### Department of Legislative Services Maryland General Assembly

2011 Session

## FISCAL AND POLICY NOTE

Senate Bill 647 Judicial Proceedings (Senator Ramirez)

#### **Real Property - Age 55 and Older - Residential Leases**

This bill requires a landlord of a residential dwelling structure to offer a 36-month lease if the structure is (1) offered for rent only to occupants age 55 years and older; (2) composed of at least five individual dwelling units; and (3) constructed or improved with funding, in whole or in part, received from the State. Moreover, the bill limits applicability to structures funded with State monies to those for which contracts are entered into and funding is received on or after October 1, 2011.

The 36-month lease must be offered to any individual who applies for a lease on or after October 1, 2011, as well as to any current tenant to whom a renewal lease is offered.

## **Fiscal Summary**

State Effect: The bill does not materially affect State finances or operations.

Local Effect: None.

**Small Business Effect:** Minimal overall but potential meaningful for any landlords of structures funded with State monies in the future, which only rent to individuals age 55 and older.

### Analysis

**Current Law:** Any landlord who offers five or more dwelling units for rent may not rent a residential dwelling unit without using a written lease. If a landlord fails to offer a written lease, the term of the tenancy is presumed to be one year from the date of the tenant's first occupancy, unless the tenant elects to end the tenancy earlier by giving one month's written notice. With certain exceptions, State law does not otherwise specify a minimum lease term for residential leases.

# **Additional Information**

Prior Introductions: None.

Cross File: None.

**Information Source(s):** Office of the Attorney General (Consumer Protection Division), Department of General Services, Department of Housing and Community Development, Judiciary (Administrative Office of the Courts), Department of Legislative Services

**Fiscal Note History:** First Reader - February 20, 2011 mlm/kdm

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