MD LEGAL UPDATE

2020 Honorable mentions

HB116/SB 164 MD Homebuilder Guaranty Fund HB 481/SB 131 State markers

HB349/SB 280 Military Reciprocity
Shout out to RPAC

2021 PASSED

<u>HB 407/SB 22</u> – On-Site Sewage Disposal Systems – Inspection – Licensing STATUS: PASSED – Effective October 1, 2021 to establish the license Requires a state license for a Wastewater Property Transfer Inspection. The license is required for inspections after July 1, 2022. The Maryland Department of the Environment will develop the program requirements and cost for the license.

<u>HB 104/SB 401</u> – Landlord-Tenant – Nonrenewal of Lease – Notice Requirements STATUS: PASSED – Effective October 1, 2021

Extends from 30 days to 60 days the notice that must be given to a tenant when a landlord chooses not to renew a residential lease if the lease was for less than a year. The bill does not change the notice of 90 days for leases of a year or more and exempts small landlords (less than 5 units) from the extended 60-day period if the landlord is being foreclosed upon (the foreclosure exemption does not apply in Montgomery or Baltimore City where the local law already provided for a 60-day notice).

${\color{red} \underline{\textbf{HB 861/SB 691}}} - \textbf{Real Property} - \textbf{Landlord and Tenant} - \textbf{Reusable Tenant Screening Reports}$

STATUS: PASSED - Effective October 1, 2021

Provides that tenants may use "reusable" tenant screening reports if accepted by a landlord. If a landlord chooses to accept a "reusable" tenant screening report, the landlord may not charge a rental application fee. If a landlord chooses NOT to accept "reusable" tenant screening reports, the landlord must notify tenants that such reports are not accepted.

<u>HB 1069</u> – Water Supply – Private Well Safety Program STATUS: PASSED

Provides that residential rental property that uses well water must test the well water every three years. If a well is contaminated, the landlord is given three choices: providing a potable water source; remediating the contamination; or providing the tenant with the ability to terminate the lease. Landlords who fail to test their well are subject to a fine up to \$1,000. The original bill would have established point-of-sale requirements for well testing, and a transfer tax increase to fund it.

<u>HB 19</u> – Residential Real Estate Transactions – Escrow Agents and Trust Money STATUS: PASSED – Effective October 1, 2021

Clarifies the definition of trust money under the law to ensure that only the earnest money held by escrow agent for the down payment is subject to the required disclosure and not other possible escrows (e.g. holding money to repair a window). The law further clarifies that the disclosure applies to residential property (including unimproved property zoned residential) and not commercial property.

2022 PASSED

<u>HB 203/SB 197</u>—Homestead Property Tax Credit Program – Retroactive Qualification and Calculation of the Credit

STATUS: PASSED – Effective June 30, 2022

Would permit the State Department of Assessments and Taxation (SDAT) to apply the Homestead Property Tax Credit retroactively in situations where a homeowner failed to apply for the credit in the previous year.

<u>HB 807</u> – Real Estate Brokers, Salespersons, and Associate Brokers – Continuing Education Courses – Verification of Identity

STATUS – PASSED – Effective October 1, 2022

Establishes that Zoom-type continuing education classes may use a written affidavit to verify the identity of class participants rather than showing a picture I.D.

<u>HB 318</u> – Environment – On-Site Wastewater Services – Regulation STATUS: PASSED – Effective July 1, 2022

Establishes the Board of On-Site Wastewater Professionals within the Maryland Department of Environment. The Board will regulate individuals engaged in most on-site wastewater services except for inspectors engaged during a property transfer. Property transfer inspectors are already regulated by MDE and must have a license to conduct inspections starting July 1, 2022.

<u>HB 174</u> - Landlord and tenant - Repossession for Failure to Pay Rent - Registration and License Information

STATUS: PASSED - Effective October 1, 2023

Clarifies that a landlord's compliance with the Lead Poisoning Prevention Program may be an issue of fact in a trial regarding nonpayment of rent.

<u>HB 1110</u> – Environment – Lead Poisoning Prevention – Elevated Blood Lead Level STATUS: PASSED – Effective July 1, 2022

Extends the amount of time that the Maryland Department of Environment (MDE) has to lower the elevated blood lead level to the United States Center for Disease Control level. That level is the trigger level at which a child will be notified about an elevated blood lead level and when remediation may be required for a property. Currently Maryland's trigger level is 5 uG/DL (micrograms of lead per deciliter) and will drop down to 3.5 uG/DL starting on January 1, 2024 or whatever level the CDC has set after December 31, 2023. The bill also makes clear that Maryland has one year to set its trigger level after the CDC announces any new trigger levels.

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DID NOT PASS 2021/2022

COMAR COE 2022 changes

HB 1299 Financial literacy
HB 762/SB 678 Buyer ID offer
HB 1457 Love letters

HB 591/SB 258 100% Disabled Vets tax exemption HB 1064/SB 816 Pet Protection

HB 129/SB 70 Mold testing

single word

2023 PASSED

HB 144 - Real Estate Brokers - Inactive Licenses

PASSED - Effective October 1, 2023 POSITION: Support

This legislation closes a loophole which allowed inactive licensees to reinstate and renew a license for up to six years after expiration. This bill limits the length of time before expiration to three years, regardless of licensee status.

HB 608/SB 535 – Human Relations - Housing Discrimination - Service Dogs PASSED – Effective October 1, 2023 POSITION: Monitor

Tenants may retain their service dog in the rental unit after it has been retired from service. Tenants may not be charged a pet fee or additional rent but are liable for damages it has caused.

R® <u>SB 443/HB 662</u> – Real Estate Brokers, Salespersons, and Associate Brokers - Continuing Education Courses

PASSED - Effective October 1, 2023 POSITION: Support

The 15-hour continuing education requirement for a new licensee's first renewal period will consist of required classes in contracts, disclosures, property management, advertising, deposits, professionalism, condominium and HOA laws, and real estate financing.

SB 579/HB 728 – Residential Property - Service Agreements - Prohibitions PASSED – Effective June 1, 2023 POSITION: Support

Service agreements which bind a property owner to a future contract for the maintenance, purchase, or sale of residential property may not be in effect for longer than one year or be recorded as a lien against the property.

R* SB 651/HB 1235 - Real Estate - Real Estate Brokerage Services and Termination of Residential Real Estate Contracts (The Anthony Moorman Act)

PASSED – Effective October 1, 2023 POSITION: Support

When a buyer properly terminates a real estate contract, the holder of the escrow funds shall return the buyer's deposit within 30 days. Sellers may object by filing for mediation or initiating court action within 10 days of receiving notice of the deposit release.

HB 11/SB 483 - Private Well Safety Act

PASSED – Effective October 1, 2024 POSITION: Support with Amendments

The bill requires that properties with a private or domestic water supply undergo water quality testing as a condition of sale. Purchasers may waive the water quality testing requirements in writing, and test results are valid for 3 years.

2024 PASSED

HB 143/SB 46 Condominiums - Sales Contracts - Asbestos Disclosure

PASSED – Effective October 1, 2024 POSITION: Support

A unit owner must provide a statement, no later than 15 days prior to closing, on their knowledge of the presence of asbestos in the unit and whether abatement has been performed during the occupancy of the owner.

<u>HB 486/SB 125</u> Residential Property Sales - Contract Disclosures - Superfund Sites PASSED - Effective October 1, 2024 POSITION: Support with Amendments

Sellers of a property located within one mile of a National Priorities List (NPL) Superfund site shall include an addendum to the contract that includes information on NPL Superfund sites. Buyers may void the contract and refund money paid to the seller within 5 days.

R® HB 520/SB 461 State Real Estate Commission - Complaints - Advertising Violations

PASSED – Effective October 1, 2024 POSITION: Support

Complaints filed with the commission alleging an advertising violation may be made anonymously and not under oath, but must be accompanied by documentary or other evidence.

R® SB 542 Real Estate Brokers - Brokerage Agreements - Requirements

PASSED – Effective October 1, 2024 POSITION: Support

This bill requires that written brokerage agreements state the amount of compensation offered in terms of a percentage, dollar amount, or both; whether compensation will be sought from another party; and the process when the amount of compensation offered and received differs.

R® SB 564 Real Estate Brokers - License Renewals and Continuing Education

PASSED – Effective October 1, 2024 POSITION: Support

Real estate licensees will be required to submit continuing education classes 30 days prior to license expiration. Those submitted less than 30 days prior will be subject to additional fees. Continuing education provider submission times are restored to 14 days.

HB 598/SB 413 Discrimination - Military Status - Prohibition

PASSED – Effective October 1, 2024 POSITION: Informational Testimony

This bill prohibits discrimination in housing or employment based on an individual's "military status," which is defined as being a member of the uniformed services, a member of a reserve component of the U.S. Armed Forces, or a servicemember's dependent.

HB 93/SB 162 Termination of Residential Lease - Limitation of Liability for Rent PASSED – Effective October 1, 2024 POSITION: Monitor

A tenant's liability may not exceed two months' rent if the tenant vacates the premises due to certain qualifying medical conditions certified in writing by a physician.

HB 139/SB 171 Notice of Utility Bills in Residential Leases - Gas and Electric Services PASSED – Effective October 1, 2024 POSITION: Support with Amendments

The current notice requirements for tenant water and sewer charges paid to the landlord are expanded to also include gas and electric utilities unless the tenant directly pays the utility provider.

HB 693 Renters' Rights and Stabilization Act of 2024

PASSED – Effective October 1, 2024 POSITION: Support with Amendments

This bill establishes an exclusive negotiation period for tenants to develop an offer to purchase their rental property of 1-3 units when it is listed for sale. Tenants will have 30 days from the landlord notice to submit a contract offer, with subsequent 5-day periods for counter offers. Exceptions to this process occur if a landlord subsequently contracts with a third party for a price 10% less than the tenant's offer, or, if an unsolicited offer to purchase is received, the tenant is given the opportunity to match it.

In addition, this bill increases court surcharges for eviction proceedings, which are recoverable from the tenant's security deposit for judgements in favor of the landlord. Security deposits are limited to 1 month's rent, and publication on tenant's rights will be included with the lease. Evictions of tenants will be stayed during the duration of an extreme weather event.

HR 1117 Landlard and Tenant - Failure to Renair Serious and Dangerous Defects

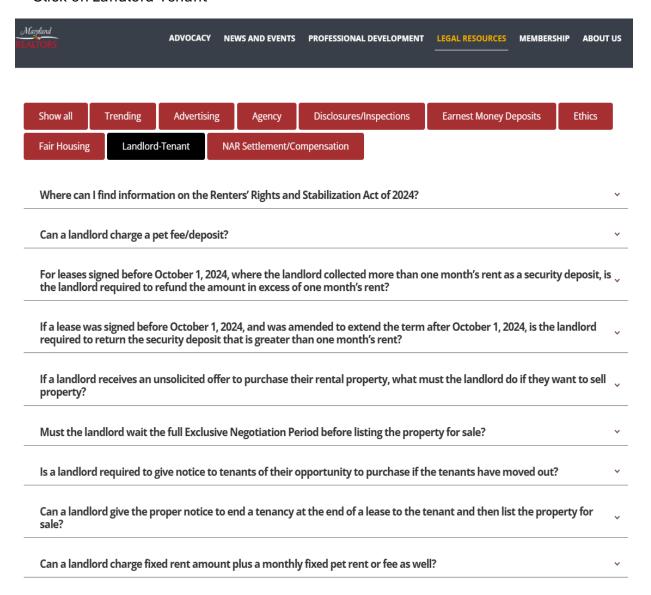
PASSED – Effective October 1, 2024 POSITION: Oppose Landlords are deemed to warrant that a rental dwelling unit is fit for human habitation. A cour may order certain relief in a civil action or actions relating to the breach of warranty of habitability, including actual damages, abatement of rent, and lease termination. Tenant complaints made in bad faith can result in payment of costs and fees to the landlord.										
										
										

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-> Click on Landlord-Tenant





UPDATED 1/23/25

RENTERS' RIGHTS AND STABILIZATION ACT (HB 693) FREQUENTLY ASKED QUESTIONS

General

Q: When does the Renters' Rights and Stabilization Act (RRSA) go into effect?

A: The provisions of the RRSA that directly affect renters and landlords go into effect on October 1, 2024. Some provisions involving collection of data on eviction filings in District Court go into effect on October 1, 2025.

Q: What does the RRSA do?

Currently – click Legal FAQs banner on home page – select Landlord and Tenant – 1^{st} ?									

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MARYLAND TENANTS' BILL OF RIGHTS

(EFFECTIVE JULY 1, 2025)

Maryland law requires the Office of Tenant and Landlord Affairs to publish a Tenants' Bill of Rights and update it by June 1 each year. Landlords must attach the latest version of this document to every residential lease. (Housing and Community Development Article of the Maryland Code, Sections 5-101 through 5-104 and Real Property Article of the Maryland Code, Section 8-208)

1. RENTAL APPLICATIONS