

HOUSE BILL 1280

N1

4lr1598

By: **Delegates Hucker, Carr, Fraser–Hidalgo, and S. Robinson**

Introduced and read first time: February 7, 2014

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Landlord and Tenant – Prohibited Lease Provisions – Renter’s Insurance**
3 **Naming Landlord as Beneficiary**

4 FOR the purpose of prohibiting a landlord from using a lease or form of lease
5 containing a provision that requires a tenant to carry renter’s insurance naming
6 the landlord as beneficiary; and generally relating to residential leases.

7 BY repealing and reenacting, without amendments,
8 Article – Real Property
9 Section 8–201
10 Annotated Code of Maryland
11 (2010 Replacement Volume and 2013 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article – Real Property
14 Section 8–208
15 Annotated Code of Maryland
16 (2010 Replacement Volume and 2013 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article – Real Property**

20 8–201.

21 (a) This subtitle is applicable only to residential leases unless otherwise
22 provided.

23 (b) This subtitle does not apply to a tenancy arising after the sale of
24 owner–occupied residential property where the seller and purchaser agree that the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 seller may remain in possession of the property for a period of not more than 60 days
2 after the settlement.

3 8-208.

4 (a) (1) On or after October 1, 1999, any landlord who offers 5 or more
5 dwelling units for rent in the State may not rent a residential dwelling unit without
6 using a written lease.

7 (2) If a landlord fails to comply with paragraph (1) of this subsection,
8 the term of the tenancy is presumed to be 1 year from the date of the tenant's first
9 occupancy unless the tenant elects to end the tenancy at an earlier date by giving 1
10 month's written notice.

11 (b) A landlord who rents using a written lease shall provide, upon written
12 request from any prospective applicant for a lease, a copy of the proposed form of lease
13 in writing, complete in every material detail, except for the date, the name and
14 address of the tenant, the designation of the premises, and the rental rate without
15 requiring execution of the lease or any prior deposit.

16 (c) A lease shall include:

17 (1) A statement that the premises will be made available in a
18 condition permitting habitation, with reasonable safety, if that is the agreement, or if
19 that is not the agreement, a statement of the agreement concerning the condition of
20 the premises; and

21 (2) The landlord's and the tenant's specific obligations as to heat, gas,
22 electricity, water, and repair of the premises.

23 (d) A landlord may not use a lease or form of lease containing any provision
24 that:

25 (1) Has the tenant authorize any person to confess judgment on a
26 claim arising out of the lease;

27 (2) Has the tenant agree to waive or to forego any right or remedy
28 provided by applicable law;

29 (3) (i) Provides for a penalty for the late payment of rent in excess
30 of 5% of the amount of rent due for the rental period for which the payment was
31 delinquent; or

32 (ii) In the case of leases under which the rent is paid in weekly
33 rental installments, provides for a late penalty of more than \$3 per week or a total of
34 no more than \$12 per month;

1 (4) Has the tenant waive the right to a jury trial;

2 (5) Has the tenant agree to a period required for landlord's notice to
3 quit which is less than that provided by applicable law; provided, however, that
4 neither party is prohibited from agreeing to a longer notice period than that required
5 by applicable law;

6 (6) Authorizes the landlord to take possession of the leased premises,
7 or the tenant's personal property unless the lease has been terminated by action of the
8 parties or by operation of law, and the personal property has been abandoned by the
9 tenant without the benefit of formal legal process;

10 (7) Is against public policy and void pursuant to § 8-105 of this title;
11 [or]

12 (8) Permits a landlord to commence an eviction proceeding or issue a
13 notice to quit solely as retaliation against any tenant for planning, organizing, or
14 joining a tenant organization with the purpose of negotiating collectively with the
15 landlord; OR

16 **(9) REQUIRES THE TENANT TO CARRY RENTER'S INSURANCE**
17 **NAMING THE LANDLORD AS BENEFICIARY.**

18 (e) (1) Except for a lease containing an automatic renewal period of 1
19 month or less, a lease that contains a provision calling for an automatic renewal of the
20 lease term unless prior notice is given by the party or parties seeking to terminate the
21 lease, shall have the provision distinctly set apart from any other provision of the lease
22 and provide a space for the written acknowledgment of the tenant's agreement to the
23 automatic renewal provision.

24 (2) An automatic renewal provision that is not specifically
25 accompanied by either the tenant's initials, signature, or witnessed mark is
26 unenforceable by the landlord.

27 (f) No provision of this section shall be deemed to be a bar to the
28 applicability of supplementary rights afforded by any public local law enacted by the
29 General Assembly or any ordinance or local law enacted by any municipality or
30 political subdivision of this State; provided, however, that no such law can diminish or
31 limit any right or remedy granted under the provisions of this section.

32 (g) (1) Any lease provision which is prohibited by terms of this section
33 shall be unenforceable by the landlord.

34 (2) If the landlord includes in any lease a provision prohibited by this
35 section or made unenforceable by § 8-105 or § 8-203 of this title, at any time
36 subsequent to July 1, 1975, and tenders a lease containing such a provision or
37 attempts to enforce or makes known to the tenant an intent to enforce any such

1 provision, the tenant may recover any actual damages incurred as a reason thereof,
2 including reasonable attorney's fees.

3 (h) If any word, phrase, clause, sentence, or any part or parts of this section
4 shall be held unconstitutional by any court of competent jurisdiction such
5 unconstitutionality shall not affect the validity of the remaining parts of this section.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 October 1, 2014.