

Department of Legislative Services
 Maryland General Assembly
 2026 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 729 (Senator Henson)
 Judicial Proceedings

Real Property - Access to Counsel in Evictions Program and Mobile Home Parks

This bill makes various changes to the governance of mobile home parks and the obligations and responsibilities of park owners, their agents, and residents. These changes include, among others, (1) establishing numerous procedural and notice requirements; (2) establishing and altering causes of action and the associated damages for violations of specific provisions; (3) altering security deposit and other fee limitations; (4) establishing specific requirements related to utilities; (5) revising judicial procedures and requirements related to repossession, appeals, stays, and bonds; (6) prohibiting certain actions by mobile home park owners; and (7) establishing requirements for utility vendors providing service to mobile home parks. The bill also makes changes to the Access to Counsel in Evictions (ACE) Program administered by the Maryland Legal Services Corporation (MLSC) to include residents of mobile home parks. Various other changes are technical and conforming. The bill applies prospectively and does not have any effect on or application to specific causes of action initiated (or rental agreements entered into) before the bill's effective date.

Fiscal Summary

State Effect: General fund expenditures increase by \$36,800 in FY 2027 only for one-time programming and printing costs for the Judiciary. Otherwise, any operational impact, including to the ACE Program, is not anticipated to materially affect State expenditures. Revenues are not affected.

(in dollars)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	36,800	0	0	0	0
Net Effect	(\$36,800)	\$0	\$0	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: The bill is not anticipated to materially affect local government operations or finances.

Small Business Effect: Meaningful.

Analysis

Bill Summary: Broadly, the bill (1) expands eligibility for services under the ACE Program to include residents of mobile home parks and (2) makes extensive changes to Title 8A of the Real Property Article (Mobile Home Parks), some of which are described in further detail below.

Access to Counsel in Evictions – Expanded Program Eligibility

The bill makes numerous changes to statutory provisions related to the ACE Program to include residents of mobile home parks as eligible recipients of services. This includes altering the definition of “covered individual” to include an individual who occupies the premises of a mobile home park under Title 8A of the Real Property. The ACE program must provide for access to legal representation in specific actions for repossession under Title 8A, Subtitle 17 of the Real Property Article. Designated organizations must ensure that covered individuals receive access to legal representation as soon as possible after a park owner provides a resident or subtenant a notice of intent to file a complaint for repossession.

The bill makes other conforming changes to the responsibilities of MLSC to reflect the inclusion of mobile home park residents, including:

- requiring the existing informational pamphlet to describe the legal rights of and available resources for tenants and *residents*;
- requiring MLSC to designate and contact with community groups to conduct outreach and provide education to *residents* regarding their rights and access to legal representation under the program; and
- incorporating information about mobile home park residents who receive services under the program within MLSC’s required annual report.

Alterations to Title 8A of the Real Property Article – Mobile Home Parks

Discriminatory Housing Practices

The bill prohibits a mobile home park owner from refusing, withholding, or denying any accommodation, advantage, facility, privilege, or lease in the mobile home park because of (1) person’s race, creed, color, sex, sexual orientation, gender identity, national origin

(unchanged from current law), *disability, religion, source of income, familial status, marital status, or military status* or (2) the nonpayment of rent by a resident. An aggrieved resident may bring action for violation of these protections as a discriminatory housing practice.

Pre-agreement Disclosures and Requirements

The bill also makes several changes to requirements regarding mandatory disclosures by park owners. For example, under existing statute, prior to a current or prospective resident in a mobile home park signing a rental agreement or occupying the premises, a park owner must provide specified written disclosures, including information on certain utility services. The bill adds that the rental agreement disclosure must include the text of Section 8A-202(b) of the Real Property Article, which defines a “qualified resident” (as amended under the bill and discussed below).

Expiration, Renewal, and Notice Requirements

Key Definitions: “Substantial violation” means one of the following actions by a resident:

- posing a serious and immediate threat to the health, safety, or property of the park owner, another resident or any other person at the park; or
- continuing any of the following behaviors after written notice from the park owner and an opportunity to correct the behavior: (1) materially impairing the use of the park or the peace and quiet of other residents or (2) willfully and repeatedly disregarding the rules of the rental agreement.

It does not include a violation of the park’s rules or the rental agreement that the court determines is unconscionable in accordance with statute, as specified.

“Qualified resident” means a resident who, within the six-month period immediately preceding the expiration of the existing term, has not committed a substantial violation of any rule or provision of the rental agreement and owns a mobile home that reasonably meets the standards of the park.

The bill also alters the definition of “utility services” to include well water and septic service.

Month-to-Month Tenancy: When the initial term of an initial rental agreement expires, certain residents must transition to a month-to-month tenancy, unless a longer term is agreed to by the parties. This includes (1) a resident who is not a qualified resident and has not entered into a subsequent rental agreement with the park owner and (2) a qualified resident who does not accept a park owner’s renewal offer in accordance with the bill’s

provisions. This month-to-month tenancy is subject to modification of the provisions governing the amount and payment of rent and may be terminated by either party upon 90 days' written notice.

Renewal Offers: For qualified residents, a park owner's renewal offer notice must include explanations of how to remain classified as a qualified resident, how to cure a violation, and the consequences of losing qualified-resident status. The renewal offer/rental agreement must be for a term of at least one year (1) before the expiration of an existing rental agreement and (2) on request of the resident, at any time during a month-to-month tenancy. Any renewal agreement offered under these provisions is subject to modified provisions related to the amount and payment of rent and must otherwise contain terms and conditions that are substantially similar to those in the existing rental agreement.

The offer must be delivered to the resident no later than 90 days (rather than 30 days under current law) before the expiration of the existing term.

Tenancy Termination and Offer Rejection: If a resident does not accept the renewal offer, the tenancy continues month-to-month and may be discontinued by either party on 90 days' written notice (rather than 30 days' written notice under current law).

Notwithstanding the term of a renewed rental agreement, a qualified resident may terminate the renewed rental agreement 90 days after providing written notice to the park owner.

If a park owner does not intend to offer renewal because the resident is not a qualified resident, the park owner must provide written notice at least 90 days before expiration of the existing term. The notice must satisfy certain requirements, including stating the specific reason why the park owner determined that the resident is not a qualified resident and offering an opportunity for the resident to meet with the owner to review the basis of the decision.

Rental Agreements – Prohibitions, Requirements, and Rent Increases

Prohibited Lease Provisions: In addition to existing prohibitions, the bill prohibits a rental agreement from including a provision that (1) a court has previously determined to be unconscionable or against public policy and void, as specified and (2) requires an award of attorney's fees or costs without a finding by the court that the award is reasonable. Any provision that violates these requirements or existing statutory protections is void and unenforceable.

Subleasing: A rental agreement must notify the resident if the owner's approval is required before the resident may sublease the premises. If a park owner requires approval of a sublease, the park owner must promptly provide the requesting resident written approval

or denial and may not unreasonably withhold approval. If the park owner accepts rent from a subtenant or has previously approved a subtenant, a rebuttable presumption exists that the park owner approves the sublease. A resident may not be required to obtain approval to sublease the premises if the rental agreement does not include the required notice.

Rent Increases and Remedies: The bill repeals certain provisions applicable to rent increases and notice. Instead, subject to specified exceptions, a park owner must provide a resident with written notice at least 90 days before the effective date of a rent increase, and a rent increase may take effect only after the expiration of the existing term.

If, in any proceeding, a court determines that a park owner violated specified provisions discussed above (provisions under § 8A-202 of the Real Property Article), the resident may recover (1) damages not exceeding three times the monthly rent paid; (2) reasonable attorney's fees and costs; and (3) any other remedy the court finds reasonable.

Pet Policy

By December 1, 2026, a park owner must establish a pet policy for the residents that states: (1) any breed and weight restrictions; (2) any limit on the number of pets allowed in a mobile home; (3) any vaccination requirements; (4) any liability insurance requirements; and (5) any additional requirements for pet owners imposed by the park owner.

Pre-occupancy/Rental Agreement Violations

Cause of Action and Cure: The bill authorizes an aggrieved resident to bring an action against a park owner for a violation of pre-occupancy disclosure and rental agreement provisions. If the court finds in favor of the resident, the court must order the park owner to cure the violation and offer an updated rental agreement in writing within 30 days after the court order.

Updated Agreements: The updated rental agreement ordered by the court must (1) include a tenancy term of at least one year and (2) contain terms and conditions that are substantially similar to other residents' rental agreements. The term of the tenancy may not begin prior to the date on which the resident accepts the rental agreement.

Within 30 days after receiving an updated rental agreement, the resident must accept or reject the agreement. If the resident rejects the updated agreement, the court must (1) terminate the rental agreement; (2) award the resident reasonable relocation expenses; and (3) provide the resident a reasonable period to relocate.

If a court determines in any proceeding that a park owner violated these provisions, the resident may recover (1) damages not exceeding three times the monthly rent paid;

(2) reasonable attorney's fees and costs; and (3) any other remedy the court finds reasonable.

Security Deposits and Fees

Security Deposit Limitation: A park owner may not impose a security deposit in excess of the equivalent of one month's rent (decreased from two months in current law) or \$500, whichever is greater (increased from \$50 in current law). Consistent with current law, if a security deposit exceeds the authorized amount, the resident may recover damages up to three times the surplus charged, plus reasonable attorney's fees.

Notice, Prohibitions, and Presumptions: A park owner must provide a resident with written notice at least 30 days before requiring payment of a fee. If a fee is overdue, a park owner may not receive interest or impose a late payment fee.

Park owners are also prohibited from imposing any unreasonable fee. The bill establishes a rebuttable presumption that a fee is unreasonable if it exceeds three percent of the equivalent of one month's rent for the resident.

If a court determines the park owner violated these fee provisions, the resident may recover (1) damages not exceeding three times the monthly rent paid; (2) reasonable attorney's fees and costs; and (3) any other reasonable remedy.

Fees and Remedies: The bill expands the list of fees that a park owner is prohibited from charging to include, among others, fees for (1) parking on the resident's premises; (2) keeping a pet on the resident's premises; (3) using park amenities; and (4) certain administrative costs not expressly authorized.

If a violation of a park rule resulted in actual damages, a park owner may charge a fee that does not exceed the cost incurred by the violation. On request, a park owner must provide a resident with adequate documentation to support the assessment and amount of the fee. A resident may dispute a fee in an action for repossession under Title 8A, Subtitle 17.

The bill repeals existing language that authorizes an owner to charge a resident a reasonable service fee, based on the amount that the park owner directly incurs, for installing, placing on, or removing a mobile home from the site.

Utilities – Allocation Rules, Limitations, and Transparency

Park owners may not charge a fee related to utility service provided to a resident by a utility vendor. Unless specified otherwise, if a resident's utility service is delivered through a

master meter, the park owner must divide the cost equally among residents receiving the service.

Utility vendors providing well water service may not charge a resident for well water service in an amount exceeding five percent of the rent payable for the billing period. This limitation includes any fee imposed for use of the service. This limitation applies regardless of whether the service is delivered through a single meter or a master meter.

A utility vendor subject to the well water requirement must (1) provide a utility bill before requiring payment; (2) include written explanations regarding fees, costs and charges, as specified; and (3) on request, allow a resident to inspect records documenting the bill.

Water Supply Standards, Emergency Potable Water, and Consumer Water Reports

A park owner must ensure each resident has access to a water supply that meets applicable water standards, and if the water supply is disrupted for more than four hours in a 24-hour period, the park owner must provide at least four liters of potable water. If a park owner receives a consumer water report from a supplier of water, the owner must provide a copy to the residents of the park.

Park Operations and Resident Contact Requirements

During normal business hours, a park owner must be available for residents to contact by telephone and email regarding complaints, maintenance requests, and other park business; an owner must also provide emergency contact information to each resident.

Eviction Justifications

The bill revises the reasons for which a park owner may evict a resident to include:

- making *materially* false or misleading statements on an application for residency;
- violations of law that endangers the safety and welfare of residents in the park;
- a substantial violation of any rule or provision of the rental agreement within the six-month period immediately preceding commencement of the eviction action; and
- subleasing the premises following the denial by a park owner in accordance with applicable provisions.

Repossession

Notice: Prior to filing a complaint for repossession, a park owner must provide the resident and any known subtenant with written notice of intent to file the complaint, regardless of

the term of tenancy. The notice must meet specific requirements, including being provided in a form developed by the Judiciary. The notice must be provided (1) at least 30 days before filing a complaint for failure to pay or breach of rental agreement, or (2) at least 90 days before filing a complaint for unlawful holdover.

Opportunity to Cure: If the notice alleges failure to pay rent, the resident has 10 days from receipt to cure the nonpayment before the park owner may file a failure to pay rent repossession complaint.

Joinder: A park owner must join any known subtenant of the resident as a defendant in a repossession action and may not repossess the premises from a subtenant unless specific violations have been committed.

Restrictions: A park owner may not file a repossession complaint against a resident or subtenant under Title 8, Subtitle 4 of the Real Property Article (generally related to landlord-tenant matters).

Appeals, Stays, and Warrants

The bill increases the time a resident or park owner has to appeal a judgment from the District Court (to circuit court) from 2 days to 15 days.

To stay execution of a judgment on appeal, the resident/person in possession must comply with certain bond and escrow requirements (altered under the bill) and, if applicable, pay all losses or damages that the park owner may suffer. The bond amount for an appeal may not exceed the equivalent of one month's rent. This amount may not include any fees or rent due and unpaid. If an attorney for a resident or a person holding under the resident files an affidavit that the appeal was filed in good faith and without intent to delay, the court must waive the bond requirement.

If a park owner does not order a warrant of restitution within 60 days after judgment or after expiration of any stay of execution (whichever is later), the judgment for possession must be stricken (unchanged from current law regarding failure to pay rent repossession actions).

A warrant of restitution issued under the repossession sections must generally be executed in compliance with Title 8A, Subtitle 17.

On appeal, the District Court must immediately order the resident, or any person holding under the resident, to pay all rent coming due during the pendency of the action into an escrow account maintained by (1) the clerk of the circuit court; (2) a county administrative

agency authorized by local law to hold rents in escrow pending investigation and disposition of resident complaints; or (3) the park owner.

The order must require rent to be paid when due under the rental agreement, beginning with the next rent due date after the appeal is filed. If the resident (or person holding under the resident) fails to pay rent as required, the circuit court, on the park owner's motion and upon certification of delinquency by the clerk, agency, or park owner, as applicable, must hold a hearing within 30 days after certification. The District Court's escrow order and the clerk/agency certification are presumed valid, but the resident may dispute the order's validity or terms and raise any other defense to the alleged noncompliance.

If the circuit court finds the failure to pay was without legal justification, the court may treat a resident's jury trial demand as waived and may either proceed immediately with a nonjury trial or schedule a future nonjury trial on the merits.

On final disposition, the circuit court must order distribution of the escrowed rent in accordance with the judgment; if no judgment is entered, the court must order distribution to the party entitled to the funds after the hearing. Finally, satisfaction of the bond and escrow requirements constitutes a complete defense to an action by the park owner for rent that becomes due and remains unpaid after the judgment.

Resident Access

Following execution of a warrant of restitution, the resident must be given 30 days (subject to certain conditions) before the park owner may repossess the premises. During this period, the park owner must, between the hours of 8:00 a.m. and 7:00 p.m., grant the resident access to the park and the resident's mobile home for the resident to recover personal property and make improvements to the mobile home. The resident may also sell the mobile home to a third party during this period.

Rights and Protection of Mobile Home Value

The park owner must make a written offer to purchase the mobile home and improvements within 20 days after execution of the warrant of restitution (subject to eligibility conditions). The offer may not be less than the appraised value determined by a qualified and disinterested appraiser, and the park owner is responsible for obtaining and paying for the appraisal. The offer by the park owner may not include unreasonable payment or financing terms.

To accept, the resident must respond to the offer within ten days after the date of delivery. If the resident fails to accept the offer, it is considered rejected.

A court may extend the applicable time period on a showing of good cause. In determining good cause, the court must consider (1) personal hardship to the resident; (2) a pending sale of the mobile home or a legitimate delay in the transfer of ownership; and (3) any other factor the court considers relevant. After the initial period (and if applicable any extension) has passed, the park owner may take possession of the premises. If a park owner disposes of the resident's abandoned property by sale, the resident is entitled to any sale proceeds that exceed rent due and unpaid and fees owed to the park owner.

If, in any proceeding, a court determines that a park owner violated a provision of applicable provisions, the resident may recover actual damages, reasonable attorney's fees and costs, and any other remedy the court finds reasonable.

Other Mobile Home Park Owner Prohibitions and Responsibilities

The bill establishes that an existing requirement for a resident to provide 30-day prior written notice to the owner of the resident's intent to sell the mobile home (which will be removed from the site or retained on the site after resale), does not apply to a resident against whom an action for repossession is pending.

Miscellaneous Provisions

The bill establishes a rebuttable presumption that a park's rule is unconscionable if it is not applied uniformly to all residents or is enforced inconsistently or arbitrarily by the park owner.

The bill increases, from three months' rent to six months' rent, the damages that a resident may receive on a finding that the park owner engaged in a retaliatory action.

Judiciary Responsibilities

Before December 1, 2026, the Judiciary must develop and publish on its website a form to be used for the notice of intent to file a complaint for repossession, as specified.

Current Law:

Access to Counsel in Evictions Program

Chapter 746 of 2021 established the ACE Program that is administered by MLSC. The ACE Program was created to organize and direct services and resources in order to provide individuals meeting certain criteria with access to legal representation in specified judicial or administrative proceedings to evict or terminate a tenancy or housing subsidy.

Chapter 746 also required that access to legal representation be phased in over time as MLSC deems appropriate, with the goal of full implementation before October 1, 2025.

In addition to other responsibilities, MLSC was required to develop an informational pamphlet and report annually by August 31, to the Governor and the General Assembly on (1) the number of covered individuals provided legal representation during the previous calendar year; (2) information on and metrics evaluating case outcomes; and (3) a summary of the engagement and education of tenants.

Mobile Home Parks Act (Title 8A of the Real Property Article)

In General: Generally, the rights of mobile home park residents and responsibilities of mobile home park owners are established in the Maryland Mobile Home Parks Act of 1980, as set forth in Title 8A of the Real Property Article. Any violations of the Title that affect a resident or prospective resident are within the scope of the enforcement duties and powers of the Division of Consumer Protection of the Office of the Attorney General.

Title 8A governs various aspects of a mobile home park, including rental agreements; the sale and transfer of mobile homes; general obligations/responsibilities of the mobile home park owners and residents; security deposits; and repossession and eviction procedures.

Landlord Responsibilities: The Mobile Home Parks Act requires among other things, that a park owners must at all times (1) comply with all applicable building, housing, zoning, and health codes; (2) keep in good repair the leased site and all permanent fixtures that the park owner provides; (3) keep in a good state of appearance, repair, safety, and cleanliness the common areas and buildings; (4) provide at all reasonable times for the benefit of residents access to common areas, including their buildings and improvements, which access may not infringe on the leased site of any resident; and (5) keep in good repair each utility service.

A park owner, park operator, or their agent/employee is prohibited from denying any mobile home park accommodation, facility, privilege, or leasing opportunity to a person based on race, creed, color, sex, sexual orientation, gender identity, or national origin.

Fees: Current law also contains several restrictions and limitations related to fees charged by park owners, including, among others:

- prohibiting an entrance or exit fee; and
- limiting a resale inspection fee to \$60;

Repossession and Eviction: Generally, a mobile home park owner may only evict a resident for nonpayment of rent and specified violations. The park owner must deliver to

the resident by certified mail, regular mail, or personal delivery a written notice of the violation at least 30 days before the date the resident is required to vacate the premises. The notice must be specifically addressed to the resident in question and must provide a specific reason for the eviction.

To repossess any premises due to the failure to pay rent, a tenant holding over, or a breach of the rental agreement, the mobile home park owner must file a written complaint with the District Court and commence a similar process as that available to a landlord in an action under Title 8, Subtitle 4 of the Real Property Article.

For example, in failure to pay rent cases, the park owner must describe the premises, identifying the resident (or assignee/subtenant), stating the unpaid rent, and requesting repossession plus a money judgment for rent and costs. The court must schedule a trial for the fifth day after filing and direct the sheriff/constable to provide notice by first-class mail and attempt personal service. If the defendant cannot be found, the officer may post the summons on the mobile home.

If the court finds rent due and unpaid, it must enter judgment for possession and order surrender within 30 days (extendable to 45 days upon receipt of a physician's certificate). A resident can exercise the right of redemption by providing the rent found due plus costs at trial. The resident generally retains a right of redemption until execution of the eviction order, subject to a three-judgments limitation. Either party may appeal within 2 days, and the resident must post the required bond to stay execution.

State Expenditures: While the bill expands eligibility for services under the ACE Program, there is no anticipated impact on expenditures, as it is assumed that the program uses any available funding each year to provide services to as many covered individuals as possible. Under the bill, such individuals may include residents of mobile home parks.

Small Business Effect: Mobile home park owners that qualify as a small business are subject to additional responsibilities and civil liabilities for violations of the bill's provisions.

Additional Information

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

Designated Cross File: HB 1571 (Delegate Holmes) - Judiciary.

Information Source(s): Office of the Attorney General; Judiciary (Administrative Office of the Courts); Department of Housing and Community Development; Department of Legislative Services

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