

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 911 (Delegate Guyton, *et al.*)
Environment and Transportation

Real Property - Landlord and Tenant - Family Child Care Homes

This bill prohibits, with specified exceptions, certain actions by a landlord of a single-family or multifamily dwelling that prohibit a tenant or prospective tenant from operating a family child care home on the leased premises. The bill includes related provisions, including authorization for a landlord to impose an increased security deposit (equivalent to up to two months' rent) on a tenant that operates or plans to operate a family child care home on the leased premises. The bill's provisions (1) do not limit or preempt the local zoning authority of a county or municipality and (2) apply only prospectively, without application to (or any effect on) any lease entered into before the bill's effective date.

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 or finances.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: The bill's provisions are generally applicable only to the lease of a single-family or multifamily dwelling to a tenant or prospective tenant for use of the leased premises as a family child care home. The bill requires a tenant to notify a landlord in writing at least 30 days prior to operating a family child care home on the leased premises. A landlord is not liable for any act or omission of a tenant relating to the operation of a family child care home. At the request of the landlord, a tenant operating or planning to

operate a family child care home must provide the landlord with a certificate of insurance naming the landlord as an additional insured on policies relating to the operation of the family child care home.

A landlord of a single-family or multifamily dwelling may not prohibit a tenant or prospective tenant from operating a family child care home on the leased premises by (1) refusing to offer the premises for lease, negotiate the lease of the premises, or lease the premises; (2) imposing unreasonable limitations or conditions on the use of the leased premises as a family child care home; or (3) otherwise acting in bad faith to prevent the use of the leased premises as a family child care home. These provisions do not apply to:

- the lease of the following residential property if one of the dwelling units is owner-occupied: (1) a single-family dwelling or (2) a multifamily dwelling with four or fewer dwelling units; or
- prohibitions against or restrictions on family child care homes imposed by the governing documents or bylaws of a condominium or cooperative housing corporation.

Current Law: Statute does not generally prohibit a landlord from restricting the operation of a family child care home on the leased premises.

Generally, a landlord may not impose a security deposit in excess of the equivalent of one month's rent per dwelling unit, regardless of the number of tenants. However, a landlord may impose a security deposit in an amount equivalent to up to two months' rent under specified circumstances related to the provision of utility services and the qualification of a tenant for utility assistance through the Department of Human Services.

A family child care home may generally not operate in the State unless it is registered with the Maryland State Department of Education. A family child care home is a residence in which family child care is provided for up to eight children.

Small Business Effect: The bill may increase opportunities for the operation of family child care homes on leased premises.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Office of the Attorney General (Consumer Protection Division);
Judiciary (Administrative Office of the Courts); Department of Legislative Services

Fiscal Note History: First Reader - February 16, 2025
km/jkb

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