST" MEANS THE TENANCY IN REAL PROPERTY CREATED UNDER A GROUND LEASE.

**(6) “LEASEHOLD TENANT” MEANS THE HOLDER OF THE LEASEHOLD INTEREST UNDER A GROUND LEASE.**

**(B) (1) THIS SECTION APPLIES TO RESIDENTIAL PROPERTY THAT WAS OR IS USED, INTENDED TO BE USED, OR AUTHORIZED TO BE USED FOR FOUR OR FEWER DWELLING UNITS.**

**(2) THIS SECTION DOES NOT APPLY TO PROPERTY:**

**(I) LEASED FOR BUSINESS, COMMERCIAL, MANUFACTURING, MERCANTILE, OR INDUSTRIAL PURPOSES, OR ANY OTHER PURPOSE THAT IS NOT PRIMARILY RESIDENTIAL;**

**(II) IMPROVED OR TO BE IMPROVED BY ANY APARTMENT, CONDOMINIUM, COOPERATIVE, OR OTHER BUILDING FOR MULTIFAMILY USE OF GREATER THAN FOUR DWELLING UNITS; OR**

**(III) LEASED FOR DWELLINGS OR MOBILE HOMES THAT ARE ERECTED OR PLACED IN A MOBILE HOME DEVELOPMENT OR MOBILE HOME PARK.”;**

in lines 14 and 17, strike “(B)” and “(C)”, respectively, and substitute “(C)” and “(D)”, respectively; in line 15, strike “LANDLORD” and substitute “**GROUND LEASE HOLDER**”; and in line 16, before “TENANT” insert “**LEASEHOLD**”.

On page 4, in line 32, after “(a)” insert:

**“(1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

(II) "GROUND LEASE" MEANS A RESIDENTIAL LEASE OR SUBLEASE FOR A TERM OF YEARS RENEWABLE FOREVER SUBJECT TO THE PAYMENT OF A PERIODIC GROUND RENT.

(III) 1. "GROUND LEASE HOLDER" MEANS THE HOLDER OF THE REVERSIONARY INTEREST UNDER A GROUND LEASE.

2. "GROUND LEASE HOLDER" INCLUDES AN AGENT OF THE GROUND LEASE HOLDER.

(IV) "GROUND RENT" MEANS A RENT ISSUING OUT OF, OR COLLECTIBLE IN CONNECTION WITH, THE REVERSIONARY INTEREST UNDER A GROUND LEASE.

(V) "LEASEHOLD INTEREST" MEANS THE TENANCY IN REAL PROPERTY CREATED UNDER A GROUND LEASE.

(VI) "LEASEHOLD TENANT" MEANS THE HOLDER OF THE LEASEHOLD INTEREST UNDER A GROUND LEASE.

(2) (I) THIS SUBSECTION APPLIES TO RESIDENTIAL PROPERTY THAT WAS OR IS USED, INTENDED TO BE USED, OR AUTHORIZED TO BE USED FOR FOUR OR FEWER DWELLING UNITS.

(II) THIS SUBSECTION DOES NOT APPLY TO PROPERTY:

1. LEASED FOR BUSINESS, COMMERCIAL, MANUFACTURING, MERCANTILE, OR INDUSTRIAL PURPOSES, OR ANY OTHER PURPOSE THAT IS NOT PRIMARILY RESIDENTIAL;

(Over)

**2. IMPROVED OR TO BE IMPROVED BY ANY APARTMENT, CONDOMINIUM, COOPERATIVE, OR OTHER BUILDING FOR MULTIFAMILY USE OF GREATER THAN FOUR DWELLING UNITS; OR**

**3. LEASED FOR DWELLINGS OR MOBILE HOMES THAT ARE ERECTED OR PLACED IN A MOBILE HOME DEVELOPMENT OR MOBILE HOME PARK.**

**(3)**".

**AMENDMENT NO. 4**

On page 4, strike beginning with the comma in line 10 down through "PROPERTY" in line 14; strike beginning with "IN" and line 14 down through the second "AND" in line 15; and strike beginning with the comma in line 18 down through "COSTS" in line 19.

On page 5, strike beginning with the comma in line 29 down through "COSTS" in line 30.

On page 6, strike beginning with "ASSOCIATED" in line 1 down through "PROPERTY" in line 3; strike beginning with "IN" in line 3 down through the second "AND" in line 4; and strike beginning with the comma in line 7 down through "COSTS" in line 8.

On page 3 in line 27, on page 4 in lines 5, 6, 9, 17, 22, 24, and 25, on page 5 in lines 18, 24, 25, and 28, and on page 6 in lines 6, 11, 13, and 14, in each instance, strike "RENT OWNER" and substitute "**LEASE HOLDER**".

On page 4 in line 9, and on page 5 in line 28, in each instance, strike "IF".

On page 4 in line 10, and on page 5 in line 29, in each instance, strike “**FILES AN ACTION IN COURT**” and substitute “**MAY TAKE ACTION**”.

On page 4 in line 21, and on page 6 in line 10, in each instance, strike “**TO OFFER**”.

On page 4 in line 22, and on page 6 in line 11, in each instance, strike “**PURCHASE**” and substitute “**REDEEM, OR PURCHASE,**”.

On page 4 in lines 22 and 24, and on page 6 in lines 11 and 13, in each instance, strike “**RENT**”.

On page 4 in line 23, and on page 6 in line 12, in each instance, after the period insert “**THE REDEMPTION AMOUNT IS FIXED BY LAW BUT MAY ALSO BE NEGOTIATED WITH THE GROUND LEASE HOLDER FOR A DIFFERENT AMOUNT.**”.

On page 4 in line 24, and on page 6 in line 13, in each instance, strike “**PURCHASING**” and substitute “**REDEEMING**”.

On page 4 in line 27, and on page 6 in line 16, in each instance, strike “**RENT**” and substitute “**LEASE**”.

On page 6, in line 21, strike “October” and substitute “**July**”.