

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 628
(Montgomery County Delegation)
Environment and Transportation

Montgomery County - Residential Leases - Just Cause Eviction
MC 22-19

This bill prohibits a landlord from evicting a tenant in Montgomery County from a leased premises without “just cause.” The bill applies prospectively and may not be applied to any residential lease executed in Montgomery County before the bill’s October 1, 2019 effective date.

Fiscal Summary

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

Local Effect: The bill is not anticipated to materially affect local government operations or finances in Montgomery County.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: “Evict” means to take any action against a tenant to terminate the tenancy against the tenant’s will. “Leased premises” means a dwelling unit that is subject to a residential lease.

Under the bill, “just cause” exists if:

- a tenant has caused a substantial breach of the lease or substantial damage to the property or another area of the property and, after receiving notice to correct the breach or pay the reasonable repair costs, the tenant fails to comply;

- after receiving notice to cease, a tenant continues to engage in disorderly conduct that disturbs the peace and quiet of other tenants;
- a tenant has engaged in illegal activity on the leased premises or on a public right-of-way adjacent to the leased premises;
- a tenant, without reasonable cause, refuses to grant the landlord access to the leased premises to make repairs or improvements or to inspect the leased premises;
- a landlord, in good faith, seeks to recover possession of the leased premises for use by the landlord or the landlord's spouse, child, parent, or grandparent;
- a landlord, in good faith, seeks to permanently remove the leased premises from the rental market; or
- a landlord, after having obtained all necessary permits, seeks to undertake substantial repairs or renovations that cannot be completed while the leased premises are occupied.

As noted above, notice requirements apply for just cause to exist in certain situations. Specifically, a notice must be sent to the tenant, and the tenant must fail to comply after receiving notice, regarding (1) a substantial breach of the lease; (2) substantial damage to the leased premises; or (3) engaging in disorderly conduct. The notice must be sent timely by certified mail, return receipt requested.

Otherwise, a landlord may file to evict a tenant only after providing the tenant with not less than 60 days' notice, sent to the tenant by first-class mail with a certificate of mailing in writing. The notice must state the just cause on which the action to evict is based. The basis for just cause must also be included in the complaint to evict that is filed in the District Court of Montgomery County.

Action for Holding Over

The bill specifies that an action to evict for holding over in Montgomery County is also subject to the just cause eviction requirements established under the bill. A landlord must meet the specified notice requirements and must plead and prove the specific facts that demonstrate the just cause on which the complaint is based.

Intent of the General Assembly

The bill specifies that it is the intent of the General Assembly that (1) the Montgomery County Department of Housing and Community Affairs update all information provided by the department concerning the rights of residential tenants to include the rights provided under the bill and (2) a landlord of residential property in Montgomery County provide a current or prospective tenant with information concerning the rights of tenants under the bill when any residential lease is executed or renewed on or after the bill's effective date.

Current Law: When a lease allows a landlord to repossess a property because a tenant breaches the lease, the landlord may file a complaint in the District Court of the county where the property is located if specified requirements are met. Once the tenant breaches the lease, the landlord is generally required to give the tenant 30 days' written notice that the tenant is in violation of the lease and that the landlord wants to repossess the premises. However, the landlord is required to give only 14 days' written notice of a violation of the lease and that the landlord wants to repossess the premises, if the violation involves dangerous behavior by a tenant or another person on the property with the tenant's consent. The behavior must demonstrate a clear and imminent danger of the tenant or person doing serious harm to himself/herself, other tenants, the landlord, the landlord's property or representatives, or any other person on the property. Once the notice period expires, the landlord may file the complaint if the tenant or person in actual possession refuses to comply.

Background: The Administrative Office of the Courts advises that, in fiscal 2018, there were a total of 47,930 actions for failure to pay rent filed in the District Court for Montgomery County.

Small Business Effect: Landlords who qualify as small businesses may lose revenue as a result of the bill's specified required elements to establish "just cause" and the extension of the period of time a landlord must wait after providing specified notice before filing an action to evict a tenant.

Additional Information

Prior Introductions: HB 995 of 2018, a similar bill, was withdrawn.

Cross File: None.

Information Source(s): Montgomery County; Judiciary (Administrative Office of the Courts); Department of Legislative Services

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an/kdm

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