



**Bill No:** SB 401 —Landlord-Tenant-Nonrenewal of Lease—Notice Requirements

**Committee:** Judicial Proceedings

**Date:** 2/9/2021

**Position:** Support

The Apartment and Office Building Association of Metropolitan Washington (AOBA) represents members that own or manage more than 23 million square feet of commercial office space and 133,000 apartment rental units in Montgomery and Prince George’s Counties. As housing providers, AOBA members support giving residents advance notice of plans to terminate a tenancy upon expiration of a lease.

Senate Bill 401 would alter the period of time prior to the expiration of a lease that a housing provider must notify a tenant, in writing, of their intent to terminate the tenancy. For residents with a written lease that have resided continuously in the same premises for 2 years or less a housing provider must provide 2 months’ notice. A housing provider must notify a tenant 3 months prior to the expiration of the lease for tenants that have resided continuously in the same premises for more than 2 years. For year-to-year tenancies, a housing provider must provide 3 months’ notice. This legislation only applies to the tenant hold-over period and does not impact emergency lease terminations.

The industry has long said that non-renewals of a lease—for tenants that pay rent on time and abide by community rules-- are infrequent. While non-renewal occurs for roughly one percent of residents each year, searching for new and appropriate housing is a process that takes times. As housing providers currently operating in Montgomery County and Baltimore City are already subject to local law requiring 60-day notice of their intent to terminate tenancy at the expiration of a lease, AOBA members find it reasonable to extend this requirement to residents across the State.

AOBA members may initially have some administrative challenges with the tiered approach established in the bill in terms of tracking the exact length of a tenancy. Further, members question how to handle a situation where a lease violation (non-emergency disorderly conduct e.g.: intentionally breaking public amenity or on-going noise violations)

begins only 45 days prior to the termination of the lease. Would the housing provider be in violation of the law and thus required to extend the lease where they otherwise would not?

Lingering questions aside, AOBA understands the intent of this legislation and wishes to support the Legislature in providing timely notice to residents—particularly after seeing the impact of the unprecedented COVID-19 pandemic.

**For these reasons AOBA supports a favorable report on SB 401.**

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