Department of Legislative Services

Maryland General Assembly 2022 Session

FISCAL AND POLICY NOTE First Reader

House Bill 392 (Delegate Stewart)

Environment and Transportation

Landlord and Tenant - Failure to Repair Serious and Dangerous Defects -Tenant Remedies (Tenant Justice Act)

This bill authorizes a group of residential tenants or a residential tenants' organization (whether incorporated or unincorporated) to seek remedies for a landlord's failure to repair serious and dangerous defects for any violation occurring (1) in multiple dwelling units located within the same premises owned by the same landlord or (2) on common property, as specified. A single tenant may also seek remedies on behalf of a group of tenants or a tenants' organization. The bill also expands available relief when a landlord fails to repair or correct the conditions by authorizing a tenant to file a civil action for money damages and requiring the award of reasonable attorney's fees, as specified.

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 of finances.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary/Current Law: Statutory provisions under current law provide tenants with a mechanism for encouraging the repair of serious and dangerous defects that exist within or as part of any residential dwelling unit, or upon the property used in common of which the dwelling unit forms a part. The defects are those in which a substantial and serious threat of danger to the life, health, and safety of the occupants is present.

In order to use available remedies, a tenant must notify the landlord of the existence of the defects or conditions using specified methods. The bill authorizes a group of tenants or a tenants' organization (or a single tenant on behalf of such a group or organization) to utilize available remedies.

Under current law, if the landlord refuses to make the repairs or correct the conditions, or if after a reasonable time the landlord has failed to do so, the tenant may (1) bring an action of rent escrow to pay rent into court because of the asserted defects or conditions or (2) refuse to pay rent and raise the existence of the asserted defects or conditions as an affirmative defense to an action for distress for rent or to any complaint proceeding brought by the landlord to recover rent or the possession of the leased premises. Additional provisions related to rent escrow are specified in statute.

Under current law (in addition to any other relief sought), if, within 90 days after the court finds that the conditions complained of by the tenant exist, the landlord has not made repairs or corrections, the tenant may file a petition of injunction in the District Court requesting the court to order the landlord to make the repairs or correct the conditions.

The bill also authorizes the tenant to file an action for money damages against the landlord and any other party that has control over the elements affected by the asserted defects or conditions, such as a property management company. A tenant who prevails in such an action is entitled to reasonable attorney's fees.

Small Business Effect: Among other effects, landlords and other entities with control over residential property (including property management companies) are subject to awards for monetary damages and attorney's fees.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts); Department of

Legislative Services

Fiscal Note History: First Reader - February 6, 2022

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