## **SENATE BILL 651**

N1 5lr1579 HB 477/24 – ENT CF HB 709

By: Senators Muse and Lam

Introduced and read first time: January 25, 2025

Assigned to: Judicial Proceedings

## A BILL ENTITLED

4	A 7 T		•
1	AN	ACT	concerning

Landlord and Tenant – Residential Leases and Holdover Tenancies – Local
 Good Cause Termination
 (Good Cause Eviction)

5 FOR the purpose of authorizing a county to adopt, by local law or ordinance, provisions 6 prohibiting certain landlords of residential property from failing to renew a lease 7 during the lease period or from terminating a holdover tenancy without good cause; 8 establishing certain requirements and prohibitions for a local law or ordinance 9 adopted in accordance with this Act; requiring, in a county that has adopted a local law or ordinance in accordance with this Act, that a landlord provide certain 10 11 information with a lease related to whether the landlord is subject to the local law 12 or ordinance; requiring the Office of Tenant and Landlord Affairs in the Department 13 of Housing and Community Development to develop certain forms for a landlord to 14 provide to a tenant; requiring, in a county that has adopted a local law or ordinance 15 in accordance with this Act, that a landlord provide certain information to a tenant 16 and in a certain court pleading relating to whether the landlord is required to 17 demonstrate good cause when seeking relief in accordance with a certain provision 18 of law; and generally relating to residential leases and holdover tenancies.

19 BY repealing and reenacting, with amendments,

20 Article – Real Property

21 Section 8–208(c) and 8–402(c)(2)

22 Annotated Code of Maryland

23 (2023 Replacement Volume and 2024 Supplement)

24 BY repealing and reenacting, without amendments,

25 Article – Real Property

Section 8–402(c)(1) and (d)

27 Annotated Code of Maryland

28 (2023 Replacement Volume and 2024 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

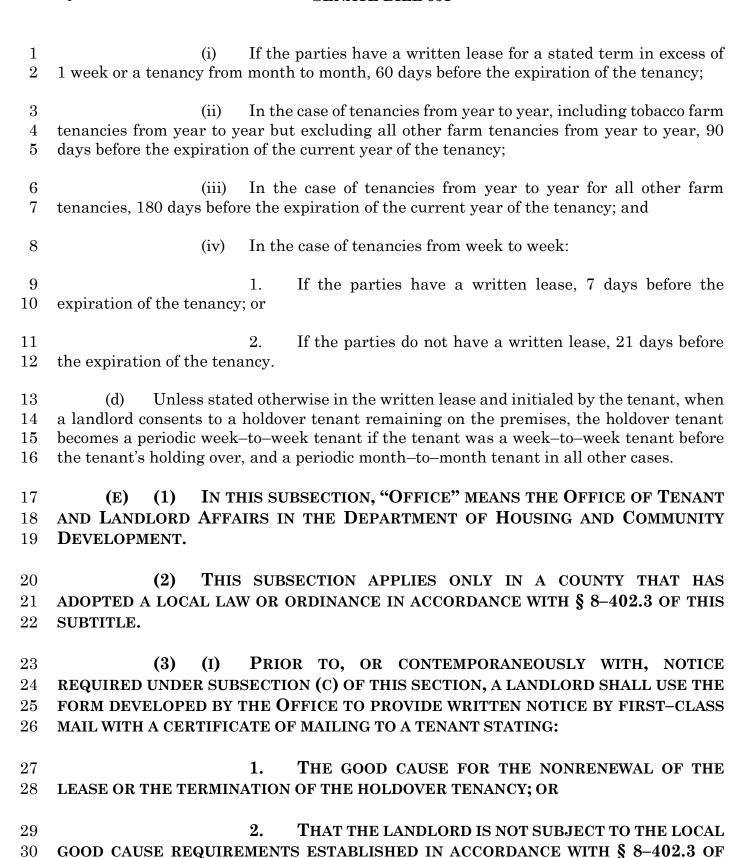


- 21 BY adding to 2 Article – Real Property 3 Section 8-402(e) and 8-402.3 4 Annotated Code of Maryland (2023 Replacement Volume and 2024 Supplement) 5 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, 6 7 That the Laws of Maryland read as follows: 8 Article - Real Property 9 8-208.IN THIS SUBSECTION, "OFFICE" MEANS THE OFFICE OF TENANT 10 **(1)** (c) AND LANDLORD AFFAIRS IN THE DEPARTMENT OF HOUSING AND COMMUNITY 11 12 DEVELOPMENT. 13 **(2)** A lease shall include: 14 A statement that the premises will be made available in a condition permitting habitation, with reasonable safety, if that is the agreement, or if that 15 16 is not the agreement, a statement of the agreement concerning the condition of the 17 premises; 18 [(2)] (II) The landlord's and the tenant's specific obligations as to heat, gas, electricity, water, and repair of the premises; 19 20 [(3)] (III) A receipt for the security deposit as specified in § 8–203.1 of this 21 subtitle; and 22 [(4)] (IV) A copy of the most current version of the Maryland Tenants' Bill of Rights published by the Office [of Tenant and Landlord Affairs in the Department of 23 Housing and Community Developmentl. 2425**(3) (I)** THIS PARAGRAPH APPLIES ONLY IN A COUNTY THAT HAS 26 ADOPTED A LOCAL LAW OR ORDINANCE IN ACCORDANCE WITH § 8-402.3 OF THIS 27 TITLE. 28 (II)A LEASE OR LEASE RENEWAL SHALL INCLUDE NOTICE 29 STATING WHETHER THE LANDLORD IS SUBJECT TO THE LOCAL GOOD CAUSE 30 STATUTE OR ORDINANCE OF THE COUNTY IN WHICH A RESIDENTIAL RENTAL UNIT IS 31 LOCATED.
- 32 (III) A LANDLORD STATING IN A NOTICE UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH THAT THE LOCAL GOOD CAUSE PROVISIONS OF THE 33

- 1 COUNTY DO NOT APPLY TO THE LANDLORD SHALL PROVIDE THE TENANT WITH THE
- 2 FOLLOWING INFORMATION ON A FORM PRESCRIBED BY THE OFFICE:
- 3 1. The full legal name of each individual and
- 4 THE BUSINESS NAME OF EACH ENTITY WITH DIRECT OR INDIRECT OWNERSHIP OR
- 5 MEMBERSHIP INTEREST IN THE RESIDENTIAL RENTAL UNIT;
- 6 2. THE NUMBER OF RESIDENTIAL RENTAL UNITS IN THE
- 7 STATE OWNED BY EACH INDIVIDUAL OR ENTITY IDENTIFIED UNDER ITEM 1 OF THIS
- 8 SUBPARAGRAPH, INCLUDING THE ADDRESS OF EACH RESIDENTIAL RENTAL UNIT
- 9 IDENTIFIED; AND
- 3. Any other information required by the
- 11 **OFFICE.**
- 12 (IV) AN INDIVIDUAL OR ENTITY HAS AN INTEREST IN A
- 13 RESIDENTIAL RENTAL UNIT UNDER SUBPARAGRAPH (III) OF THIS PARAGRAPH IF
- 14 THE INDIVIDUAL OR ENTITY HAS A DIRECT OR INDIRECT OWNERSHIP OR
- 15 MEMBERSHIP INTEREST IN ANY ENTITY THAT HAS A DIRECT OR INDIRECT
- 16 OWNERSHIP OR MEMBERSHIP INTEREST IN THE RENTAL UNIT.
- 17 (V) IF A LANDLORD BECOMES SUBJECT TO A LOCAL GOOD
- 18 CAUSE LAW OR ORDINANCE, THE LANDLORD SHALL PROVIDE TIMELY WRITTEN
- 19 NOTICE TO ALL TENANTS OF THE LANDLORD IN THE COUNTY IN WHICH THE GOOD
- 20 CAUSE REQUIREMENTS APPLY, INCLUDING ANY TENANT HOLDING OVER UNDER §
- 21 **8–402** OF THIS TITLE.
- 22 (VI) 1. THE OFFICE SHALL DEVELOP AND MAKE PUBLICLY
- 23 AVAILABLE A DISCLOSURE FORM FOR USE BY A LANDLORD UNDER SUBPARAGRAPH
- 24 (III) OF THIS PARAGRAPH.
- 25 THE OFFICE MAY ADOPT REGULATIONS TO CARRY
- 26 OUT THIS PARAGRAPH.
- 27 8–402.
- 28 (c) (1) This subsection applies to all cases of tenancies at the expiration of a
- 29 stated term, tenancies from year to year, tenancies from month to month, and tenancies
- 30 from week to week.
- 31 (2) Except as provided in paragraphs (3) and (4) of this subsection, AND
- 32 SUBJECT TO ANY LOCAL REQUIREMENT ADOPTED IN ACCORDANCE WITH § 8-402.3
- 33 OF THIS SUBTITLE, a landlord shall provide written notice of the intent to terminate a
- 34 tenancy:

31

THIS SUBTITLE.



- 1 (II) THE OFFICE SHALL DEVELOP AND MAKE PUBLICLY 2 AVAILABLE A FORM FOR THE NOTICE UNDER THIS PARAGRAPH.
- 3 (4) (I) A COMPLAINT FILED UNDER THIS SECTION SHALL STATE 4 ONE OF THE FOLLOWING:
- 5 THE GOOD CAUSE FOR THE NONRENEWAL OF THE 6 LEASE OR THE TERMINATION OF THE HOLDOVER TENANCY; OR
- 7 2. That the Landlord is not subject to the local GOOD CAUSE REQUIREMENTS ADOPTED IN ACCORDANCE WITH § 8–402.3 OF THIS 9 SUBTITLE.
- 10 (II) A LANDLORD SHALL PLEAD SPECIFIC FACTS IN THE 11 COMPLAINT TO PROVE THE STATEMENTS MADE UNDER SUBPARAGRAPH (I) OF THIS 12 PARAGRAPH BY A PREPONDERANCE OF THE EVIDENCE.
- 13 (III) 1. If a Landlord claims in the statement that the
  14 Landlord is not subject to the local good cause requirements under §
  15 8-402.3(b) of this subtitle, the landlord shall include a current
  16 Disclosure form as provided in § 8-208(c)(3)(III) of this title with the
  17 Complaint.
- 2. AN INDIVIDUAL THAT IS IDENTIFIED IN THE DISCLOSURE FORM AS HAVING A DIRECT OR INDIRECT OWNERSHIP INTEREST IN THE RESIDENTIAL RENTAL UNIT OF THE LANDLORD, OR THAT INDIVIDUAL'S DESIGNEE, SHALL SUBMIT AN AFFIDAVIT WITH THE COMPLAINT THAT CERTIFIES THE DISCLOSURE FORM IS TRUE AND COMPLETE.
- 3. If A CURRENT DISCLOSURE FORM AND AFFIDAVIT
  ARE NOT SUBMITTED WITH THE COMPLAINT, THE LANDLORD SHALL BE SUBJECT TO
  THE LOCAL GOOD CAUSE REQUIREMENTS OF THE COUNTY FOR THAT ACTION.
- 26 **8–402.3.**
- 27 (A) IN THIS SECTION, "HOLDOVER TENANCY" MEANS A TENANCY 28 ESTABLISHED UNDER § 8–402(D) OF THIS SUBTITLE.
- 29 (B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A COUNTY 30 MAY ADOPT, BY LOCAL LAW OR ORDINANCE, PROVISIONS THAT PROHIBIT A LANDLORD FROM FAILING TO RENEW A LEASE DURING THE LEASE PERIOD OR 32 SEEKING TO TERMINATE A HOLDOVER TENANCY WITHOUT GOOD CAUSE.

- 1 (2) EACH OF THE FOLLOWING GROUNDS SHALL CONSTITUTE GOOD 2 CAUSE IN A LOCAL LAW OR ORDINANCE ADOPTED UNDER THIS SECTION:
- 3 (I) A TENANT COMMITTING A SUBSTANTIAL BREACH OF THE
- 4 LEASE OR CAUSING SUBSTANTIAL DAMAGE TO THE LEASED PREMISES OR ANOTHER
- 5 AREA OF THE PROPERTY AND, AFTER RECEIVING NOTICE TO CURE OR CORRECT THE
- 6 BREACH OR PAY THE REASONABLE COST OF REPAIRING THE DAMAGE, THE TENANT
- 7 FAILS TO COMPLY WITHIN 14 DAYS;
- 8 (II) A TENANT ENGAGING IN ROUTINE DISORDERLY CONDUCT
- 9 THAT DISTURBS THE PEACE AND QUIET OF OTHER TENANTS;
- 10 (III) A TENANT ENGAGING IN ILLEGAL ACTIVITY ON THE LEASED
- 11 PREMISES, ANOTHER AREA OF THE PROPERTY, OR A PUBLIC RIGHT-OF-WAY
- 12 ABUTTING THE LEASED PREMISES;
- 13 (IV) A TENANT, WITHOUT REASONABLE CAUSE, REFUSING TO
- 14 GRANT THE LANDLORD ACCESS TO THE LEASED PREMISES FOR THE PURPOSE OF
- 15 MAKING REPAIRS OR IMPROVEMENTS OR INSPECTING THE LEASED PREMISES, OR
- 16 AS OTHERWISE AUTHORIZED UNDER THE RESIDENTIAL LEASE OR APPLICABLE LAW;
- 17 (V) A HOLDOVER TENANT FAILING TO ACCEPT A LANDLORD'S
- 18 OFFER OF A NEW LEASE AGREEMENT FOR A TERM OF AT LEAST 1 MONTH BUT NOT
- 19 LONGER THAN THE TERM OF THE LEASE AGREEMENT EFFECTIVE IMMEDIATELY
- 20 BEFORE THE HOLDOVER TENANCY WITHIN 1 MONTH AFTER THE LANDLORD MAKES
- 21 THE OFFER OR A GREATER PERIOD OF TIME AS OTHERWISE ESTABLISHED BY LAW;
- 22 (VI) A TENANT REPEATEDLY COMMITTING MINOR VIOLATIONS
- 23 OF THE LEASE THAT:
- 24 1. DISRUPT THE LIVABILITY OF THE LEASED PREMISES;
- 25 2. Interfere with the management of the
- 26 PROPERTY; OR
- 3. HAVE AN ADVERSE FINANCIAL IMPACT ON THE
- 28 PROPERTY;
- 29 (VII) A TENANT HABITUALLY FAILING TO PAY RENT WHEN DUE,
- 30 IF THE TENANT HAS BEEN NOTIFIED BY THE LANDLORD IN WRITING THAT THE RENT
- 31 IS MORE THAN 10 DAYS LATE AT LEAST FOUR TIMES IN A 12-MONTH PERIOD;

1 2 3	(VIII) A LANDLORD, IN GOOD FAITH, SEEKING TO RECOVER POSSESSION OF THE LEASED PREMISES FOR USE BY THE LANDLORD OR THE LANDLORD'S:
4	1. SPOUSE;
5	2. CHILD OR STEPCHILD;
6	3. PARENT OR STEPPARENT;
7	4. GRANDPARENT;
8	5. SIBLING;
9	6. MOTHER-IN-LAW OR FATHER-IN-LAW;
0	7. DAUGHTER-IN-LAW OR SON-IN-LAW;
1	8. GRANDCHILD; OR
12	9. Aunt or uncle;
13 14 15	(IX) 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
16 17	(X) A LANDLORD, IN GOOD FAITH, SEEKING TO REMOVE THE LEASED PREMISES FOR AT LEAST 1 YEAR FROM THE RENTAL MARKET.
18	(3) A COUNTY MAY NOT ADOPT ADDITIONAL OR ALTERNATIVE GROUNDS FOR GOOD CAUSE BY LOCAL LAW OR ORDINANCE.
20 21	(C) A LOCAL LAW OR ORDINANCE ADOPTED BY A COUNTY UNDER THIS SECTION:
22	(1) SHALL:
23 24 25	(I) APPLY ONLY TO A LANDLORD THAT OWNS SIX OR MORE RESIDENTIAL RENTAL UNITS IN THE STATE, INCLUDING ANY RESIDENTIAL RENTAL UNITS THAT THE LANDLORD OWNS OR CONTROLS:
26	1. IN WHOLE OR IN PART;

DIRECTLY OR INDIRECTLY; OR

2.

27

## 1 3. THROUGH ONE OR MORE LEGAL ENTITIES;

- 2 (II) REQUIRE THAT A LANDLORD ENFORCE SUBSTANTIAL
- 3 BREACHES OF A LEASE CONSISTENTLY AMONG ALL TENANTS; AND
- 4 (III) PROHIBIT A LANDLORD FROM ASSERTING GOOD CAUSE
- 5 BASED ON A SUBSTANTIAL BREACH OF A LEASE UNLESS THE LANDLORD ENFORCES
- 6 SUBSTANTIAL BREACHES OF A LEASE CONSISTENTLY AMONG ALL TENANTS; AND

## 7 **(2)** MAY NOT:

- 8 (I) APPLY TO AN OWNER-OCCUPIED RESIDENTIAL RENTAL
- 9 **UNIT**:
- 10 (II) REQUIRE A LANDLORD TO DEMONSTRATE GOOD CAUSE IF A
- 11 TENANT PROVIDES NOTICE TO THE LANDLORD THAT EXPRESSES THE TENANT'S
- 12 INTENT NOT TO RENEW THE LEASE OR CONTINUE WITH THE HOLDOVER TENANCY;
- 13 **OR**
- 14 (III) CONFLICT WITH THE NOTICE REQUIREMENTS OF § 8–402(C)
- 15 OF THIS SUBTITLE.
- 16 (D) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,
- FOR PURPOSES OF ESTABLISHING THE NUMBER OF UNITS OWNED BY A LANDLORD TO DETERMINE THE APPLICABILITY OF A LOCAL LAW OR ORDINANCE ADOPTED IN
- 10 TO DETERMINE THE ATTEIOADILITY OF A LOCAL LAW OR ORDINANCE ADOLTED IN
- 19 ACCORDANCE WITH THIS SECTION, ANY RESIDENTIAL RENTAL UNIT IN THE STATE
- 20 OWNED BY AN INDIVIDUAL OR ENTITY THAT HAS DIRECT OR INDIRECT OWNERSHIP
- 21 OR MEMBERSHIP INTEREST IN THE LANDLORD SHALL BE CONSIDERED A UNIT
- 22 OWNED BY THE LANDLORD.
- 23 (2) AN INDIVIDUAL OR ENTITY DOES NOT HAVE OWNERSHIP OR
- 24 MEMBERSHIP INTEREST IN A LANDLORD IF THE INDIVIDUAL'S OR ENTITY'S
- 25 INTEREST IN THE LANDLORD IS IN THE NATURE OF A NONCONTROLLING INTEREST
- 26 IN A PUBLICLY TRADED CORPORATION, TRUST, MUTUAL FUND, OR SIMILAR
- 27 INVESTMENT VEHICLE.
- 28 (E) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, NOTHING IN
- 29 THIS SECTION MAY BE INTERPRETED TO ALTER THE RIGHTS OF A LANDLORD THAT
- 30 SEEKS RELIEF UNDER THIS SUBTITLE.
- 31 (2) A LANDLORD IN A COUNTY THAT HAS ADOPTED A LOCAL LAW OR
- 32 ORDINANCE UNDER THIS SUBSECTION MAY SEEK RELIEF UNDER § 8–402 OF THIS
- 33 SUBTITLE ONLY AFTER DECLINING TO ENTER INTO A NEW LEASE OR TO CONTINUE A

- 1 HOLDOVER TENANCY IN ACCORDANCE WITH THE PROVISIONS OF THE LOCAL LAW
- 2 OR ORDINANCE.
- 3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 4 October 1, 2025.