

**CITY OF BALTIMORE
COUNCIL BILL 21-0021
(First Reader)**

Introduced by: Councilmember Stokes, President Mosby, Councilmembers Middleton, Ramos,
Bullock, Cohen, Glover, Torrence

Introduced and read first time: January 11, 2021

Assigned to: Economic and Community Development Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Housing and Community
Development, Housing Authority of Baltimore City, Department of Real Estate

A BILL ENTITLED

1 AN ORDINANCE concerning

2 style="text-align:center">**Late Fees for Past Due Rent**

3 FOR the purpose of requiring a lease to have a provision regarding a 10-day grace period;
4 requiring a lease to have provisions regarding the amount of money landlords may charge for
5 late fees, when landlords may charge tenants receiving public assistance for late fees, late
6 fees as a condition precedent to the tenant's right to redeem, and the types of fees landlords
7 may recover; and prohibiting this section from altering other remedies available to a landlord.

8 BY adding

9 Article 13 - Housing and Urban Renewal
10 Sections 7-3(a-2)
11 Baltimore City Code
12 (Edition 2000)

13 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the
14 Laws of Baltimore City read as follows:

15 style="text-align:center">**Baltimore City Code**

16 style="text-align:center">**Article 13. Housing and Urban Renewal**

17 style="text-align:center">**Subtitle 7. Residential Lease Requirements**

18 **§ 7-3. Information required.**

19

20 (A-2) *LATE FEES.*

21 (1) *IN GENERAL.*

22 A RESIDENTIAL LEASE SHALL INCLUDE A PROVISION THAT THE LANDLORD MAY NOT
23 APPLY LATE FEES TO THE RENT UNTIL THE TENANT IS MORE THAN 10 DAYS PAST DUE
24 WITH THE RENT.

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

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1 (2) *ADDITIONAL LATE FEE PROVISIONS.*

2 IN ADDITION, A RESIDENTIAL LEASE SHALL INCLUDE A PROVISION THAT:

3 (I) THE LANDLORD MAY CHARGE A LATE FEE OF NOT MORE THAN 1% OF THE
4 TOTAL MONTHLY RENTAL PAYMENT PER DAY FOR EACH DAY THE TENANT IS
5 LATE, COMMENCING WITH THE 11TH DAY OF THE PERIOD FOR WHICH RENT IS
6 DUE, NOT TO EXCEED A TOTAL OF 5% OF THE TOTAL MONTHLY RENTAL
7 PAYMENT;

8 (II) THE LANDLORD MAY CHARGE THE LATE FEE COMMENCING ON THE 11TH DAY
9 AFTER THE DAY A PUBLIC ASSISTANCE CHECK WAS ACTUALLY MAILED OR AN
10 ELECTRONIC FUNDS TRANSFER WAS MADE IF THE TENANT:

11 (A) RECEIVES PUBLIC ASSISTANCE UNDER THE FOOD SUPPLEMENT
12 PROGRAM, WOMEN, INFANTS, AND CHILDREN PROGRAM, OR THE
13 SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM; AND

14 (B) HAS NOT RECEIVED THE PUBLIC ASSISTANCE CHECK OR ELECTRONIC
15 FUND TRANSFER ON OR BEFORE THE DATE THE RENT IS DUE, IF THE
16 TENANT:

17 1. INFORMS THE LANDLORD, IN WRITING, THAT THE PUBLIC
18 ASSISTANCE CHECK WAS MAILED OR THE ELECTRONIC FUNDS
19 TRANSFER WAS MADE LATER THAN THE DAY ON WHICH THE
20 RENT WAS DUE; AND

21 2. THE TENANT PROVIDES REASONABLE, SATISFACTORY EVIDENCE
22 TO ESTABLISH THAT THE PUBLIC ASSISTANCE CHECK WAS
23 MAILED OR THE ELECTRONIC FUNDS TRANSFER WAS MADE
24 LATER THAN THE DAY UPON WHICH THE RENT WAS DUE;

25 (III) IN THE CASE OF LEASES REQUIRING WEEKLY RENTAL INSTALLMENTS, THE
26 LANDLORD MAY CHARGE A \$3 PENALTY FOR THE LATE PAYMENT OF RENT BUT
27 MAY NOT CHARGE MORE THAN A TOTAL OF PENALTIES EXCEEDING \$12 PER
28 MONTH;

29 (IV) THE LANDLORD MAY NOT DEMAND THE PAYMENT OF ANY FEES OR OTHER
30 CHARGES, EXCEPT RENT, COURT FILING FEES, AND COURT-AWARDED COSTS, AS
31 A CONDITION PRECEDENT TO ALLOWING THE TENANT TO EXERCISE THE
32 TENANT'S RIGHT TO REDEEM THE LEASED DWELLING UNIT AS PROVIDED FOR BY
33 THE STATE REAL PROPERTY ARTICLE;

34 (V) IF THE TENANT HAS HAD 3 JUDGMENTS FOR POSSESSION IN FAVOR OF THE
35 LANDLORD FOR RENT DUE IN THE 12 MONTHS PRIOR TO WHEN THE TENANT
36 EXERCISED THE TENANT'S RIGHT TO REDEEM THE LEASED DWELLING UNIT, THE
37 LANDLORD MAY DEMAND THE PAYMENT OF FEES AND CHARGES BEYOND RENT,
38 COURT FILING FEES, AND COURT-AWARDED COSTS AS A CONDITION PRECEDENT
39 TO ALLOWING THE TENANT TO EXERCISE THE TENANT'S RIGHT TO REDEEM THE

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1 LEASED DWELLING UNIT AS PROVIDED FOR BY THE STATE REAL PROPERTY
2 ARTICLE;

3 (VI) A LANDLORD MAY RECOVER ONLY THOSE COSTS AND FILING FEES ACTUALLY
4 INCURRED;

5 (VII) IF REQUESTED IN WRITING, A LANDLORD SHALL PROVIDE A TENANT WITH A
6 WRITTEN STATEMENT OF CHARGES ACTUALLY INCURRED, TO INCLUDE THE
7 DISTRICT COURT CASE NUMBER AND A COPY OF THE COMPLAINT FORM; AND

8 (VIII) A REQUEST BY A TENANT FOR A WRITTEN STATEMENT OF CHARGES
9 ACTUALLY INCURRED MUST BE MADE WITHIN 30 DAYS OF THE COSTS BEING
10 ASSESSED AND MAY NOT COVER ANY OTHER REQUEST FOR FILING COSTS
11 ASSESSED IN OVER 180 DAYS.

12 (3) *OTHER REMEDIES NOT PRECLUDED.*

13 NOTHING IN THIS SECTION MAY BE CONSTRUED TO ALTER A LANDLORD'S REMEDIES TO
14 RECOVER DAMAGES FROM A TENANT ARISING FROM BREACH OF A LEASE OR ANY
15 OTHER RELEVANT PROVISION OF LAW.

16 **SECTION 2. AND BE IT FURTHER ORDAINED,** That the catchlines contained in this Ordinance
17 are not law and may not be considered to have been enacted as a part of this or any prior
18 Ordinance.

19 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance shall only apply
20 prospectively to new leases and shall have no retroactive effect on leases entered into prior to the
21 effective date of this Ordinance.

22 **SECTION 4. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the 30th day
23 after the date it is enacted.