

# HOUSE BILL 34

D1, N1  
HB 134/22 – ENT & JUD

(PRE-FILED)

3lr0640

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By: ~~Delegate Hill~~ **Delegates Hill, Boyce, Foley, Holmes, Ruth, Stewart, and Terrasa**

Requested: October 27, 2022

Introduced and read first time: January 11, 2023

Assigned to: Environment and Transportation and Judiciary

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 8, 2023

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Failure to Pay Rent Proceedings – Prohibition on Rent Increases and ~~Sealing~~**  
3 **Shielding of Court Records**

4 FOR the purpose of prohibiting a landlord from increasing a tenant’s rent because a  
5 judgment was entered against the tenant in a failure to pay rent action; requiring or  
6 authorizing, depending on the circumstances, the ~~sealing~~ shielding by the District  
7 Court of court records relating to a failure to pay rent proceeding; requiring the  
8 Maryland Judiciary to develop and publish on its website a certain form; and  
9 generally relating to failure to pay rent proceedings.

10 BY adding to  
11 Article – Real Property  
12 Section 8–119 and ~~§ 401(i)~~ 8–503  
13 Annotated Code of Maryland  
14 (2015 Replacement Volume and 2022 Supplement)

15 ~~BY repealing and reenacting, without amendments,~~  
16 ~~Article – Real Property~~  
17 ~~Section 8–401(g) and (h)~~  
18 ~~Annotated Code of Maryland~~  
19 ~~(2015 Replacement Volume and 2022 Supplement)~~

20 Preamble

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 WHEREAS, In Maryland in fiscal year 2020, 106,330 failure to pay rent proceedings  
2 were dismissed and in fiscal year 2021, 100,725 failure to pay rent proceedings were  
3 dismissed; and

4 WHEREAS, The presence of an eviction proceeding, including failure to pay rent,  
5 remains on a tenant's record even if the proceeding is dismissed; and

6 WHEREAS, A tenant may experience long-term adverse effects from an eviction  
7 proceeding even when an eviction filing does not result in a judgment against the tenant;  
8 now, therefore,

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
10 That the Laws of Maryland read as follows:

11 **Article – Real Property**

12 **8–119.**

13 **(A) THIS SECTION DOES NOT APPLY TO TENANCIES SUBJECT TO:**

14 **(1) § 9–5(B)(2) OF THE CODE OF PUBLIC LOCAL LAWS OF**  
15 **BALTIMORE CITY; OR**

16 **(2) § 8–401(G)(3) OF THIS TITLE.**

17 **(B) A LANDLORD MAY NOT INCREASE A TENANT'S RENT SOLELY BECAUSE A**  
18 **JUDGMENT WAS ENTERED AGAINST THE TENANT IN A FAILURE TO PAY RENT ACTION**  
19 **UNDER § 8–401 OF THIS TITLE.**

20 ~~§ 401.~~

21 ~~(g) (1) Subject to paragraph (3) of this subsection, in any action of summary~~  
22 ~~ejectment for failure to pay rent where the landlord is awarded a judgment giving the~~  
23 ~~landlord restitution of the leased premises, the tenant shall have the right to redemption~~  
24 ~~of the leased premises by tendering in cash, certified check, or money order to the landlord~~  
25 ~~or the landlord's agent all past due amounts, as determined by the court under subsection~~  
26 ~~(e) of this section, plus all court awarded costs and fees, at any time before actual execution~~  
27 ~~of the eviction order.~~

28 ~~(2) An electronic or written check issued by a political subdivision or on~~  
29 ~~behalf of a governmental entity shall have the same legal effect as a payment made by the~~  
30 ~~tenant under paragraph (1) of this subsection.~~

31 ~~(3) This subsection does not apply to any tenant against whom 3 judgments~~  
32 ~~of possession have been entered for rent due and unpaid in the 12 months prior to the~~  
33 ~~initiation of the action to which this subsection otherwise would apply.~~

1           (h) (1) ~~The tenant or the landlord may appeal from the judgment of the District~~  
 2 ~~Court to the circuit court for any county at any time within 4 days from the rendition of the~~  
 3 ~~judgment.~~

4           (2) ~~The tenant, in order to stay any execution of the judgment, shall give a~~  
 5 ~~bond to the landlord with one or more sureties, who are owners of sufficient property in the~~  
 6 ~~State of Maryland, with condition to prosecute the appeal with effect, and answer to the~~  
 7 ~~landlord in all costs and damages mentioned in the judgment, and other damages as shall~~  
 8 ~~be incurred and sustained by reason of the appeal.~~

9           (3) ~~The bond shall not affect in any manner the right of the landlord to~~  
 10 ~~proceed against the tenant, assignee or subtenant for any and all rents that may become~~  
 11 ~~due and payable to the landlord after the rendition of the judgment.~~

12 **8-503.**

13           (A) (1) **IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**  
 14 **INDICATED.**

15           (2) **“COURT RECORD” HAS THE MEANING STATED IN § 8-502(A) OF**  
 16 **THIS SUBTITLE.**

17           (3) **“FAILURE TO PAY RENT PROCEEDING” MEANS AN ACTION**  
 18 **INITIATED BY A LANDLORD UNDER § 8-401 OF THIS TITLE.**

19           (4) **“SHIELD” HAS THE MEANING STATED IN § 8-502(A) OF THIS**  
 20 **SUBTITLE.**

21           ~~(B)~~ (B) (1) **WITHIN 60 DAYS AFTER THE FINAL RESOLUTION OF A**  
 22 **FAILURE TO PAY RENT PROCEEDING, THE DISTRICT COURT SHALL ~~SEAL~~ SHIELD ALL**  
 23 **COURT RECORDS RELATING TO THE PROCEEDING IF THE PROCEEDING DID NOT**  
 24 **RESULT IN A JUDGMENT OF POSSESSION ~~AND NO APPEAL IS PENDING.~~**

25           (2) (I) **ON MOTION BY A TENANT, THE DISTRICT COURT MAY ~~SEAL~~**  
 26 **SHIELD ALL COURT RECORDS RELATING TO A FAILURE TO PAY RENT PROCEEDING**  
 27 **THAT RESULTS IN A JUDGMENT OF POSSESSION IF:**

28                           1. **THE TENANT DEMONSTRATES BY A PREPONDERANCE**  
 29 **OF THE EVIDENCE THAT THE TENANT EXERCISED THE RIGHT OF REDEMPTION**  
 30 **UNDER ~~SUBSECTION (G)~~ § 8-401(G) OF THIS ~~SECTION~~ TITLE AND AT LEAST 12**  
 31 **MONTHS HAVE PASSED SINCE THE FINAL RESOLUTION OF THE PROCEEDING THAT**  
 32 **THE TENANT SEEKS TO ~~SEAL~~ SHIELD; OR**

1                   2.     THE DISTRICT COURT DETERMINES THAT ~~IT IS IN~~  
 2 ~~THE INTEREST OF JUSTICE THAT THE COURT RECORDS RELATING TO THE FAILURE~~  
 3 ~~TO PAY RENT PROCEEDINGS BE SEALED~~ THERE IS GOOD CAUSE TO SHIELD THE  
 4 COURT RECORDS.

5                   (II) ~~THE~~ SUBJECT TO SUBPARAGRAPH (III) OF THIS  
 6 PARAGRAPH, THE DISTRICT COURT SHALL SEAL THE COURT RECORDS UNDER THIS  
 7 ~~PARAGRAPH~~ WITHIN 30 DAYS AFTER GRANTING THE TENANT'S MOTION TO SEAL  
 8 SHIELD.

9                   (III) ~~SUBJECT TO SUBPARAGRAPH (IV) OF THIS PARAGRAPH, A~~  
 10 ~~RECORD SEALED UNDER THIS PARAGRAPH~~ IF A JUDGMENT FOR POSSESSION IS  
 11 ENTERED IN A PROCEEDING IN WHICH THE TENANT ASSERTED A RENT ESCROW  
 12 DEFENSE UNDER § 8-211 OF THIS TITLE, THE DISTRICT COURT MAY SHIELD ONLY  
 13 THE COURT RECORDS RELATED TO THE JUDGMENT FOR POSSESSION.

14                (C) COURT RECORDS SHIELDED UNDER SUBSECTION (B) OF THIS SECTION  
 15 MAY BE OPENED ONLY:

16                   ~~1.~~ (1) ON WRITTEN REQUEST BY THE TENANT; OR

17                   ~~2.~~ (2) ON ORDER OF THE DISTRICT COURT ~~ON A SHOWING~~  
 18 OF COMPELLING NEED FOR GOOD CAUSE SHOWN.

19                   ~~(IV)~~ (D)     A TENANT MAY OBTAIN A COPY OF AN ORDER ISSUED  
 20 UNDER THIS ~~SUBSECTION~~ SECTION AT ANY TIME FROM A CLERK OF THE DISTRICT  
 21 COURT, ON PROPER IDENTIFICATION, WITHOUT A SHOWING OF NEED.

22                (E) AN ORDER TO SHIELD COURT RECORDS UNDER THIS SECTION MAY NOT  
 23 AFFECT ANY ACTION IN WHICH AN APPEAL IS PENDING.

24                SECTION 2. AND BE IT FURTHER ENACTED, That:

25                ~~(a)~~ ~~On~~ on or before October 1, 2023, the Maryland Judiciary shall develop and  
 26 publish on its website a form titled "Petition to ~~Seal~~ Shield a Failure to Pay Rent Action  
 27 Record" to facilitate the implementation of ~~§ 8-401(i)~~ § 8-503 of the Real Property Article,  
 28 as enacted by Section 1 of this Act.

29                ~~(b)~~ ~~The form required under subsection (a) of this section shall include a question~~  
 30 ~~on whether the tenant used federal funds to subsidize the tenant's payment of rent owed~~  
 31 ~~under the lease agreement.~~

32                SECTION 3. AND BE IT FURTHER ENACTED, That § 8-503 of the Real Property  
 33 Article, as enacted by Section 1 of this Act, shall be construed to apply only prospectively  
 34 and may not be applied or interpreted to have any effect on or application to any action

1 initiated under § 8-401 of the Real Property Article of the Annotated Code of Maryland  
2 before October 1, 2023.

3 SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall  
4 take effect October 1, 2023.

5 SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That, except as provided in  
6 Section ~~3~~ 4 of this Act, this Act shall take effect August 1, 2023.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.