

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 1593 (Delegate Sample-Hughes, *et al.*)

Environment and Transportation

Judicial Proceedings

Real Property – Mobile Home Parks – Notices to Residents

This bill requires a park owner that enters into a contract of sale for a mobile home park, within five days after entering into the contract, to (1) provide notice of the sale to each resident in the mobile home park by hand delivery or certified mail, return receipt requested, and the Department of Housing and Community Development (DHCD) by certified mail, return receipt requested and (2) post notice of the sale in a public area of the mobile home park. The bill also requires an owner of a mobile home park to provide notice of any proposed rent increase no later than 60 days before the expiration of the existing lease agreement. **The bill takes effect July 1, 2018.**

Fiscal Summary

State Effect: The bill is not anticipated to impact State finances or operations. DHCD can receive required notices with existing resources. Revenues are not affected.

Local Effect: The bill is not anticipated to impact local government finances or operations.

Small Business Effect: Potential minimal.

Analysis

Bill Summary: The requirement to provide notice of rent increases applies only to a rental agreement that has a term of at least one year that is offered for renewal for a term of at least one year. The bill must be construed to apply only prospectively and may not be applied to any rental agreement or renewal of a rental agreement between a mobile home park owner and a resident entered into before the July 1, 2018 effective date.

Current Law: Generally, a park owner must deliver any renewal offer of a rental agreement for a one-year term to the resident no later than 30 days before the expiration of the existing term. State law does not specifically require mobile home park owners to provide notice to residents of (1) a contract of sale for a mobile home park or (2) a rent increase. However, a park owner may only increase a *fee, charge, or assessment* charged for the use of the park or for services rendered if the park owner provides each resident a written notice of the increase at least 30 days before the effective date of the increased fee. If a park owner fails to notify a resident affected by the increase, the park owner may not collect the increased fee from the resident.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Housing and Community Development; Department of Labor, Licensing, and Regulation; Department of Legislative Services

Fiscal Note History: First Reader - March 4, 2018
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