

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE
Revised

House Bill 242

(Delegate Hixson, *et al.*)

Environmental Matters

Judicial Proceedings

Real Property - Mobile Home Park - Rental Agreement - Term of Payment

This bill prohibits a mobile home park rental agreement from requiring an annual payment of rent. However, the bill allows a prospective mobile home park resident to request, and a park owner to agree to, an annual payment of rent for a site.

The bill applies only prospectively to any rental agreement for a mobile home park site executed on or after the bill's October 1, 2010 effective date.

Fiscal Summary

State Effect: If the Consumer Protection Division of the Office of the Attorney General receives fewer than 50 complaints per year stemming from the bill, the additional workload can be handled with existing resources. Revenues are not affected.

Local Effect: The bill does not directly affect local finances or operations.

Small Business Effect: Potential minimal.

Analysis

Current Law: A mobile home park owner must offer a prospective or current resident a written lease for a term of at least one year. At the end of the one-year term, the lease converts to a month-to-month tenancy, provided the mobile home park owner and resident have not agreed to a longer period. However, a qualified year-round resident is entitled to the option of a subsequent one-year lease if the resident has (1) continually paid rent on time during the preceding year; (2) not repeatedly violated a park rule or provision of the rental agreement in the preceding six-month period, and at the time the

lease expires, no substantial violation exists; and (3) owns a mobile home that conforms to the standards of the park.

A written offer of a one-year rental agreement to a qualified resident must be delivered at least 30 days before the end of the existing lease and explain in clear language the qualified resident's right to a subsequent one-year lease. If the resident elects not to sign the one-year renewal lease, the tenancy continues on a month-to-month basis that may be terminated by the park owner or the resident with 30 days prior notice.

Before a current or prospective resident signs a lease or occupies a mobile home park, the park owner must provide the resident with certain information relating to utility services and utility connection fees. A written copy of the park's rules must also be furnished to the resident along with a copy of the rental agreement containing the following terms:

- the specific site to be leased;
- a term of tenancy of at least one year;
- a stipulation of (1) the annual rent for the site; (2) the term of payment, whether monthly, quarterly, semiannually, or annually; (3) the amount of each rent payment; (4) any late payment fee; and (5) all park fees with a description of the services to be provided;
- a description of the general responsibilities of the park owner and the resident;
- a description of each service, facility, and utility service provided by the park owner;
- a description of any termination and renewal option;
- text of the provision in the Maryland Mobile Home Parks Act which defines a "qualified resident;" and
- a specific reference to the Maryland Mobile Home Parks Act as the law governing the rental agreement.

To the extent a violation of the Maryland Mobile Home Parks Act affects a mobile home park resident or a prospective resident, the violation is within the scope of the enforcement duties and powers of the Consumer Protection Division of the Office of the Attorney General, as described in the Maryland Consumer Protection Act.

Background: The number of mobile home parks and "pad" sites in the State as of January 2010 is shown in **Exhibit 1**.

Exhibit 1
Number of Mobile Home Parks and Pad Sites
(As of January 2010)

<u>County</u>	<u>Mobile Home Parks</u>	<u>Pad Sites</u>
Allegany	35	387
Anne Arundel	39	3,316
Baltimore City	1	0
Baltimore	41	1,895
Calvert	13	145
Caroline	19	455
Carroll	17	651
Cecil	52	2,480
Charles	6	296
Dorchester	13	428
Frederick	7	138
Garrett	14	183
Harford	27	544
Howard	69	1,249
Kent	7	138
Montgomery	10	97
Prince George's	6	1,082
Queen Anne's	10	119
St. Mary's	21	957
Somerset	10	335
Talbot	6	297
Washington	23	1,154
Wicomico	31	1,318
Worcester	16	323
Total	493	17,987

Source: State Department of Assessments and Taxation.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Office of the Attorney General (Consumer Protection Division), Judiciary (Administrative Office of the Courts), Secretary of State, State Department of Assessments and Taxation, Department of Legislative Services

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Analysis by: Jason F. Weintraub

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