

Chapter 347

(Senate Bill 19)

AN ACT concerning

Failure to Pay Rent Proceedings – ~~Prohibition on Rent Increases and~~ Shielding of Court Records

FOR the purpose of ~~prohibiting a landlord from increasing a tenant's rent because a judgment was entered against the tenant in a failure to pay rent action;~~ requiring or authorizing, depending on the circumstances, the shielding by the District Court of court records relating to a failure to pay rent proceeding; requiring the Maryland Judiciary to develop and publish on its website a certain form; and generally relating to failure to pay rent proceedings.

BY adding to

Article – Real Property

Section ~~8-119~~ and 8-503

Annotated Code of Maryland

(2023 Replacement Volume)

Preamble

WHEREAS, In Maryland in fiscal year 2020, 106,330 failure to pay rent proceedings were dismissed and in fiscal year 2021, 100,725 failure to pay rent proceedings were dismissed; and

WHEREAS, The presence of an eviction proceeding, including failure to pay rent, remains on a tenant's record even if the proceeding is dismissed; and

WHEREAS, A tenant may experience long-term adverse effects from an eviction proceeding even when an eviction filing does not result in a judgment against the tenant; now, therefore,

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

Article – Real Property~~§ 119.~~~~(A) THIS SECTION DOES NOT APPLY TO TENANCIES SUBJECT TO:~~~~(1) § 9-5(B)(2) OF THE CODE OF PUBLIC LOCAL LAWS OF BALTIMORE CITY; OR~~

~~(2) § 8-401(G)(3) OF THIS TITLE.~~

~~(B) A LANDLORD MAY NOT INCREASE A TENANT'S RENT SOLELY BECAUSE A JUDGMENT WAS ENTERED AGAINST THE TENANT IN A FAILURE TO PAY RENT ACTION UNDER § 8-401 OF THIS TITLE.~~

8-503.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "COURT RECORD" HAS THE MEANING STATED IN § 8-502(A) OF THIS SUBTITLE.

(3) "FAILURE TO PAY RENT PROCEEDING" MEANS AN ACTION INITIATED BY A LANDLORD UNDER § 8-401 OF THIS TITLE.

(4) "SHIELD" HAS THE MEANING STATED IN § 8-502(A) OF THIS SUBTITLE.

(B) (1) WITHIN 60 DAYS AFTER THE FINAL RESOLUTION OF A FAILURE TO PAY RENT PROCEEDING, THE DISTRICT COURT SHALL SHIELD ALL COURT RECORDS RELATING TO THE PROCEEDING IF THE PROCEEDING DID NOT RESULT IN A JUDGMENT OF POSSESSION.

(2) (I) ON MOTION BY A TENANT, THE DISTRICT COURT MAY SHIELD ALL COURT RECORDS RELATING TO A FAILURE TO PAY RENT PROCEEDING THAT RESULTS IN A JUDGMENT OF POSSESSION IF:

1. THE TENANT DEMONSTRATES BY A PREPONDERANCE OF THE EVIDENCE THAT THE TENANT EXERCISED THE RIGHT OF REDEMPTION UNDER § 8-401(G) OF THIS TITLE AND AT LEAST 12 MONTHS HAVE PASSED SINCE THE FINAL RESOLUTION OF THE PROCEEDING THAT THE TENANT SEEKS TO SHIELD; OR

2. THE DISTRICT COURT DETERMINES THAT THERE IS GOOD CAUSE TO SHIELD THE COURT RECORDS.

(II) SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH, THE DISTRICT COURT SHALL SEAL THE COURT RECORDS WITHIN 30 DAYS AFTER GRANTING THE TENANT'S MOTION TO SHIELD.

(III) IF A JUDGMENT FOR POSSESSION IS ENTERED IN A PROCEEDING IN WHICH THE TENANT ASSERTED A RENT ESCROW DEFENSE UNDER § 8–211 OF THIS TITLE, THE DISTRICT COURT MAY SHIELD ONLY THE COURT RECORDS RELATED TO THE JUDGMENT FOR POSSESSION.

(C) COURT RECORDS SHIELDED UNDER SUBSECTION (B) OF THIS SECTION MAY BE OPENED ONLY:

(1) ON WRITTEN REQUEST BY THE TENANT; OR

(2) ON ORDER OF THE DISTRICT COURT FOR GOOD CAUSE SHOWN.

(D) A TENANT MAY OBTAIN A COPY OF AN ORDER ISSUED UNDER THIS SECTION AT ANY TIME FROM A CLERK OF THE DISTRICT COURT, ON PROPER IDENTIFICATION, WITHOUT A SHOWING OF NEED.

(E) AN ORDER TO SHIELD COURT RECORDS UNDER THIS SECTION MAY NOT AFFECT ANY ACTION IN WHICH AN APPEAL IS PENDING.

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1, 2024, the Maryland Judiciary shall develop and publish on its website a form titled “Petition to Shield a Failure to Pay Rent Action Record” to facilitate the implementation of § 8–503 of the Real Property Article, as enacted by Section 1 of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That § 8–503 of the Real Property Article, as enacted by Section 1 of this Act, shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any action initiated under § 8–401 of the Real Property Article of the Annotated Code of Maryland before October 1, 2024.

SECTION 4. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall take effect October 1, 2024.

SECTION 5. AND BE IT FURTHER ENACTED, That, except as provided in Section 4 of this Act, this Act shall take effect August 1, 2024.

Approved by the Governor, April 25, 2024.