Chapter 226

(Senate Bill 171)

AN ACT concerning

Landlord and Tenant – Office of Home Energy Programs Notice of Utility Bills in Residential Leases – Financial Assistance Gas and Electric Services

FOR the purpose of requiring a landlord to accept financial assistance from the Office of Home Energy Programs in the Department of Human Services for the cost of utility services that a tenant is required to pay; requiring a landlord, under certain circumstances, to provide a tenant with utility service documentation that is necessary for the Office to determine the eligibility of the tenant for financial assistance adding gas and electric utility services to the types of utility services for which certain landlords are required to provide a certain notice in a written lease and a copy of a certain receipt or bill summary under certain circumstances; requiring a landlord to provide a tenant with certain information about utility costs under certain circumstances; applying certain requirements relating to payment of utility services to landlords of buildings that contain more than a certain number of <u>units</u>; and generally relating to landlords, tenants, and the Office of Home Energy Programs required provisions in written leases.

BY adding to repealing and reenacting, with amendments,

Article – Real Property Section 8–220 <u>8–205.1</u> Annotated Code of Maryland (2023 Replacement Volume)

BY adding to

<u>Article – Real Property</u> <u>Section 8–205.2</u> <u>Annotated Code of Maryland</u> (2023 Replacement Volume)

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

Article - Real Property

8-205.1.

(a) In this section, "utility service provider" means a public service company or a unit of State or local government that provides water [or], sewer, GAS, OR ELECTRIC utility services.

(b) <u>**f**(1)</u> This section applies only to a landlord of a building that contains one or <u>two</u> <u>SIX OR MORE</u> residential dwelling units.

(2)] This section does not apply to a landlord [that]:

(1) (1) THAT A landlord that requires a tenant, under an oral or written lease, to pay water [or], sewer, GAS, OR ELECTRIC bills directly to the utility service provider; OR

(2) (II) FOR ANY A UTILITY THAT IS ALLOCATED USING A RATIO UTILITY BILLING SYSTEM, AS DEFINED IN § 8–212.4 OF THIS SUBTITLE.

(c) A landlord that requires a tenant to make payments for water [or], sewer, GAS, OR ELECTRIC utility services to the landlord shall:

(1) Use a written lease that provides notice that the tenant is responsible for making payments for water [or], sewer, GAS, OR ELECTRIC utility services to the landlord; and

(2) (1) Provide a copy of the water [or], sewer, GAS, OR ELECTRIC bill to the tenant; OR

(II) BEFORE THE BEGINNING OF THE INITIAL LEASE AND EACH TERM THEREAFTER FOR THE DURATION OF THE TENANCY, NOTIFY THE TENANT IN WRITING OF THE TOTAL UTILITY COSTS BILLED TO THE LANDLORD IN THE IMMEDIATELY PRECEDING YEAR FOR WATER, SEWER, GAS, OR ELECTRIC UTILITY SERVICES, DISAGGREGATED BY UTILITY TYPE.

<u>8–205.2.</u>

(A) IN THIS SECTION, "UTILITY SERVICE PROVIDER" HAS THE SAME MEANING STATED IN § 8–205.1 OF THIS SUBTITLE.

(B) (1) This section applies only to a landlord of a building that contains five or fewer residential dwelling units.

(2) <u>This section does not apply to a landlord that requires</u> <u>A tenant, under an oral or written lease, to pay water, sewer, gas, or</u> <u>Electric bills directly to the utility service provider.</u>

(C) A LANDLORD THAT REQUIRES A TENANT TO MAKE PAYMENTS FOR WATER, SEWER, GAS, OR ELECTRIC UTILITY SERVICES TO THE LANDLORD SHALL: (1) <u>Use a written lease that provides notice that the tenant</u> <u>is responsible for making payments for water, sewer, gas, or electric</u> <u>utility services to the landlord; and</u>

(2) PROVIDE A COPY OF THE WATER, SEWER, GAS, OR ELECTRIC UTILITY BILL TO THE TENANT.

8-220.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "OFFICE" MEANS THE OFFICE OF HOME ENERGY PROGRAMS IN THE DEPARTMENT OF HUMAN SERVICES.

(3) "UTILITY SERVICE" MEANS FUEL, GAS, ELECTRIC, HEAT, WATER, OR A SIMILAR SERVICE PROVIDED BY A PUBLIC SERVICE COMPANY THAT IS REGULATED BY THE PUBLIC SERVICE COMMISSION.

(B) A LANDLORD SHALL ACCEPT FINANCIAL ASSISTANCE FROM THE OFFICE FOR THE COST OF UTILITY SERVICES THAT A TENANT IS REQUIRED TO PAY.

(C) (1) SUBJECT TO THE CONFIDENTIALITY REQUIREMENTS OF STATE AND FEDERAL LAW, AND UPON THE REQUEST OF A TENANT, A LANDLORD SHALL PROVIDE A TENANT WITH UTILITY SERVICE DOCUMENTATION THAT IS:

(I) ACCESSIBLE TO THE LANDLORD, BUT OTHERWISE INACCESSIBLE TO THE TENANT; AND

(II) NECESSARY FOR THE OFFICE TO DETERMINE THE ELIGIBILITY OF THE TENANT FOR FINANCIAL ASSISTANCE.

(2) UTILITY SERVICE DOCUMENTATION UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL:

(I) BE PROVIDED AT NO COST TO THE TENANT; AND

(II) INCLUDE BILLS AND OTHER STATEMENTS RELATED TO UTILITY SERVICES.

(D) (1) FOR EACH VIOLATION OF THIS SECTION BY A LANDLORD, THE DEPARTMENT OF HUMAN SERVICES MAY IMPOSE:

(I) FOR A FIRST OFFENSE, AN ADMINISTRATIVE PENALTY OF

\$500; or

(II) FOR A SECOND OR SUBSEQUENT OFFENSE, AN ADMINISTRATIVE PENALTY OF \$1,000.

(2) THE DEPARTMENT SHALL PAY ANY PENALTY COLLECTED UNDER THIS SUBSECTION INTO THE GENERAL FUND OF THE STATE.

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

Approved by the Governor, April 25, 2024.