

(I) THE TENANT SHALL RETAIN ALL RIGHTS AND DEFENSES OTHERWISE AVAILABLE IN A PROCEEDING BETWEEN A TENANT AND A LANDLORD UNDER THIS SECTION; AND

(II) DAMAGES MAY ONLY BE AWARDED TO THE SURETY TO THE EXTENT THAT THE TENANT WOULD HAVE BEEN LIABLE TO THE LANDLORD UNDER THIS SECTION.

~~(10)~~ (11) (I) IF A LANDLORD'S INTEREST IN THE LEASED PREMISES IS SOLD OR TRANSFERRED, THE NEW LANDLORD SHALL ACCEPT THE TENANT'S SURETY BOND AND MAY NOT REQUIRE:

1. DURING THE CURRENT LEASE TERM, AN ADDITIONAL SECURITY DEPOSIT FROM THE TENANT; OR

2. AT ANY LEASE RENEWAL, A SURETY BOND ~~AND OR~~ A SECURITY DEPOSIT FROM THE TENANT THAT, IN ADDITION TO ANY EXISTING SURETY BOND OR SECURITY DEPOSIT, IS IN THE AN AGGREGATE AMOUNT, IS AMOUNT IN EXCESS OF TWO MONTHS' RENT PER DWELLING UNIT.

(II) IF THE AGGREGATE AMOUNT DESCRIBED IN SUBPARAGRAPH (I)2 OF THIS PARAGRAPH IS IN EXCESS OF TWO MONTHS' RENT, THE TENANT MAY RECOVER UP TO THREE TIMES THE EXTRA AMOUNT CHARGED, PLUS REASONABLE ATTORNEY'S FEES.

~~(11)~~ (12) (I) IF A LANDLORD FAILS TO COMPLY WITH THE REQUIREMENTS OF THIS SUBSECTION, THE LANDLORD FORFEITS THE RIGHT TO MAKE ANY CLAIM AGAINST THE SURETY BOND.

(II) IF A SURETY FAILS TO COMPLY WITH THE REQUIREMENTS OF THIS SUBSECTION, THE SURETY FORFEITS THE RIGHT TO MAKE ANY CLAIM AGAINST A TENANT UNDER THE SURETY BOND.

~~(12)~~ (13) IF A SURETY, IN AN ACTION AGAINST THE TENANT, ASSERTS A CLAIM UNDER THE SURETY BOND WITHOUT HAVING A REASONABLE BASIS TO ASSERT THE CLAIM, THE COURT MAY GRANT THE TENANT DAMAGES OF UP TO THREE TIMES THE AMOUNT CLAIMED PLUS REASONABLE ATTORNEY'S FEES.

~~(13)~~ (14) A SURETY BOND ISSUED UNDER THIS SUBSECTION MAY ONLY BE ISSUED BY AN ADMITTED CARRIER LICENSED BY THE MARYLAND INSURANCE ADMINISTRATION.

[(i)] (J) No provision of this section may be waived in any lease.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2006.

Approved May 16, 2006.