MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1016

H. P. 814

House of Representatives, March 5, 1979 On Motion of Mr. Hughes of Auburn, referred to the Committee on Judiciary. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Connolly of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-NINE

AN ACT to Establish a Truth-in-Renting Law.

Be it enacted by the People of the State of Maine, as follows:

- 14 MRSA § 6022 is enacted to read:
- § 6022. Truth-in-renting
- 1. Short name. This section shall be known and cited as the "Truth-in-Renting Law."
- 2. Definitions. As used in this section, unless the context otherwise indicates, the following terms shall have the following meanings.
 - A. "Rental agreement" means an agreement, written or oral, embodying the terms and conditions concerning the use and occupancy of residential premises.
 - B. "Residential premises" means a structure or part of a structure used as a home, residence or sleeping unit by one person or 2 or more persons who maintain a common household unit or any other facility, and includes an apartment unit, a boardinghouse, a rooming house, a mobile home space and a single and 2-family dwelling.
- 3. Prohibition. A lessor shall not include a clause or provision in a rental agreement which is prohibited, which is unenforceable by law or which purports

to achieve the same effect or purpose as a clause or provision that is prohibited by law. Any section or clause of a rental agreement which conflicts with this subsection is void and unenforcement.

A rental agreement shall not:

- A. Provide that the tenant pay rent or accept the premises when the premises are in a condition which violates the covenants required pursuant to section 6021:
- B. Provide that the tenant waive a right regarding security deposits established by chapter 710-A;
- C. Exclude or discriminate against a person in violation of Title 5, chapter 337;
- D. Provide for a confession of judgment by the tenant;
- E. Exculpate the lessor from indemnification of, or contribution to, the tenant for liability imposed by law for the lessor's failure to perform, or negligent performance of, a duty to the tenant or an invitee or licensee of the tenant;
- F. Waive or alter the tenant's right to demand a trial by jury or any other right of legal notice or procedure in a dispute arising under the rental agreement;
- G. Provide that the tenant is liable for legal costs or attorneys' fees incurred by the lessor in connection with a dispute arising under the rental agreement, other than those costs or fees specifically permitted by statute;
- H. Provide for the acquisition by the lessor of a security interest in any personal property of the tenant other than a security deposit permitted by chapter 710-A;
- I. Accelerate rental payment due if a breach of the lease occurs;
- J. Require payment of a charge or fee by the tenant as a penalty for the late payment of rent or other charge under the rental agreement in excess of 2.5% of the periodic rental amount for any one payment more than 5 days past due;
- K. Require payment by the tenant of a fixed fee for cleaning or otherwise preparing the premises for occupancy of the tenant or a subsequent tenant;
- L. Provide that the tenant purchase goods or services from a specific 3rd party in connection with the tenant's occupancy of the premises;
- M. Permit the landlord to enter the premises without permission of the tenant, except as permitted by law;
- N. Waive or alter the tenant's rights with respect to possession or eviction proceedings or with respect to summary proceedings to recover possession as provided in chapter 709;
- O. Waive or diminish the rights of a tenant in contravention of a law;
- P. Release the landlord from a duty to mitigate damages;

- Q. Provide that the tenant accept an additional clause, agreement, rule or regulation added to the rental agreement without the knowledge and written consent of the tenant; or
- R. Provide a clause or agreement which the Attorney General has declared unlawful or unenforceable.
- 4. Lessor not to take advantage of disability, illiteracy or inability of tenant. A lessor of residential premises shall not take advantage of the tenant's inability reasonably to protect an interest because of disability, illiteracy or inability to understand the language of an agreement presented by a lessor who knows or reasonably should know of the tenant's inability.
- 5. Rules. The Attorney General may promulgate rules to implement this section pursuant to the Maine Administrative Procedure Act, Title 5, chapter 375.
- 6. Rental agreement violating section is void. A rental agreement which violates this section may be voided by the tenant upon written notice to the lessor and shall be unenforceable.

Subject to subsection 7, a tenant may bring an action and collect as damages, against a lessor who violates this section, actual damages or an amount equal to the equivalent of 2 months' rent plus reasonable attorneys' fees and actual court costs, whichever is greater.

- 7. Good faith attempt to give notice reduces damages. If a lessor makes a good faith attempt to give written notice to all tenants subject to a clause, agreement or understanding prohibited by this section, before the commencement of an action pursuant to subsection 6, specifying the prohibited clause, agreement or understanding and stating that it is void and unenforceable, then, with respect to that clause, agreement or understanding, the lessor shall be liable only for actual damages sustained by each lessee.
- 8. Remedies. The remedies provided by this section shall be in addition to any other remedies imposed by law.
- 9. Required contents of rental agreement. A rental agreement shall state in 12-point boldface type:
- A. The name and address of the owner of the premises or an agent or fiduciary of the owner of the premises who is authorized to alter the term of the rental agreement; and
- B. A statement in substantially the following form: "Some parts of this rental agreement may not be enforceable under the law. If you have any questions about this rental agreement, you should contact a lawyer, a legal aid office or a tenant union."

STATEMENT OF FACT

This bill identifies certain provisions that can no longer be included in rental agreements. The purpose of this bill is to prevent the systematic exploitation of tenants by a relatively limited group of unscrupulous landlords. The rental provisions prohibited by this bill are not used by reputable landlords and therefore the result of this bill will be an improvement in landlord-tenant relationships for all concerned.