



HB1076/543421/1

AMENDMENTS
PREPARED
BY THE
DEPT. OF LEGISLATIVE
SERVICES

07 MAR 23
08:03:46

BY: Delegate Wells
(To be offered in the Environment and Transportation Committee)

AMENDMENT TO HOUSE BILL 1076
(First Reading File Bill)

On page 3, in line 7, after the second “**THE**” insert “**FOLLOWING:**”

(I) 1. THE”;

in line 8, strike “**AND THE**” and substitute “**; AND**”

2. THAT A TENANT WHO CHOOSES TO PAY A FEE IN LIEU OF A SECURITY DEPOSIT WILL BE RESPONSIBLE FOR PAYING FOR DAMAGES BEYOND ORDINARY WEAR AND TEAR AND THE TENANT’S RENT; AND

(II) 1. THE”;

in line 9, after “**REQUIRE**” insert “**; AND**”

2. THAT THE LANDLORD MAY WITHHOLD ALL OR PART OF A SECURITY DEPOSIT TO PAY FOR DAMAGES BEYOND ORDINARY WEAR AND TEAR OR UNPAID RENT”;

in line 11, strike “**AS PART OF THE FEE IN LIEU OF A SECURITY DEPOSIT**”; in line 13, strike “**PAYMENTS**” and substitute “**AMOUNTS**”; and in line 14, strike “**RATE**” and substitute “**AMOUNT**”.

On page 5, after line 17, insert:

“(III) A LANDLORD MAY NOT DISCONTINUE OR ALTER THE TERMS OF INSURANCE DURING THE TERM OF A RENTAL AGREEMENT.”;

strike beginning with “IF” in line 18 down through the colon in line 19; strike beginning with “CONTINUE” in line 20 down through “OR” in line 23 and substitute “IF A LANDLORD FAILS TO PURCHASE OR MAINTAIN INSURANCE IN VIOLATION OF PARAGRAPH (1) OF THIS SUBSECTION AND A TENANT CONTINUES TO PAY A MONTHLY FEE IN LIEU OF A SECURITY DEPOSIT, ON TERMINATION OF THE TENANCY, THE LANDLORD SHALL CREDIT THE TOTAL INSURANCE COVERAGE STATED IN THE DISCLOSURE TO ANY AMOUNT OWED BY THE TENANT VACATING THE UNIT.”; strike beginning with “DISCONTINUE” in line 24 down through “AGREEMENT” in line 26 and substitute:

“1. IF, THROUGH NO FAULT OF THE LANDLORD, AN INSURER REFUSES OR IS OTHERWISE UNABLE TO PROVIDE COVERAGE FOR UNPAID SUMS DUE UNDER THE LEASE, THE LANDLORD MAY CONTINUE TO CHARGE A FEE IN LIEU OF A SECURITY DEPOSIT FOR 60 DAYS WITHOUT PENALTY PROVIDED THAT THE LANDLORD ATTEMPTS TO PURCHASE NEW INSURANCE COVERAGE FOR UNPAID SUMS DUE UNDER THE LEASE RETROACTIVE TO THE DATE OF CANCELLATION OF THE PRIOR COVERAGE.

2. IF THE LANDLORD FAILS TO SECURE ADDITIONAL COVERAGE AFTER THE 60 DAYS DESCRIBED IN SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, THE LANDLORD:

A. MAY NO LONGER CHARGE A FEE IN LIEU OF A SECURITY DEPOSIT AND IS NOT REQUIRED TO CREDIT THE INSURANCE COVERAGE STATED IN THE DISCLOSURE TO ANY INDEBTEDNESS OWED BY THE TENANT UPON THE TENANT VACATING THE UNIT; AND

B. MAY NOT CHARGE THE TENANT A SECURITY DEPOSIT DURING THE LEASE TERM;

and strike beginning with “**IF**” in line 27 down through “**DEPOSIT**” in line 32 and substitute “**IF AT THE END OF THE LEASE TERM, A LANDLORD AND TENANT WISH TO RENEW A LEASE BUT THE LANDLORD DECIDES TO DISCONTINUE PROVIDING THE OPTION OF PAYING A FEE IN LIEU OF A SECURITY DEPOSIT, THE LANDLORD SHALL:**”

(I) PROVIDE NOTICE TO THE TENANT THAT THE OPTION WILL BE DISCONTINUED AT LEAST 60 DAYS BEFORE THE END OF THE LEASE TERM; AND

(II) REDUCE THE SECURITY DEPOSIT REQUIRED ON THE RENEWED LEASE BY THE AMOUNT OF A TENANT’S PREVIOUS FEE PAYMENTS IN LIEU OF THE SECURITY DEPOSIT”.

On page 6, strike beginning with “**(5)**” in line 1 down through “**(6)**” in line 3 and substitute “**(4)**”.

On page 8, in line 9, strike “**(I)**”; in line 11, after “**AMOUNTS**” insert “**UNLESS:**”; in the same line, strike the period; strike beginning with “**(II)**” in line 12 down through “**1.**” in line 15 and substitute “**(I)**”; and strike in their entirety lines 17 and 18 and substitute:

“(II) THE LOSS EXCEEDS THE INSURANCE COVERAGE.”