HOUSE BILL 521

N1 2lr1258

By: Delegates Pena-Melnyk, Amprey, Bartlett, Chang, Charkoudian, Charles, Crutchfield, Cullison, Henson, Hill, Howell, Landis, Lehman, Love, Ruth, Shetty, Stewart, Terrasa, Williams, and K. Young

Introduced and read first time: January 21, 2022

Assigned to: Judiciary

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 12, 2022

CHAPTER

1 AN ACT concerning

- 2 Landlord and Tenant Repossession for Failure to Pay Rent Shielding of Court Records
- FOR the purpose of authorizing certain individuals to petition a court to remove from public inspection certain records relating to an action for repossession of residential property for failure to pay rent; establishing certain procedures and requirements for the consideration of a petition to shield records under this Act; and generally relating to the shielding of court records.
- 9 BY adding to
- 10 Article Real Property
- 11 Section 8–502
- 12 Annotated Code of Maryland
- 13 (2015 Replacement Volume and 2021 Supplement)
- 14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND.
- 15 That the Laws of Maryland read as follows:
- 16 Article Real Property

17 **8–502.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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

- 1 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS 2 INDICATED.
- 3 (2) (I) "COURT RECORD" MEANS AN OFFICIAL RECORD OF A
 4 COURT PROCEEDING KEPT BY THE CLERK OF THE COURT OR OTHER COURT
 5 DEPONNEL
- 5 PERSONNEL.

6

(II) "COURT RECORD" INCLUDES:

- 7 1. AN INDEX, A DOCKET ENTRY, A PETITION, A
- 8 MEMORANDUM, A TRANSCRIPTION OF PROCEEDINGS, AN ELECTRONIC RECORDING,
- 9 AN ORDER, AND A JUDGMENT; AND
- 2. ANY ELECTRONIC INFORMATION ABOUT A PROCEEDING ON A WEBSITE MAINTAINED BY THE MARYLAND JUDICIARY.
- 12 (3) "SHIELD" MEANS TO REMOVE INFORMATION FROM PUBLIC 13 INSPECTION IN ACCORDANCE WITH THIS SECTION.
- 14 (4) "SHIELDING" MEANS:
- 15 (I) WITH RESPECT TO A RECORD KEPT IN A COURTHOUSE,
- 16 REMOVING THE RECORD TO A SEPARATE SECURE AREA TO WHICH PERSONS WHO DO
- 17 NOT HAVE A LEGITIMATE REASON FOR ACCESS ARE DENIED ACCESS; AND
- 18 (II) WITH RESPECT TO ELECTRONIC INFORMATION ABOUT A
- 19 PROCEEDING ON A WEBSITE MAINTAINED BY THE MARYLAND JUDICIARY,
- 20 COMPLETELY REMOVING ALL INFORMATION CONCERNING THE PROCEEDING FROM
- 21 THE PUBLIC WEBSITE, INCLUDING THE NAMES OF THE PARTIES, CASE NUMBERS,
- 22 AND ANY REFERENCE TO THE PROCEEDING OR ANY REFERENCE TO THE REMOVAL
- 23 OF THE PROCEEDING FROM THE PUBLIC WEBSITE.
- 24 (B) (1) THIS SECTION APPLIES ONLY TO A COURT RECORD RELATING TO
- 25 AN ACTION FOR REPOSSESSION OF RESIDENTIAL PROPERTY FOR A FAILURE TO PAY
- 26 RENT FILED ON OR AFTER MARCH 5, 2020, BUT BEFORE JANUARY 1, 2022.
- 27 (2) THIS SECTION DOES NOT APPLY TO ANY RECORD RELATING TO AN
- 28 ACTION FOR REPOSSESSION FOR FAILURE TO PAY RENT THAT RESULTED IN A
- 29 MONEY JUDGMENT ENTERED IN FAVOR OF A LANDLORD UNLESS THE PETITIONER
- 30 PROVIDES EVIDENCE TO THE COURT THAT THE JUDGMENT HAS BEEN SATISFIED.
- 31 (C) (1) AN INDIVIDUAL MAY PETITION THE COURT TO SHIELD COURT 32 RECORDS RELATING TO ANY ACTION FOR REPOSSESSION FOR FAILURE TO PAY RENT

- 1 FILED AGAINST THE INDIVIDUAL IF THE FAILURE TO PAY RENT WAS DUE TO A LOSS
- 2 OF INCOME ARISING OUT OF THE COVID-19 PANDEMIC.
- 3 (2) A PETITION MAY NOT BE FILED UNDER THIS SECTION UNTIL THE 4 APPEAL PERIOD FOR THE ACTION TO WHICH A RECORD RELATES HAS LAPSED.
- 5 (D) THE COURT SHALL GRANT A PETITION UNDER THIS SECTION FOR ANY 6 RECORD RELATING TO AN ACTION FOR REPOSSESSION IN WHICH THERE WAS NOT A JUDGMENT ENTERED IN FAVOR OF A LANDLORD.
- 8 **(E) (1)** FOR ANY RECORD RELATING TO AN ACTION FOR REPOSSESSION 9 IN WHICH A JUDGMENT WAS ENTERED IN FAVOR OF A LANDLORD, THE COURT 10 PETITIONER SHALL HAVE SERVE A COPY OF THE PETITION FOR SHIELDING SERVED ON THE LANDLORD.
- 12 (2) A LANDLORD MAY FILE AN OBJECTION TO A PETITION NO LATER 13 THAN 15 DAYS AFTER RECEIPT OF SERVICE.
- 14 (3) IF THE LANDLORD FILES A TIMELY OBJECTION TO THE PETITION, 15 THE COURT SHALL HOLD A HEARING.
- 16 (4) IF THE LANDLORD OR THE LANDLORD'S AGENT OR ATTORNEY
 17 PETITIONER DEMONSTRATES AT THE HEARING THAT THE PETITIONER'S FAILURE TO
 18 PAY RENT THAT LED TO THE JUDGMENT IN FAVOR OF THE LANDLORD WAS NOT DUE
 19 TO A LOSS OF INCOME ARISING OUT OF THE COVID-19 PANDEMIC, THE COURT MAY
 20 DENY GRANT THE SHIELDING OF RECORDS RELATING TO THAT JUDGMENT.
- 21 **(5)** If the Landlord or the Landlord's agent or attorney 22 does not file a timely objection to the petition, the court shall:
- 23 <u>(I) May</u> grant the petition to shield the records 24 relating to the action that resulted in the judgment for repossession; 25 <u>or</u>
- 26 <u>(II) IF IT DENIES THE PETITION, SHALL PROVIDE THE SPECIFIC</u> 27 REASONS FOR THAT DENIAL IN THE ORDER DENYING THE PETITION.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 29 October 1, 2022.