

CHAPTER 685

(House Bill 745)

AN ACT concerning

Landlord-Tenant Actions - Escrow Accounts

FOR the purpose of repealing a provision of law requiring a tenant to pay accrued rent into an escrow account in certain landlord-tenant actions; clarifying that a circuit court shall ~~provide a tenant an opportunity for~~ conduct a hearing within a certain time period before taking certain actions for a tenant's failure to pay rents due into an escrow account under a court order; providing that the landlord must satisfy a certain burden at the hearing; providing that a tenant may raise certain defenses at the hearing; allowing the circuit court to follow certain procedures if it determines that a tenant fails to comply without cause with certain District Court escrow orders; and generally relating to escrow accounts in landlord-tenant actions.

BY repealing and reenacting, with amendments,

Article - Real Property

Section 8-118

Annotated Code of Maryland

(1988 Replacement Volume and 1988 Supplement)

Preamble

WHEREAS, The Court of Special Appeals, in the case of Lucky Ned Pepper's Ltd. v. Columbia Park and Recreation Association, 64 Md. App. 222, 494 A.2d 947 (1985), declared unconstitutional the provisions of § 8-118 of the Real Property Article of the Annotated Code of Maryland requiring a tenant to pay accrued rent into an escrow account in certain landlord-tenant actions; and

WHEREAS, The Court of Special Appeals in the same case held constitutional a provision of the same statute allowing a circuit court to enter judgment and issue a warrant of restitution ~~the holding having been due to the fact~~ based on its finding that the Maryland Rules require an opportunity for a hearing before a court disposes of a claim or defense; now, therefore,

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

Article - Real Property

8-118.