

HON. STACY A. MAYER  
CIRCUIT COURT  
JUDGE  
BALTIMORE COUNTY  
CHAIR

HON. RICHARD SANDY  
CIRCUIT COURT  
JUDGE  
FREDERICK COUNTY  
VICE-CHAIR



KELLEY O'CONNOR  
ASSISTANT STATE COURT  
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## MARYLAND JUDICIAL COUNCIL LEGISLATIVE COMMITTEE

### MEMORANDUM

**TO:** Senate Judicial Proceedings Committee  
**FROM:** Legislative Committee  
Suzanne D. Pelz, Esq.  
410-260-1523  
**RE:** Senate Bill 1167  
Real Property – Residential Leases – Fee in Lieu of Security  
Deposit  
**DATE:** February 22, 2024  
(4/2)  
**POSITION:** Oppose

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The Maryland Judiciary opposes Senate Bill 1167. The proposed legislation establishes Real Property § 8-203.2 which states that a landlord may offer a fee in lieu of a security deposit.

The Judiciary takes no position on the policy aims of the legislation but has several concerns. This bill creates a burdensome and confusing statutory process to incorporate insurance policies of landlords for nonpayment or damage repairs by tenants. Importantly, the bill is unclear as to whether the fee in lieu of payments may be deemed “rent” in summary ejection and as such creates the possibility of inconsistent interpretations of the statute by courts around the State. Additionally, on page 12, the bill references debts that are “declared void” by the Court. This is not a legal term of art with which the Judiciary is familiar and there are no provisions within the bill to determine how such a declaration is to be made.

cc. Hon. Joanne Benson  
Judicial Council  
Legislative Committee

Kelley O'Connor