

Office of Consumer Protection Guide for Landlords and Tenants

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Landlord Licensing Requirements and Complaint Handling

Do landlords need a license in Howard County?

Yes. The owner of a “dwelling unit” (such as a house, apartment or condominium unit) in Howard County must obtain a rental housing license before renting or leasing the unit. Rental Housing Licenses are issued by the Department of Inspections, Licensing and Permits (DILP). For more information, go to:
<http://www.howardcountymd.gov/DisplayPrimary.aspx?id=708> (or call 410-313-1830).

What are the requirements for getting a license?

Before a landlord can obtain a license, s/he must pay a fee and meet the requirements of Howard County Property Maintenance Code for Rental Housing. A rental housing license is valid for a period of 2 years but may be revoked or suspended by the Director of DILP if the landlord violates the Code requirements.

Does DILP handle tenant complaints?

DILP will handle complaints that allege that the property does not meet the requirements of the Howard County Property Maintenance Code for Rental Housing.

Who handles other types of complaints?

The Office of Consumer Protection (OCP) has the authority to investigate and mediate complaints against landlords who have allegedly engaged in deceptive or unfair trade practices, including most violations of the Maryland’s Landlord-Tenant Act. For example, OCP takes complaints involving lease issues, security deposit and other fee disputes.

For information about the Housing Choice Voucher Program, contact the Howard County Department of Housing and Community Development: <http://www.howardcountymd.gov/Departments.aspx?ID=2292>; or call 410-313-6320.

For questions and complaints about unlawful discrimination, contact the Howard County Office of Human Rights: <http://www.howardcountymd.gov/departments.aspx?ID=1777> or call 410-313-6430.

Application Fees

- **What is an application fee?**

An application fee is any fee other than a security deposit paid to a landlord before a lease is signed. Landlords use application fees to cover the costs of processing an application (such as the cost of running a credit check). If a landlord rents more than four units on one piece of property, and an application fee is required, the application must explain the prospective tenants' rights and obligations. Any other fee (such as "pet fees" or "cleaning fees") must be treated as part of the [security deposit](#).

- **Can the landlord keep the entire application fee?**

Landlords can only keep application fees up to \$25. If the application fee is more than \$25, the landlord must refund any amount that was not actually used to process the application. The excess amount must be refunded within 15 days after the tenant has moved in or within 15 days after either the tenant or landlord has given written notice that the rental won't take place.

- **What if the landlord withholds more than \$25 of the application fee?**

The tenant should ask the landlord to provide a written explanation of exactly what expenses were incurred. If the tenant is not satisfied with the explanation, s/he can file a complaint with the Office of Consumer Protection.

Consumer Tip:

If you are being asked to pay money at the time you fill out an application, make sure you know whether the money is to cover an application fee or security deposit. It is not wise to pay a security deposit until your application is accepted and you are ready to sign a lease. Before you pay any money, confirm with the landlord whether it will be refunded to you if you decide not to rent or if the landlord decides not to rent to you. Ask the landlord to write that information on a receipt. Having this information in writing will help avoid disputes if the rental does not take place.

Leases

- **What is a lease?**

A lease is a contract between a tenant and landlord for the rental of property.

- **How long do leases run?**

A lease can run for a set length of time (such a year), or run "month-to-month." Month-to-month leases continue indefinitely until either the landlord or tenant provides the other with notice of his/her intention to end the tenancy. A lease with a set-duration terminates at the end of the stated period.

Some leases, however, contain a clause that provides that the lease will “[automatically renew](#)” for another term unless one of the parties notifies the other of his/her intention to terminate.

- **Does a lease have to be in writing?**

If the landlord has five (5) or more dwelling units for rent in the state, the leases used must be in writing. If such a landlord fails to give a written lease, the term of the tenancy is presumed to be one (1) year from the date the tenant moved in unless the tenant ends the tenancy earlier by giving one (1) month’s written notice.

- **Is there a limit on how much the landlord can charge for rent?**

No. There are no state-wide or Howard County rent control laws. Tenants should, therefore, comparison shop to find the best rental property for their budget.

- **Are the terms of a lease negotiable? That is, can a tenant request changes to the landlord’s standard lease?**

Yes. While many landlords use a “standard lease” for all their tenants, there is nothing to prevent tenants from negotiating their own terms with the landlord. Additional terms can be written on the agreement and terms that are unacceptable can be crossed out so long as the landlord agrees and they are not contrary to state or local laws or ordinances. Tenants should make sure that all changes are dated and initialed by both parties.

- **What terms are required by law to be in a lease?**

Maryland law requires that leases:

- include a statement that the premises will be available in a reasonably safe, habitable condition, or a statement disclosing the condition of the premises;
- specify the landlord and tenant’s obligations as to heat, gas, electricity, water and repair of the premises (Note: if the rental property does not have its own meter to measure the tenant’s usage, the lease may require the tenant to pay a separate billing company for these services based on a formula established by the billing company);
- include the name, address and telephone number of the landlord or the person who is authorized to accept service of process on behalf of the landlord (Note: this information may be posted in a conspicuous place on the property instead of in the lease);
- Include information on the notice the landlord will give before entering the property for routine maintenance (no notice required for emergencies).

- **What terms are prohibited by law from being in a lease?**

A lease may not:

- authorize a confessed judgment, whereby tenants waive their right to defend themselves, waive any of the tenant’s rights or remedies provided by law, or waive the tenant’s right to a jury trial;

- give the landlord the right to evict the tenant or take the tenant's personal possessions without a court judgment;
 - impose a late rent fee of more than 5 percent of what's owed or impose a late rent fee of more than \$3 a week if rent is paid weekly (not to exceed \$12 a month);
 - provide for less than a 30 day notice to terminate the lease; or
 - allow a landlord to evict a tenant or terminate a tenancy solely as retaliation against the tenant's planning, organizing or joining a tenant organization with the purpose of negotiating collectively with the landlord during the term of the lease. Either the landlord or tenant may elect to not renew a lease for any reason.
- **Is the landlord required to give a prospective tenant a copy of the lease before agreeing to rent?**

Yes. Upon written request from the prospective tenant, the landlord must provide a copy of the proposed lease that is complete in every detail except the date, tenant's name and address, and rental rate, without requiring the execution of the lease or a deposit.

- **What notice is required to terminate a tenancy?**

At least one month's notice is required to terminate both yearly and month-to-month tenancies. The parties can agree to a longer notice period so long as the tenant is not required to give more notice to the landlord than the landlord is required to give to the tenant.

- **How do "automatic renewal clauses" work?**

Such clauses allow the lease to automatically renew for another term, or on a month-to-month basis, unless the landlord or tenant gives proper notice that they will not renew. To be enforceable, the automatic renewal clause must be distinctly set apart from other lease provisions and provide a space for the written acknowledgment of the tenant's acceptance.

- **Can a landlord raise the rent or change other lease terms when the lease automatically renews?**

If the lease has an automatic renewal clause, the landlord must notify tenants of any rent increase or other change with enough notice for the tenant to decide whether they want to renew.

Consumer Tip:

It is a good idea to get a copy of the lease and read it in advance so that you can be aware of all of the lease terms including: when the rent is due, late fees, procedures for giving notice at the end of the lease, automatic renewal provisions and the return of the security deposit. Also, ask for and read any rules regarding pets, parking, storage areas, noise, trash, maximum number of occupants and move-out procedures. Finally, walk through the property with the landlord before signing a lease and note any problems that need to be corrected.

Security Deposits

- **What is a security deposit?**

A security deposit is any money paid by a tenant to a landlord that protects the landlord against damage to the rented property, failure to pay rent, or expenses incurred due to a breach of the lease.

- **How much of a security deposit can a landlord collect?**

A landlord cannot collect more than two month's rent. If the tenant is charged more, s/he can go to court to recover up to (3) three times the extra amount charged, plus reasonable attorney's fees.

- **What information does a landlord have to give a tenant about the security deposit?**

A landlord is required to provide the tenant with a security deposit receipt which may be included in the written lease. The receipt/lease must notify the tenant of certain rights including:

- the tenant's right to be present at the inspection of the premises at the beginning of the tenancy for the purpose of making a written list of all existing damages;
- the tenant's right to be present at the landlord's inspection of the rental property at the end of the tenancy to determine if any damage was done during the tenancy;
- the landlord's obligation to conduct the inspection within five (5) days before or after the intended move-out date;
- the tenant's right to receive a written list of damages within 45 days after the termination of the tenancy;
- the landlord's obligation to return any unused portion of the security deposit within 45 days after the termination of the tenancy; and
- a statement that the landlord's failure to comply with the security deposit law may result in the landlord being liable to the tenant for a penalty of up to three (3) times the security deposit withheld plus reasonable attorney's fees.

- **Will the tenant get the security deposit back at the end of the tenancy?**

The landlord must put the security deposit in an interest-bearing account for the duration of the tenancy. The landlord must return a tenant's security deposit plus interest, less any damages rightfully withheld within 45 days after the tenancy ends. If the landlord fails to do this, the tenant may sue for up to three (3) times the withheld money plus reasonable attorney's fees.

- **What happens to the security deposit if the rental unit has been damaged?**

The landlord may withhold some or all the security deposit to cover damages in excess of ordinary wear and tear to the rental property. If the landlord withholds any part of the security deposit to cover such damages, s/he must send the tenant a written list of the damages, with a statement of what it actually costs to repair the damages, by first-class mail to the tenant's last known address within 45

days after the tenant moves out. If the landlord fails to do this, s/he loses the right to withhold any part of the security deposit.

- **Can the landlord keep the security deposit to cover unpaid rent or breach of lease?**

A landlord can keep the security deposit only to the extent that the landlord has actually been damaged. For example, if a tenant moved out before the end of his lease term but his landlord was able to re-rent the property five days after the tenant left, the landlord can only keep that portion of the security deposit that relates to the five days of lost rent and expenses he incurred in advertising the rental property.

- **How much interest does the landlord have to pay on the security deposit?**

Effective January 1, 2015, landlords are required to pay simple interest of 1.5 percent or the US Treasury yield curve rate, whichever is greater each year. For years prior to January 1, 2015, landlords must pay 3 percent per annum. Interest shall accrue at six month intervals from the day the tenant gives the landlord the security deposit. An interest rate calculator can be found on the Maryland Department of Housing and Community website at www.dhcd.maryland.gov/RSDCalculator.

Consumer Tip:

A few weeks before you are ready to move, send your landlord a written request to be present at the final walk-through. Also make sure your landlord has your correct forwarding address when you leave so that you can get your security deposit returned to you.

Security Bonds

- **What is a security bond?**

Some landlords ask tenants to pay obtain a security bond instead of paying a security deposit. Like a security deposit, a security bond protects the landlord from damages (in excess of normal wear and tear) made to the rental premises, lost rent or damages due to breach of lease. These bonds, however, do not relieve the tenant from having to pay for such damages at the end of the tenancy. Unlike a security deposit, the premium paid for a security bond is not refundable at the end of the tenancy.

- **Can landlords require tenants to purchase these bonds?**

No. A landlord can ask, but may not require, a tenant to purchase a security bond instead of a security deposit or in addition to a security deposit. Landlords are also not required to accept security bonds in lieu of security deposits. In other words, both the landlord and tenant must agree to the use of a security bond.

- **Is a security bond like insurance?**

No. If damages are paid to the landlord from the security bond, the tenant will be required to reimburse the security for those damages. Further, the amount paid as the premium on the bond only covers the cost of getting the bond – it does not constitute payment toward any damages owed to the landlord.

- **How can tenants buy a security bond?**

Often, the landlord will give the prospective tenant information about a security company. Security bonds may only be issued by licensed insurance carriers. Therefore, consumers should contact the Maryland Insurance Administration to make sure that the issuer is, in fact, licensed before purchasing a bond.

- **What's the advantage to purchasing a security bond instead of paying a security deposit?**

The price for purchasing a security bond may be less than the amount of the security deposit. If it is not, there is no advantage to buying a security bond. The amount of the security bond cannot on its own, or combined with any security deposit, exceed two month's rent. However, even if the security bond is less expensive, tenants should keep in mind that they will not receive a refund of the money they paid for the bond (unlike a security deposit which must be refunded, plus interest, minus damages).

Consumer Tip:

Tenants who are asked to purchase security bonds by their landlords are entitled to many of the same protections they are entitled to when they pay a security deposit. For example, tenants who purchase security bonds have the right to: inspect the rental premises with their landlord before and after they occupy the property, receive a list of damages the landlord claims that the tenant is responsible for, and receive a receipt explaining their rights when they are asked to purchase a security bond.

Landlord and Tenant Responsibilities

- **What can a tenant do if the rental property is not available on the agreed-upon move-in date?**

If a landlord fails to allow a tenant to take possession of the rental property at the beginning of the lease term, the tenant has the right to cancel the lease with written notice to the landlord. The landlord is also liable for any resulting damages suffered by the tenant regardless of whether the tenant cancelled the lease.

- **Is the landlord required to keep records and/or provide a receipt for the tenant's rent payments?**

Yes. The landlord must keep records that show the dates and amounts of rent paid. The landlord must give a receipt if the tenant pays in cash or requests a receipt.

- **What responsibility does a tenant have if a co-tenant (roommate) fails to pay his/her share of the rent?**

Usually, if both tenants have signed the lease, they are "jointly and severally" liable for the entire rent payment. In other words, if one tenant fails to pay a portion of the rent, both tenants can be held liable for the shortage. Therefore, both tenants can be evicted and ultimately sued for rent owed by one of the tenants. To avoid eviction, a tenant may want to cover the shortfall and then take whatever informal or legal action necessary to recover the money from the co-tenant.

If only one tenant has signed the lease, that tenant is responsible for the entire rent payment. The tenant may bring a legal action against the co-tenant if s/he can prove that they agreed to both pay the rent.

- **When may the landlord enter the leased property?**

The tenant's lease will usually specify when the landlord can enter and under what circumstances. For example, the lease may say that the landlord must give the tenant 24 hours of notice to enter the property to make repairs unless there's an emergency.

- **When can a landlord have vehicles towed from the rental property?**

Landlords who provide parking for tenants on the rental property can designate where tenants and/or visitors can park and can restrict parking to tenants only. Cars that violate restrictions can be towed at the landlord's direction. In order to tow vehicles that violate the landlord's restrictions, the property must have signs posted that are clearly visible in each parking area and at each vehicle entrance. The signs must: be at least 24 x 30 inches, summarize all parking restrictions; state that violator vehicles may be towed at their owners' expense; state maximum amount owner of vehicle may be charged for tow, list the name and telephone number of the tow service(s) authorized to tow vehicles; and include the contact information for the Office of Consumer Protection.

Companies that tow vehicles from private property without the permission of the vehicle owner must obtain a license from the Office of Consumer Protection, and abide by the County's "trespass tow" statute. The statute provides requirements and restrictions on how and when vehicles may be towed and regulates the fees that may be charged to redeem towed vehicles. Tenants can contact OCP for assistance in resolving disputes regarding the improper towing of their vehicles.

Repair and Maintenance of Rental Property

- **If the landlord fails to make repairs, can the tenant withhold the rent?**

If a landlord fails to repair serious or dangerous defects in the rental property, tenants have the right to pay their rent into an escrow account established by the local district court. Rent escrow is not provided for defects that just make the property less attractive or comfortable. Examples of serious or dangerous conditions include:

- Lack of heat, light, electricity or water (unless the tenant is responsible for utilities and the utilities were shut off because the tenant failed to pay the bill);
- Lack of sewage disposal or rodent infestation in two or more units;
- Lead paint hazards that the landlord failed to address;
- Structural defects that present a serious threat to the tenant's physical safety;
- Conditions that present serious fire or health hazards.

- **What do tenants have to do in order to pay their rent into rent escrow?**

- Tenants must notify the landlord by certified mail of the conditions that pose a life, health or safety threat or be able to show that the landlord has been notified of the violations from an appropriate agency such as the local housing department;

- The landlord has a reasonable time after receipt of the notice to correct the conditions. If the landlord fails to do this, the tenant can petition the court to pay his/her rent into a rent escrow account;
- Before establishing an escrow account, the court will hold a hearing to listen to both sides of the story. If the account is set up, the tenant must continue to pay rent into the account;
- Depending on the circumstances, the court can return all or part of the rent escrow payments to the tenant, give all or part of the payments to the tenant or to the landlord to make repairs, or appoint an administrator to ensure that repairs are made.

- **Is there any other action tenants can take instead of seeking rent escrow?**

Tenants can report violations of the Howard County Property Maintenance Code for Rental Housing to the Department of Inspections, Licensing and Permits (DILP). DILP will investigate tenant complaints and, if cited for violations, the landlord will have to make repairs. Contact DILP at 410-313-1830.

- **What are a landlord's obligations for dealing with lead paint in a rental property?**

- Register the property with the Maryland Department of the Environment;
- Give tenants the pamphlets "Lead Poisoning Prevention: Notice of Tenant's Rights" and "Protect Your Family From Lead in Your Home," and
- Perform Full Risk Reduction Measures (lead hazard treatments) in the property, get a Risk Reduction Certificate and give a copy to all tenants before they move in.

Federal law requires that landlords renting properties built before 1978 disclose any known lead-based paint hazards on the property to the tenant before the lease is final.

- **Can a landlord refuse to rent property to families with lead-poisoning histories?**

No. Landlords have been sued for requiring that families disclose the blood lead levels of their children prior to approval of their rental applications, and for discriminating against families with lead-poisoned children.

Consumer Tip:

For more information on the dangers associated with lead-based paint, contact the Coalition to End Childhood Lead Poisoning at (800) 370-LEAD, or the Maryland Department of the Environment at (800) 776-2706 (www.mde.state.md.us/health/lead). If you suspect that your child has been exposed to lead-based paint, call your child's doctor immediately to request a blood test.

Breaking a Lease

- **What are the tenant's obligations if s/he wants to move out before the end of the lease?**

A lease obligates the tenant to pay rent through the end of the lease term. So, if a tenant breaks a lease, the landlord can hold the tenant responsible for the rent due through the remainder of the lease term. However, the landlord must make a reasonable effort to re-rent the apartment to limit the

amount due. If the landlord is able to re-rent the dwelling unit, the tenant is responsible for the rent until the date the new tenant moves in and any cost of re-renting, such as advertising fees. However, a landlord with multiple vacant units is not required to show or lease the vacated unit in preference to other available units.

- **Can the terms of a lease alter the tenant's obligations for breaking the lease?**

Yes. Some leases have a "liquidated damages clause" that allows the tenant to cancel the lease with a certain amount of notice and the payment of a fee (e.g. two month's rent).

- **What if the tenant is in the military and is transferred to another post?**

Maryland law provides that if military personnel receives orders for a permanent change of station (or temporary duty for more than three months), his/her liability for breach of lease may not exceed 30 days' rent after written notice (and proof of the assignment) plus the cost of any damages to the rental unit.

- **What if the tenant is unable to continue the tenancy due to a medical condition?**

Maryland law provides that if a tenant has a certification from a physician (signed and on the physician's letterhead or printed prescription form) stating that the tenant has one of the medical conditions described below, the tenant's liability for breaking the lease may not exceed two (2) month's rent after the tenant vacates the premises. This applies to tenants whose medical conditions either (1) substantially restricts their mobility within leased premises home or from leaving or entering the leases premises; or (2) requires the tenant to move to a home or other facility to obtain a higher level of care than can be provided in the leased facility.

Eviction

- **For what reasons can a tenant be evicted?**

A landlord can seek to evict a tenant from a rental unit for non-payment of rent, failing to move out at the end of the lease term or for breaching any of the lease terms (such as exceeding the number of occupants allowed for the unit). In addition, the State's Attorney, County Attorney or community associations may bring eviction actions against tenants involved in illegal drug activities.

A landlord cannot evict a tenant (or increase the rent or fail to provide services) in retaliation for: organizing or joining a tenant's organization; filing a good faith complaint with the landlord or any public agency; filing or testifying in a lawsuit against the landlord; or notifying the landlord that there are lead hazards in the property or that there is a child with an elevated blood lead level in the property. To stop a retaliatory eviction, however, the tenant must prove that retaliation was the only reason for the landlord's actions. Note: Either the landlord or tenant may choose to not renew a lease for any reason.

- **Can a landlord order a tenant to leave without going to court?**

No. Eviction is a legal procedure. In order to evict a tenant, the landlord must go to District Court to obtain a judgment against the tenant. Landlords may not move a tenant's belongings out of the rental unit, change the locks or cut off utilities without a court order.

- **What notice does the tenant get before being evicted?**

If a tenant does not pay the rent on time, the landlord can immediately begin the eviction process by following the procedure discussed below. However, in many instances, tenants can stop the eviction by paying the rent owed (and any late fees specified in the lease).

If the tenant is holding over or has breached the lease, the landlord must give the tenant one month's advance written notice ending the lease before going to court. However, if the tenant has acted in a way that constitutes a threat to the safety of others only 14 days' notice is required.

- **What procedure does a landlord need to follow to evict a tenant?**

When the landlord files an eviction proceeding in court, the tenant will receive an official summons to attend a hearing. The summons may be served on the tenant in person, by mail or by posting a notice on the rental property. The tenant must attend the hearing to explain why the eviction should not proceed (for example, the tenant attempted to pay the rent but the landlord wouldn't accept it, or the landlord failed to give the tenant a month's written notice that s/he had violated the lease and must move out).

If the court rules in favor of the landlord, the landlord will get a court order for eviction called a "warrant for restitution" and arrange for a sheriff to oversee the eviction. The tenant can appeal the eviction in Circuit Court within four (4) days of the date of judgment in non-payment of rent cases, and within ten (10) days in breach of lease or holding over cases. The tenant may have to post a bond to cover the rent while the court decides considers the appeal.

On the day of the eviction, the sheriff will come to the rental unit and order the tenant and everyone on the property to leave. The sheriff will then supervise the landlord while all the property from the unit is put on the public right-of-way. Once the property is moved out, it is the tenant's responsibility.

- **Is the procedure the same if the tenant does not have a written lease?**

Yes. Oral leases are binding and the landlord must use the same procedure to evict a tenant with an oral lease that is used for tenants with written leases.

Consumer Tip:

If a tenant receives a summons to attend an eviction hearing, the tenant should not ignore it. Even if the landlord's actions are improper, if the tenant fails to attend the hearing on time, the landlord will probably win.

Still have questions? Please contact the Office of Consumer Protection at:
410-313-6420 or consumer@howardcountymd.gov

To obtain this document in an alternative format, please contact the Office of Consumer Protection at 410-313-6420 (voice/relay) or email us at consumer@howardcountymd.gov