

HOUSE BILL 477

N1
HB 684/23 – ENT

4lr0564
CF SB 644

By: ~~Delegates Wilkins and Stewart~~, Stewart, Addison, Allen, Boyce, Foley, Healey, Holmes, Lehman, J. Long, Love, Ruth, and Terrasa

Introduced and read first time: January 22, 2024

Assigned to: Environment and Transportation

Committee Report: Favorable with amendments

House action: Adopted with floor amendments

Read second time: March 2, 2024

CHAPTER _____

AN ACT concerning

Landlord and Tenant – Residential Leases and Holdover Tenancies – Local ~~Just~~ Good Cause Termination Provisions

FOR the purpose of authorizing a county, including Baltimore City, to adopt by local law or ordinance provisions prohibiting ~~a landlord~~ certain landlords of residential property from failing to renew a lease during the lease period or from terminating a holdover tenancy without ~~just~~ good cause; establishing certain requirements for a local law or ordinance adopted in accordance with this Act; and generally relating to residential leases and holdover tenancies.

BY repealing and reenacting, without amendments,

Article – Real Property
Section 8–402(c)(1) and (d)
Annotated Code of Maryland
(2023 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Real Property
Section 8–402(c)(2)
Annotated Code of Maryland
(2023 Replacement Volume)

BY adding to

Article – Real Property

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.



Section 8–402.3
Annotated Code of Maryland
(2023 Replacement Volume)

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

Article – Real Property

8–402.

(c) (1) This subsection applies to all cases of tenancies at the expiration of a stated term, tenancies from year to year, tenancies from month to month, and tenancies from week to week.

(2) Except as provided in paragraphs [3 and 4] **(3) AND (4)** of this subsection, **AND SUBJECT TO ANY LOCAL REQUIREMENT ADOPTED UNDER § 8–402.3 OF THIS SUBTITLE**, a landlord shall provide written notice of the intent to terminate a tenancy:

(i) If the parties have a written lease for a stated term in excess of 1 week or a tenancy from month to month, 60 days before the expiration of the tenancy;

(ii) In the case of tenancies from year to year, including tobacco farm tenancies from year to year but excluding all other farm tenancies from year to year, 90 days before the expiration of the current year of the tenancy;

(iii) In the case of tenancies from year to year for all other farm tenancies, 180 days before the expiration of the current year of the tenancy; and

(iv) In the case of tenancies from week to week:

1. If the parties have a written lease, 7 days before the expiration of the tenancy; or

2. If the parties do not have a written lease, 21 days before the expiration of the tenancy.

(d) Unless stated otherwise in the written lease and initialed by the tenant, when a landlord consents to a holdover tenant remaining on the premises, the holdover tenant becomes a periodic week–to–week tenant if the tenant was a week–to–week tenant before the tenant’s holding over, and a periodic month–to–month tenant in all other cases.

8–402.3.

(A) ~~(1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED:~~

~~(2) “HOLDOVER, “HOLDOVER TENANCY” MEANS A TENANCY ESTABLISHED UNDER § 8-402(D) OF THIS SUBTITLE.~~

~~(3) (i) “JUST CAUSE” MEANS GROUNDS ESTABLISHED BY LOCAL LAW OR ORDINANCE THAT JUSTIFY THE NONRENEWAL OF A LEASE OR THE TERMINATION OF A HOLDOVER TENANCY BY A LANDLORD.~~

~~(ii) “JUST CAUSE” MAY INCLUDE:~~

~~1. A TENANT COMMITTING A SUBSTANTIAL BREACH OF THE LEASE OR CAUSING SUBSTANTIAL DAMAGE TO THE LEASED PREMISES OR ANOTHER AREA OF THE PROPERTY AND, AFTER RECEIVING NOTICE TO CURE OR CORRECT THE BREACH OR PAY THE REASONABLE COST OF REPAIRING THE DAMAGE, THE TENANT FAILS TO COMPLY WITHIN A REASONABLE PERIOD OF TIME ESTABLISHED UNDER LOCAL LAW OR ORDINANCE;~~

~~2. AFTER RECEIVING NOTICE FROM A LANDLORD, A TENANT FAILING TO CEASE DISORDERLY CONDUCT THAT DISTURBS THE PEACE AND QUIET OF OTHER TENANTS WITHIN A REASONABLE PERIOD ESTABLISHED UNDER LOCAL LAW OR ORDINANCE;~~

~~3. A TENANT ENGAGING IN ILLEGAL ACTIVITY ON THE LEASED PREMISES, ANOTHER AREA OF THE PROPERTY, OR A PUBLIC RIGHT OF WAY ABUTTING THE LEASED PREMISES;~~

~~4. A TENANT, WITHOUT REASONABLE CAUSE, REFUSING TO GRANT THE LANDLORD ACCESS TO THE LEASED PREMISES FOR THE PURPOSE OF MAKING REPAIRS OR IMPROVEMENTS OR INSPECTING THE LEASED PREMISES, OR AS OTHERWISE AUTHORIZED UNDER THE RESIDENTIAL LEASE OR APPLICABLE LAW;~~

~~5. A LANDLORD, IN GOOD FAITH, SEEKING TO RECOVER POSSESSION OF THE LEASED PREMISES FOR USE BY THE LANDLORD OR THE LANDLORD’S SPOUSE, CHILD, PARENT, OR GRANDPARENT; OR~~

~~6. A LANDLORD, IN GOOD FAITH, SEEKING TO REMOVE THE LEASED PREMISES PERMANENTLY FROM THE RENTAL MARKET.~~

(B) (1) THIS SECTION APPLIES ONLY TO RESIDENTIAL LEASES A LANDLORD THAT, IN A COUNTY THAT HAS ENACTED A LOCAL LAW OR ORDINANCE UNDER SUBSECTION (C) OF THIS SECTION, OWNS SIX OR MORE RESIDENTIAL

RENTAL UNITS IN THAT COUNTY, INCLUDING ANY RESIDENTIAL RENTAL UNITS THAT THE LANDLORD OWNS OR CONTROLS THROUGH ONE OR MORE LEGAL ENTITIES.

(2) THIS SECTION DOES NOT APPLY TO AN OWNER-OCCUPIED RENTAL UNIT.

(c) (1) (i) ~~A~~ SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, A COUNTY MAY ENACT, BY LOCAL LAW OR ORDINANCE, PROVISIONS THAT PROHIBIT A LANDLORD FROM FAILING TO RENEW A LEASE DURING THE LEASE PERIOD OR SEEKING TO TERMINATE A HOLDOVER TENANCY WITHOUT ~~JUST~~ GOOD CAUSE.

(II) EACH OF THE FOLLOWING GROUNDS SHALL CONSTITUTE GOOD CAUSE IN A LOCAL LAW OR ORDINANCE ADOPTED UNDER THIS SECTION:

1. A TENANT COMMITTING A SUBSTANTIAL BREACH OF THE LEASE OR CAUSING SUBSTANTIAL DAMAGE TO THE LEASED PREMISES OR ANOTHER AREA OF THE PROPERTY AND, AFTER RECEIVING NOTICE TO CURE OR CORRECT THE BREACH OR PAY THE REASONABLE COST OF REPAIRING THE DAMAGE, THE TENANT FAILS TO COMPLY WITHIN 14 DAYS;

2. A TENANT ENGAGING IN ROUTINE DISORDERLY CONDUCT THAT DISTURBS THE PEACE AND QUIET OF OTHER TENANTS;

3. A TENANT ENGAGING IN ILLEGAL ACTIVITY ON THE LEASED PREMISES, ANOTHER AREA OF THE PROPERTY, OR A PUBLIC RIGHT-OF-WAY ABUTTING THE LEASED PREMISES;

4. A TENANT, WITHOUT REASONABLE CAUSE, REFUSING TO GRANT THE LANDLORD ACCESS TO THE LEASED PREMISES FOR THE PURPOSE OF MAKING REPAIRS OR IMPROVEMENTS OR INSPECTING THE LEASED PREMISES, OR AS OTHERWISE AUTHORIZED UNDER THE RESIDENTIAL LEASE OR APPLICABLE LAW;

5. A HOLDOVER TENANT FAILING TO ACCEPT A LANDLORD'S OFFER OF A NEW LEASE AGREEMENT FOR A TERM OF AT LEAST 1 MONTH BUT NOT LONGER THAN THE TERM OF THE LEASE AGREEMENT EFFECTIVE IMMEDIATELY BEFORE THE HOLDOVER TENANCY WITHIN ~~6 MONTHS~~ 1 MONTH AFTER THE LANDLORD MAKES THE OFFER OR A GREATER PERIOD OF TIME AS OTHERWISE ESTABLISHED BY LAW;

6. A TENANT REPEATEDLY COMMITTING MINOR VIOLATIONS OF THE LEASE THAT:

A. DISRUPT THE LIVABILITY OF THE LEASED PREMISES;

B. INTERFERE WITH THE MANAGEMENT OF THE PROPERTY; OR

C. HAVE AN ADVERSE FINANCIAL IMPACT ON THE PROPERTY;

7. A TENANT HABITUALLY FAILING TO PAY RENT WHEN DUE, IF THE TENANT HAS BEEN NOTIFIED BY THE LANDLORD IN WRITING THAT THE RENT IS MORE THAN 10 DAYS LATE AT LEAST FOUR TIMES IN A 12-MONTH PERIOD;

8. A LANDLORD, IN GOOD FAITH, SEEKING TO RECOVER POSSESSION OF THE LEASED PREMISES FOR USE BY THE LANDLORD OR THE LANDLORD'S SPOUSE, CHILD, PARENT, OR GRANDPARENT;

A. SPOUSE;

B. CHILD OR STEPCHILD;

C. PARENT OR STEPPARENT;

D. GRANDPARENT;

E. SIBLING;

F. MOTHER-IN-LAW OR FATHER-IN-LAW;

G. DAUGHTER-IN-LAW OR SON-IN-LAW;

H. GRANDCHILD; OR

I. AUNT OR UNCLE;

9. A LANDLORD, AFTER HAVING OBTAINED ALL NECESSARY PERMITS, SEEKING TO UNDERTAKE SUBSTANTIAL REPAIRS OR RENOVATIONS THAT CANNOT BE COMPLETED WHILE THE LEASED PREMISES ARE OCCUPIED; AND

10. A LANDLORD, IN GOOD FAITH, SEEKING TO REMOVE THE LEASED PREMISES FOR AT LEAST 1 YEAR FROM THE RENTAL MARKET.

(III) A COUNTY MAY NOT ADOPT ADDITIONAL OR ALTERNATIVE GROUNDS FOR GOOD CAUSE BY LOCAL LAW OR ORDINANCE.

(IV) A LOCAL LAW OR ORDINANCE MAY NOT REQUIRE A LANDLORD TO ~~PROVIDE JUST~~ DEMONSTRATE GOOD CAUSE IF A TENANT PROVIDES NOTICE TO THE LANDLORD THAT EXPRESSES THE TENANT'S INTENT NOT TO RENEW THE LEASE OR ~~TO~~ CONTINUE WITH THE HOLDOVER TENANCY.

(2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, NOTHING IN THIS SECTION MAY BE INTERPRETED TO ALTER THE RIGHTS OF A LANDLORD THAT SEEKS RELIEF UNDER THIS SUBTITLE.

(II) A LANDLORD IN A COUNTY THAT HAS ADOPTED A LOCAL LAW OR ORDINANCE UNDER THIS SUBSECTION MAY SEEK RELIEF UNDER § 8-402 OF THIS SUBTITLE ONLY AFTER DECLINING TO ENTER INTO A NEW LEASE OR TO CONTINUE A HOLDOVER TENANCY IN ACCORDANCE WITH THE PROVISIONS OF THE LOCAL LAW OR ORDINANCE.

(D) (1) A LOCAL LAW OR ORDINANCE ADOPTED UNDER SUBSECTION (C) OF THIS SECTION SHALL REQUIRE THAT:

(1) (I) A LANDLORD ENFORCE SUBSTANTIAL BREACHES OF A LEASE CONSISTENTLY AMONG ALL TENANTS;

(II) A LANDLORD PROVIDE WRITTEN NOTICE BY FIRST-CLASS MAIL WITH A CERTIFICATE OF MAILING TO A TENANT STATING THE ~~JUST~~ GOOD CAUSE FOR THE NONRENEWAL OF A LEASE OR THE TERMINATION OF A HOLDOVER TENANCY;

~~(2)~~ (III) A COMPLAINT FILED UNDER § 8-402 OF THIS SUBTITLE INCLUDE A STATEMENT OF THE ~~JUST~~ GOOD CAUSE FOR THE NONRENEWAL OF A LEASE OR THE TERMINATION OF A HOLDOVER TENANCY; AND

~~(3)~~ (IV) A LANDLORD THAT FILES A COMPLAINT UNDER § 8-402 OF THIS SUBTITLE PLEAD SPECIFIC FACTS DEMONSTRATING ~~JUST~~ GOOD CAUSE FOR THE NONRENEWAL OF A LEASE OR THE TERMINATION OF A HOLDOVER TENANCY.

(2) A LOCAL LAW OR ORDINANCE ADOPTED UNDER SUBSECTION (C) OF THIS SECTION SHALL PROHIBIT A LANDLORD FROM ASSERTING GOOD CAUSE BASED ON A SUBSTANTIAL BREACH OF A LEASE UNLESS THE LANDLORD ENFORCES SUBSTANTIAL BREACHES OF A LEASE CONSISTENTLY AMONG ALL TENANTS.

(E) A LOCAL LAW OR ORDINANCE ADOPTED UNDER THIS SECTION MAY NOT CONFLICT WITH THE NOTICE REQUIREMENTS OF § 8-402(C) OF THIS SUBTITLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2024.