

HOUSE BILL 151

N1
HB 551/22 – ENT

3lr0497

By: **Delegate Wells**

Introduced and read first time: January 16, 2023

Assigned to: Environment and Transportation

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 10, 2023

CHAPTER _____

1 AN ACT concerning

2 **Real Property – Residential Leases – Notification of Rent Increases**

3 FOR the purpose of prohibiting a landlord from including a certain term in a lease
4 pertaining to electronic delivery of the notice of a rent increase; requiring a landlord
5 to notify a tenant a certain number of days before increasing the tenant’s rent by
6 more than a certain percentage; requiring a county or municipality that adopts a
7 certain local law related to limitations on rent increase to report certain information
8 on building permits issued for multifamily dwellings intended to be used as rental
9 housing on or before a certain date annually; and generally relating to residential
10 leases and rent increases.

11 BY repealing and reenacting, with amendments,

12 Article – Real Property

13 Section 8–208(d)(7) and (8)

14 Annotated Code of Maryland

15 (2015 Replacement Volume and 2022 Supplement)

16 BY adding to

17 Article – Real Property

18 Section ~~8–209~~ 8–208(d)(9), 8–209, and 8–209.1

19 Annotated Code of Maryland

20 (2015 Replacement Volume and 2022 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

22 That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Article – Real Property

2 8–208.

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

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

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

8 (9) REQUIRES THE TENANT TO ACCEPT NOTICE OF RENT INCREASES
 9 UNDER § 8–209 BY ELECTRONIC DELIVERY.

10 8–209.

11 (A) (1) THIS SECTION APPLIES ONLY TO A RESIDENTIAL LEASE FOR A
 12 TERM OF AT LEAST 1 YEAR.

13 (2) THIS SECTION DOES NOT APPLY TO A LANDLORD WHO HAS
 14 PROVIDED WRITTEN NOTICE OF THE INTENT TO TERMINATE A TENANCY IN
 15 ACCORDANCE WITH § 8–402(C)(2) OF THIS ARTICLE.

16 (B) (1) A LANDLORD SHALL NOTIFY A TENANT IN WRITING OR THROUGH
 17 E-MAIL AT LEAST 120 DAYS BEFORE INCREASING THE TENANT’S RENT BY MORE
 18 THAN 4%.

19 (2) (i) THE NOTICE REQUIRED UNDER PARAGRAPH (1) OF THIS
 20 SUBSECTION SHALL:

21 1. BE SENT BY FIRST-CLASS MAIL WITH A CERTIFICATE
 22 OF MAILING; OR

23 2. IF ELECTED BY THE TENANT, SENT BY ELECTRONIC
 24 DELIVERY IN AT LEAST ONE OF THE FOLLOWING FORMS:

25 A. AN E-MAIL MESSAGE;

26 B. A TEXT MESSAGE; OR

27 C. THROUGH AN ELECTRONIC TENANT PORTAL.

1 **(II) THE ELECTRONIC DELIVERY METHOD SHALL PROVIDE THE**
2 **LANDLORD WITH PROOF OF TRANSMISSION OF THE NOTICE.**

3 **(III) A LANDLORD MAY NOT CONDITION THE ACCEPTANCE OF A**
4 **LEASE APPLICATION ON THE TENANT'S ELECTION TO RECEIVE NOTICE UNDER THIS**
5 **SUBSECTION BY ELECTRONIC DELIVERY.**

6 **(3) A LANDLORD SHALL PROVIDE THE NOTICE REQUIRED UNDER**
7 **PARAGRAPH (1) OF THIS SUBSECTION:**

8 **(I) FOR TENANCIES FOR A TERM OF MORE THAN 1 MONTH, AT**
9 **LEAST 90 DAYS IN ADVANCE OF THE RENT INCREASE;**

10 **(II) FOR TENANCIES FOR A TERM OF MORE THAN 1 WEEK, BUT**
11 **NOT MORE THAN 1 MONTH, AT LEAST 60 DAYS IN ADVANCE OF THE RENT INCREASE;**
12 **AND**

13 **(III) FOR TENANCIES FOR A TERM OF 1 WEEK OR LESS:**

14 **1. AT LEAST 7 DAYS IN ADVANCE OF THE RENT**
15 **INCREASE IF THE PARTIES HAVE A WRITTEN LEASE; OR**

16 **2. AT LEAST 21 DAYS IN ADVANCE OF THE RENT**
17 **INCREASE IF THE PARTIES DO NOT HAVE A WRITTEN LEASE.**

18 **(C) THIS SECTION DOES NOT AFFECT OR SUPERSEDE ANY LOCAL LAW OR**
19 **ORDINANCE THAT REQUIRES ADDITIONAL NOTICE OR PROVIDES ADDITIONAL**
20 **TENANT PROTECTIONS.**

21 **8-209.1.**

22 **(A) IN THIS SECTION, "LOCAL JURISDICTION" MEANS A COUNTY OR**
23 **MUNICIPALITY.**

24 **(B) (1) THIS SECTION APPLIES TO A LOCAL JURISDICTION THAT ADOPTS**
25 **A LOCAL LAW TO LIMIT THE RENT INCREASE THAT A LANDLORD MAY CHARGE A**
26 **CURRENT TENANT FOR A SUBSEQUENT TERM WITHOUT A GAP IN TENANCY.**

27 **(2) THIS SECTION DOES NOT APPLY TO A LOCAL JURISDICTION THAT**
28 **ADOPTS A LOCAL LAW FOR THE PURPOSE IDENTIFIED IN PARAGRAPH (1) OF THIS**
29 **SUBSECTION IF THE LIMITATION ON RENT INCREASES APPLIES ONLY:**

30 **(I) DURING:**

1 1. A DESIGNATED STATE OF EMERGENCY OR
2 CATASTROPHIC HEALTH EMERGENCY ISSUED BY THE GOVERNOR; OR

3 2. AN EMERGENCY ORDER ISSUED BY THE HEAD OF THE
4 EXECUTIVE BRANCH OF THE LOCAL JURISDICTION;

5 (II) TO HOUSING OWNED BY THE LOCAL JURISDICTION AND
6 OPERATED BY THE LOCAL JURISDICTION OR A THIRD PARTY; OR

7 (III) TO HOUSING FUNDED, IN WHOLE OR IN PART, BY THE LOCAL
8 JURISDICTION.

9 (C) ON ADOPTION OF A LOCAL LAW DESCRIBED IN SUBSECTION (B)(1) OF
10 THIS SECTION, THE LOCAL JURISDICTION SHALL REPORT TO THE GENERAL
11 ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE:

12 (1) THAT THE LOCAL JURISDICTION HAS ADOPTED A LOCAL LAW TO
13 LIMIT THE RENT INCREASE THAT A LANDLORD MAY CHARGE;

14 (2) THE TEXT OF THE BILL, AS ADOPTED BY THE LOCAL
15 JURISDICTION; AND

16 (3) THE DATE THE LOCAL LAW WILL GO INTO EFFECT.

17 (D) (1) ON OR BEFORE JANUARY 31 OF THE SECOND CALENDAR YEAR
18 AFTER A LOCAL JURISDICTION ADOPTS A LOCAL LAW FOR THE PURPOSE IDENTIFIED
19 IN SUBSECTION (B)(1) OF THIS SECTION, THE LOCAL JURISDICTION SHALL REPORT
20 TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE
21 GOVERNMENT ARTICLE, ON THE NUMBER OF NEW BUILDING PERMITS ISSUED BY
22 THE LOCAL JURISDICTION, BY YEAR, FOR MULTIFAMILY DWELLINGS INTENDED TO
23 BE USED AS RENTAL PROPERTIES:

24 (I) FOR THE 2 YEARS PRIOR TO ENACTING THE LOCAL LAW;
25 AND

26 (II) SINCE ENACTMENT OF THE LOCAL LAW.

27 (2) ON OR BEFORE JANUARY 31 OF EACH YEAR AFTER THE INITIAL
28 REPORT REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE LOCAL
29 JURISDICTION SHALL SUBMIT AN UPDATED REPORT TO THE GENERAL ASSEMBLY,
30 IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON THE
31 NUMBER OF NEW BUILDING PERMITS ISSUED BY THE LOCAL JURISDICTION, BY
32 YEAR, FOR MULTIFAMILY DWELLINGS INTENDED TO BE USED AS RENTAL
33 PROPERTIES SINCE THE DATE THE LOCAL LAW WAS ENACTED.

1 **(E) THIS SECTION MAY NOT BE CONSTRUED TO AUTHORIZE A LOCAL**
2 **JURISDICTION TO ADOPT A LOCAL LAW TO LIMIT RENT INCREASES THAT MAY BE**
3 **CHARGED TO A CURRENT TENANT.**

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 2023.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.