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To: Members of the House Environment & Transportation Committee
From: MLTA Legislative Committee
Date: February 14, 2025 [Hearing date: February 18, 2025]
Subject: **House Bill 0872** – Residential Real Property – Tenants’ Right of First Refusal
Position: **Favorable**

The Maryland Land Title Association (MLTA) is a professional organization working on behalf of title industry service providers and consumers and is comprised of agents, abstractors, attorneys, and underwriters. **MLTA SUPPORTS House Bill 872 – Residential Real Property – Tenants’ Right of First Refusal.** We would like to thank Delegate Stewart for agreeing to sponsor this legislation.

House Bill 872 is a clarifying amendment to last year’s Renters’ Rights and Stabilization Act.

Adoption of this bill will continue to protect the Tenant's right to purchase the leased property before a sale is made to a third party, and does not seek a modification in the Tenant's ability to purchase, or seek redress from the Landlord/Owner if the Landlord/Seller does not follow the notice requirements of the current law.

The original language discussed with the Governor’s office last year contained “third party” and through inadvertence was changed to “tenant” in the bill submitted to the Legislature. What this bill does do is change the language back to that originally intended. Under the law, the onus is on the Landlord/Seller to make all required notices to the Tenant, and the third party purchaser has no independent way to verify that all notices have been provided. As such, any cause of action for violation of the law should be against the Landlord/Seller exclusively. This bill makes that clear, preserving to an aggrieved tenant a cause of action against a non-compliant Landlord while protecting the buyer, lender and title insurer once a transaction is complete.

The Maryland Land Title Association asks that you return a FAVORABLE report for House Bill 872 - Residential Real Property - Tenants' Right of First Refusal.