

HOUSE BILL 181

D1, N1

HB 34/23 – ENT & JUD

(PRE-FILED)

4lr0946

CF SB 19

By: **Delegates Hill, Ruth, and Terrasa**

Requested: October 12, 2023

Introduced and read first time: January 10, 2024

Assigned to: Environment and Transportation and Judiciary

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 17, 2024

CHAPTER _____

1 AN ACT concerning

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

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

10 BY adding to
11 Article – Real Property
12 Section ~~8-119~~ and 8-503
13 Annotated Code of Maryland
14 (2023 Replacement Volume)

15 Preamble

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

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

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.



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

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

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

11 **(III) IF A JUDGMENT FOR POSSESSION IS ENTERED IN A**
12 **PROCEEDING IN WHICH THE TENANT ASSERTED A RENT ESCROW DEFENSE UNDER §**
13 **8-211 OF THIS TITLE, THE DISTRICT COURT MAY SHIELD ONLY THE COURT**
14 **RECORDS RELATED TO THE JUDGMENT FOR POSSESSION.**

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

17 **(1) ON WRITTEN REQUEST BY THE TENANT; OR**

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

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

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

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

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

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

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

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.