# **Department of Legislative Services**

Maryland General Assembly 2018 Session

#### FISCAL AND POLICY NOTE First Reader

Senate Bill 520 Judicial Proceedings (Senator Conway, et al.)

# Baltimore City - Landlord and Tenant - Repossession for Failure to Pay Rent - Procedures

This bill makes multiple changes to the process by which a landlord may repossess property for failure to pay rent in Baltimore City. The bill also makes other stylistic and conforming changes.

### **Fiscal Summary**

**State Effect:** The bill is not anticipated to materially affect State finances or operations.

**Local Effect:** The bill is not anticipated to materially affect Baltimore City finances or operations.

Small Business Effect: Potential meaningful.

# **Analysis**

## **Bill Summary/Current Law:**

Required Contents of a Complaint to Repossess Residential Property

The bill requires a written complaint filed in the District Court of Baltimore City to follow substantially the form and content required under Title 8 of the Real Property Article. Statute requires a complaint to (1) be in writing; (2) be under oath or affirmation; (3) include the name of the tenant, his assignee, or undertenant or tenants; (4) the amount of rent due and unpaid; and (5) include a request to repossess the premises along with the amount of rent due.

#### Summons to Appear Before the District Court

The bill requires the District Court of Baltimore City to order the tenant, assignee, or undertenant to appear for a trial to be held on a date determined by the court that is no later than the fourteenth day after the original complaint is filed, rather than the fifth day. The bill also specifies that the sheriff, rather than the constable, must serve the summons on the tenant, assignee, or undertenant at least seven days before the trial date, rather than prior to the third day after the filing of the complaint. The bill specifies that "sufficient notice," in addition to affixing the summons to the premises, requires that notice be sent via first-class mail.

The bill newly requires the court to reschedule a hearing if the sheriff is unable to serve the summons as required, and it requires the sheriff to refund any fees for service when failure to timely serve a summons is not the result of delay by the court.

**Background:** During the 2016 interim, a workgroup was convened at the request of members of the Baltimore City legislative delegation to consider and make recommendations as to needed changes in legislation, judicial policy and procedures, as well as local government programs, particularly in Baltimore City, to fairly and effectively adjudicate the rights and responsibilities of both landlords and tenants.

In the final report of the workgroup, dated December 8, 2016, which included both legislative and nonlegislative recommendations, the workgroup made several recommendations related to provisions of the bill including (1) extending the timeline for actions to repossess residential property by requiring service to be made at least seven days before the trial date; (2) authorizing the court to schedule the hearing for no later than the fourteenth day after the complaint is filed; and (3) requiring the sheriff's office to refund fees for service if specified information to enable service of process is provided by the court in a timely manner.

The Administrative Office of the Courts advises that 144,058 landlord/tenant cases were filed in the District Court of Baltimore City in fiscal 2017.

**Small Business Effect:** Small business landlords may be required to provide additional documentation when filing a complaint to repossess residential property for failure to pay rent. The bill's extension of the timeline for hearing cases may also delay the final disposition of a case, resulting in lost revenue.

#### **Additional Information**

**Prior Introductions:** None.

Cross File: HB 832 (Delegate Rosenberg, et al.) - Environment and Transportation.

**Information Source(s):** Baltimore City; Office of the Attorney General (Consumer Protection Division); Judiciary (Administrative Office of the Courts); Department of Legislative Services

**Fiscal Note History:** First Reader - February 13, 2018

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