



Bill Title: Senate Bill 6, Landlord and Tenant - Residential Leases - Tenant Rights and Protections (Tenant Protection Act of 2021)

Committee: Judicial Proceedings Committee

Date: February 3, 2022

Position: Favorable with Amendments

This testimony is offered on behalf of the Maryland Multi-Housing Association (MMHA). MMHA is a professional trade association established in 1996, whose members consist of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities. Our members house over 538,000 residents of the State of Maryland. MMHA also represents over 250 associate member companies who supply goods and services to the multi-housing industry.

Senate Bill 6 proposes additional restrictions on residential housing providers substantially negatively affecting four categories of their operations : Ratio Utility Billing System (RUBS), security deposits, tenant organizations and victims of stalking.

RUBS: This Bill mandates that a housing provider who uses a RUBS system provide to all prospective tenants, in writing, a number of statements and data related to the allocated utility services. Some of the proposals under the Bill warrant clarification and amendment. **MMHA offers the attached amendments to address these industry concerns.**

Security Deposit: Senate Bill 6 requires that when a security deposit is withheld, a landlord must provide a statement of actual costs where practicable, including supporting documentation detailing bills, invoices and receipts that identify materials or services provided (page 5, lines 33-36). Maryland law requires that a housing provider send a security deposit reconciliation within 45 days of the tenant's return of possession of the rental unit. Many times damage repairs are made by outside contractors and vendors who may not invoice the housing provider within the 45 day period. Moreover, the detailed documentation required under the Bill is generally held by the contractor and not within the control of the housing provider. Given this Bills large amount of newly required documentation, the lack of access housing providers have to it that and the amount of time it often requires to obtain invoices, MMHA is concerned that its members will routinely face exceeding the 45-day security deposit return date to their detriment.

Tenant Organization: Senate Bill 6 mandates a tenant organization is given the right of free assembly in a meeting room within an apartment facility. A landlord may impose reasonable terms and conditions on the use of the meeting room. A landlord may require an individual participating in a tenant organization meeting who is not a resident of the apartment facility to sign a waiver of liability for injuries sustained on the property. The



bill spells out the requirements of a tenant organization which is to designate at least two but not more than five members who are authorized to schedule use of a meeting room and provide written notification to the landlord at least once per year. A landlord cannot charge a tenant organization a fee for use of the meeting room for the first meeting of the tenant organization within the same month, as long as the fee not exceed the regular schedule of fees charged to other groups.

Victims of Stalking: A tenant may terminate the future liability under the lease if the tenant or legal occupant is a victim of stalking. The tenant would only be responsible for rent for the time following the tenant providing notice of intent to vacate, up to a maximum of 30 days. The notice must include a copy of a report by a qualified third party with certain redactions. Once a landlord receives notice, the landlord must inspect the leased premises. If the tenant vacates, landlord must provide the tenant a written statement that confirms the tenant has vacated, states the rent that the tenant is responsible for and the amount still owed. If the tenant vacates earlier than 30 days after the date the tenant provided notice of intent to vacate or who fails to provide written notice, the tenant is responsible for the maximum rent required under this section.

For these reasons, we respectfully request a favorable report with amendments on Senate Bill 6.

Aaron J. Greenfield, MMHA Director of Government Affairs, 410.446.1992



AMENDMENTS TO SENATE BILL 6

AMENDMENT NO. 1

On page 3, line 16, “THE ELEMENTS” should be defined.

We are unclear what “THE ELEMENTS” refers to. We ask that this be defined.

AMENDMENT NO. 2

On page 3, line 28, strike “METER READING DATES, BILLING DATES AND DUE DATES, BY UTILITY”

In some jurisdictions, Baltimore City in particular, residential housing providers are not informed of when meter reading dates occur. Billings dates and related due dates are also inconsistent. While we appreciate the language “WHERE PRACTICABLE”, we are not sure it fully addresses the challenges associated with water meter issues in Baltimore City. And, as a result, our ability to comply with this provision

AMENDMENT NO. 3

On page 4, line 2, after “REQUEST” insert, “BY THE TENANT IF MADE WITHIN SEVEN (7) DAYS FROM THE DATE THE LANDLORD PROVIDES THE TENANT A BILL”

The resident should have some responsibility to request a timely copy of the master bill, which is voluminous, 7 days following receipt of their portion.

AMENDMENT NO. 4

On page 4, in line 14, after “UTILITIES” insert “IF MADE WITHIN SEVEN (7) DAYS FROM THE DATE THE LANDLORD PROVIDES THE TENANT A BILL”

The resident should have some responsibility to request a timely copy of the master bill, which is voluminous, 7 days following receipt of their portion.

AMENDMENT NO. 5

On page 5, lines 33-36, strike the language.

This provision is cumbersome and will require an enormous amount of paper to be provided to the tenant. This provision seems like a terrible waste of resources when the tenant has the right to ask for it under RP 8-203. Further, under Section 8-203(e)(1) of the Real Property Article, a security deposit must be returned to the tenant within 45 days. That time period is compromised depending on the time it takes a landlord to obtain invoices from contractors and subcontractors. Many times the contractor will not have the work completed in time to



meet the security deposit statement deadline. Again, while we appreciate the “WHERE PRACTICABLE” language, this language doesn’t go far enough. Lastly, this provision effectively nullifies the dispute mechanism in current law and makes the landlord strictly liable with treble damages for failure to provide. See Section 8-203(g)(2) and Section 8-203(h)(2) of the Real Property Article.

AMENDMENT No. 6

On page 10, at the beginning of line 25, insert “WITHIN 48 HOURS OR A DATE SPECIFIED BY THE LANDLORD AND TENANT”.

The current provision as drafted suggests the landlord must inspect right away.

AMENDMENT No. 7

On page 12, in line 15 after “PREMISES” add “WITH A DATE CERTAIN”.

This provides the landlord with some specificity on the date by which the tenant intends to vacate.