

Chapter 481

(House Bill 36)

AN ACT concerning

Real Property – Actions to Repossess – Proof of Rental Licensure

FOR the purpose of requiring, in certain actions to repossess residential rental property, a landlord to submit to the clerk of the court evidence of compliance with certain local rental property licensure requirements and demonstrate that the landlord is compliant with the licensure requirements; and generally relating to actions to repossess property.

BY repealing and reenacting, without amendments,
Article – Real Property
Section 8–401(a) and (b)(1)
Annotated Code of Maryland
(2015 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,
Article – Real Property
Section 8–401(b)(2), 8–402(b)(1)(i), and 8–402.1(a)(1)(i)
Annotated Code of Maryland
(2015 Replacement Volume and 2022 Supplement)

BY adding to
Article – Real Property
Section 8–406
Annotated Code of Maryland
(2015 Replacement Volume and 2022 Supplement)

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

Article – Real Property

8–401.

(a) Whenever the tenant or tenants fail to pay the rent when due and payable, it shall be lawful for the landlord to have again and repossess the premises in accordance with this section.

(b) (1) Whenever any landlord shall desire to repossess any premises to which the landlord is entitled under the provisions of subsection (a) of this section, the landlord or the landlord's duly qualified agent or attorney shall ensure that the landlord has completed the procedures required under subsection (c) of this section.

(2) [After] **SUBJECT TO § 8–406 OF THIS SUBTITLE AND AFTER** completing the procedures required under subsection (c) of this section, a landlord or the landlord’s duly qualified agent or attorney may file the landlord’s written complaint under oath or affirmation, in the District Court of the county wherein the property is situated:

(i) Describing in general terms the property sought to be repossessed;

(ii) Setting forth the name of each tenant to whom the property is rented or any assignee or subtenant;

(iii) Stating the amount of rent and any late fees due and unpaid, less the amount of any utility bills, fees, or security deposits paid by a tenant under § 7–309 of the Public Utilities Article;

(iv) Requesting to repossess the premises and, if requested by the landlord, a judgment for the amount of rent due, costs, and any late fees, less the amount of any utility bills, fees, or security deposits paid by a tenant under § 7–309 of the Public Utilities Article;

(v) If applicable, stating that, to the best of the landlord’s knowledge, the tenant is deceased, intestate, and without next of kin; and

(vi) If the property to be repossessed is an affected property as defined in § 6–801 of the Environment Article, stating that the landlord has registered the affected property as required under § 6–811 of the Environment Article and renewed the registration as required under § 6–812 of the Environment Article and:

1. A. If the current tenant moved into the property on or after February 24, 1996, stating the inspection certificate number for the inspection conducted for the current tenancy as required under § 6–815(c) of the Environment Article; or

B. On or after February 24, 2006, stating the inspection certificate number for the inspection conducted for the current tenancy as required under § 6–815(c), § 6–817(b), or § 6–819(f) of the Environment Article; or

2. Stating that the owner is unable to provide an inspection certificate number because:

A. The owner has requested that the tenant allow the owner access to the property to perform the work required under Title 6, Subtitle 8 of the Environment Article;

B. The owner has offered to relocate the tenant in order to allow the owner to perform work if the work will disturb the paint on the interior surfaces of the property and to pay the reasonable expenses the tenant would incur directly related to the relocation; and

C. The tenant has refused to allow access to the owner or refused to vacate the property in order for the owner to perform the required work.

8-402.

(b) (1) (i) **[Where] SUBJECT TO § 8-406 OF THIS SUBTITLE AND WHERE** any tenancy is for any definite term or at will, and the landlord shall desire to repossess the property after the expiration of the term for which it was leased and shall give notice as required under subsection (c) of this section to the tenant or to the person actually in possession of the property to remove from the property at the end of the term, and if the tenant or person in actual possession shall refuse to comply, the landlord may make complaint in writing to the District Court of the county where the property is located.

8-402.1.

(a) (1) (i) **[Where] SUBJECT TO § 8-406 OF THIS SUBTITLE AND WHERE** an unexpired lease for a stated term provides that the landlord may repossess the premises prior to the expiration of the stated term if the tenant breaches the lease, the landlord may make complaint in writing to the District Court of the county where the premises is located if:

1. The tenant breaches the lease;

2. A. The landlord has given the tenant 30 days' written notice that the tenant is in violation of the lease and the landlord desires to repossess the leased premises; or

B. The breach of the lease involves behavior by a tenant or a person who is on the property with the tenant's consent, which demonstrates a clear and imminent danger of the tenant or person doing serious harm to themselves, other tenants, the landlord, the landlord's property or representatives, or any other person on the property and the landlord has given the tenant or person in possession 14 days' written notice that the tenant or person in possession is in violation of the lease and the landlord desires to repossess the leased premises; and

3. The tenant or person in actual possession of the premises refuses to comply.

8-406.

(A) (1) THIS SECTION APPLIES ONLY IN A COUNTY, A MUNICIPALITY, OR ANY OTHER JURISDICTION THAT REQUIRES A LICENSE FOR THE LAWFUL OPERATION OF RESIDENTIAL RENTAL PROPERTY.

~~(2) THIS SECTION DOES NOT APPLY TO AN ACTION UNDER § 8-402 OR § 8-402.1 OF THIS SUBTITLE WHERE THE LANDLORD SHOWS THAT THE ACTIONS OF THE TENANT CAUSED THE LICENSING AUTHORITY TO SUSPEND, REVOKE, OR REFUSE TO GRANT OR RENEW THE RENTAL LICENSE.~~

~~(B) IF A LANDLORD ASSERTS THAT RENTAL PROPERTY IS NOT LICENSED IN COMPLIANCE WITH APPLICABLE LOCAL RENTAL LICENSING REQUIREMENTS DUE TO THE ACTIONS OF A TENANT, THE LANDLORD MAY FILE AN ACTION UNDER § 8-402 OR § 8-402.1 OF THIS SUBTITLE ONLY AFTER THE LANDLORD PROVIDES THE TENANT WITH WRITTEN NOTICE OF THE ASSERTION THAT THE TENANT CAUSED THE LICENSING AUTHORITY TO SUSPEND, REVOKE, OR REFUSE TO GRANT OR RENEW THE RENTAL LICENSE AT LEAST 30 DAYS BEFORE FILING THE ACTION TO REPOSSESS UNDER § 8-402.1(A)(1)(I)2B OF THIS SUBTITLE.~~

~~(C) (B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, ON~~ ON THE FILING OF A WRITTEN COMPLAINT TO REPOSSESS RESIDENTIAL PROPERTY UNDER § 8-401, § 8-402, OR § 8-402.1 OF THIS SUBTITLE OR UNDER SUBTITLE 9 OF THE CODE OF PUBLIC LOCAL LAWS OF BALTIMORE CITY, THE LANDLORD SHALL PLEAD ~~AND DEMONSTRATE~~ WITH SUPPORTING FACTS IN THE FORM PRESCRIBED BY THE JUDICIARY THAT THE PROPERTY IS:

~~(1)~~ (1) LICENSED IN COMPLIANCE WITH APPLICABLE LOCAL RENTAL LICENSING REQUIREMENTS; ~~OR~~

~~(2)~~ (2) EXEMPT FROM APPLICABLE LOCAL RENTAL LICENSING REQUIREMENTS; OR

(3) UNLICENSED FOR REASONS DESCRIBED UNDER SUBSECTION (C)(1)(III), (IV), OR (V) OF THIS SECTION.

~~(2) THIS SUBSECTION DOES NOT APPLY TO AN ACTION TO REPOSSESS FOR BREACH OF LEASE UNDER § 8-402.1(A)(1)(I)2B OF THIS SUBTITLE.~~

~~(D) (C) (1) AT TRIAL, THE LANDLORD MUST DEMONSTRATE TO THE SATISFACTION OF THE COURT BY A PREPONDERANCE OF THE EVIDENCE THAT THE PROPERTY LISTED IN THE WRITTEN COMPLAINT IS LICENSED WITH THE JURISDICTION OR IS EXEMPT FROM APPLICABLE LICENSING REQUIREMENTS;~~

(I) LICENSED IN COMPLIANCE WITH APPLICABLE LOCAL RENTAL LICENSING REQUIREMENTS;

(II) EXEMPT FROM APPLICABLE LOCAL RENTAL LICENSING REQUIREMENTS;

(III) NOT LICENSED IN COMPLIANCE WITH APPLICABLE LOCAL RENTAL LICENSING REQUIREMENTS BECAUSE OF A WRONGFUL ACT OF THE TENANT, REGARDLESS OF INTENTION, THAT CAUSED THE LICENSING AUTHORITY TO SUSPEND, REVOKE, OR REFUSE TO GRANT OR RENEW THE RENTAL LICENSE;

(IV) NOT LICENSED IN COMPLIANCE WITH APPLICABLE LOCAL RENTAL LICENSING REQUIREMENTS BECAUSE AN ADMINISTRATIVE ERROR OR OMISSION BY THE LICENSING AUTHORITY CAUSED THE LICENSING AUTHORITY TO SUSPEND, REVOKE, OR REFUSE TO GRANT OR RENEW THE RENTAL LICENSE; OR

(V) PART OF A MULTI-UNIT PROPERTY NOT LICENSED IN COMPLIANCE WITH LOCAL RENTAL LICENSING REQUIREMENTS BECAUSE OF A CONDITION AFFECTING ANOTHER UNIT IN THE MULTI-UNIT PROPERTY AND WHERE:

1. THERE IS ONE LICENSE FOR MULTIPLE UNITS;

2. THE PROPERTY LISTED IN THE WRITTEN COMPLAINT AND THE SURROUNDING COMMON AREAS:

A. SATISFY THE INSPECTION REQUIREMENTS OF THE LOCAL LICENSING AUTHORITY; AND

B. ARE FREE OF DEFECTS THAT THREATEN THE LIFE, HEALTH, OR SAFETY OF THE TENANT; AND

3. THE LANDLORD HAS TAKEN ALL NECESSARY STEPS TO OBTAIN OR RENEW THE RENTAL LICENSE FOR THE PROPERTY BUT IS UNABLE TO OBTAIN OR RENEW THE LICENSE DUE TO A CONDITION AFFECTING ANOTHER UNIT NOT SUBJECT TO THE EVICTION ACTION ON THE MULTI-UNIT RENTAL LICENSE.

(2) THE COURT SHALL GRANT ONE POSTPONEMENT IN THE EVENT THAT A PARTY SEEKS ADDITIONAL EVIDENCE RELATED TO THE ASSERTION IN PARAGRAPH (1) OF THIS SUBSECTION.

~~(2)~~ (3) TO SATISFY THE REQUIREMENTS OF THIS SUBSECTION, A LANDLORD MAY PROVIDE ELECTRONIC PROOF OF LICENSURE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2023.

Approved by the Governor, May 8, 2023.