

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 785 (Delegate Terrasa)
Environment and Transportation

**Landlord and Tenant – Commencement of Action to Repossess for Failure to Pay
Rent – Required Notice and Grace Period**

This bill requires a landlord to provide written notice to a tenant prior to filing a complaint for the failure to pay rent. The notice must be provided via first-class mail, return receipt requested. A landlord or the landlord’s agent or attorney may file a complaint to repossess a property for the failure to pay rent no earlier than 10 days after the date that the tenant receives the required written notice.

Fiscal Summary

State Effect: The bill is not anticipated to materially affect State government operations or finances, including those of the District Court.

Local Effect: The bill is not anticipated to materially affect local government operations or finances.

Small Business Effect: Potential meaningful.

Analysis

Current Law: Once a tenant fails to pay the rent when due or payable, it is lawful for the landlord to repossess the premises. A landlord is not required to provide notice prior to initiating an action to repossess the premises. In general, a landlord seeking to evict a tenant initiates the process by filing a complaint for the failure to pay rent in the District Court. If awarded a judgment by the court, the landlord files a warrant of restitution, which once reviewed and signed by the court, authorizes an eviction. The warrants of restitution are forwarded to the local sheriff’s office who is then authorized to carry out the evictions.

Small Business Effect: Landlords incur minimal expenses to provide notice to tenants prior to filing a complaint for failure to pay rent. However, landlords may avoid costs associated with enforcement if the notice provisions in the bill facilitate the payment of past-due rent without court involvement.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts); Department of Legislative Services

Fiscal Note History: First Reader - February 12, 2021
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