



House Bill 151 – Real Property – Residential Leases – Notification of Rent Increase

Position: Support with Amendments

Maryland REALTORS® support HB 151 with amendments to increase the notice trigger and shorten the notice time period.

HB 151 requires the notice about rent increases to trigger for increases exceeding 4%. The REALTORS® believe a trigger of 5% make more sense given the significant increases in property assessments this past year (statewide average of 20.6% since the last assessment of those properties).

Unlike owner-occupied housing, rental housing does not benefit from the homestead tax exemption which limits the impact of large assessment increases. As a result, many rental properties will see larger increases in their property taxes compared to owner-occupied property. If the owner is a mom and pop owner who is paying a mortgage on the property, that owner will see an increase in their tax escrows on the property.

In addition, the REALTORS® believe a notice period of 60 days is more reasonable than 120 days. 60 days give landlords more flexibility if a rent increase is needed because of situations like new assessments and still gives tenants time to make decisions about their housing choices.

With these changes, the Maryland REALTORS® support HB 151.

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