#### House Bill 1540

# **Environment – Mold Inspections – Standards, Reporting, and Penalties**

Before the House Environment and Transportation Committee, March 4, 2020

Position: FAVORABLE



Maryland Renters make up one-third of all households across the state. In cities such as Silver Spring, Hagerstown, and Baltimore City, renters comprise more than half of all households. This growing constituency urgently needs a law that prescribes how mold defects in housing should be assessed and remediated. The undersigned member organizations of Renters United Maryland, a statewide coalition of renters, organizers, and advocates, urge the Committee's favorable report on HB 1540.

Across the state, housing agencies are working without standards or guideposts on mold, and importantly for renters, current law lacks black-letter protections from mold-affected housing. What is an acceptable exposure of a tenant to indoor mold? What is the appropriate method of mold remediation? What precautions must be taken to remove indoor mold without increasing exposure to the tenants? When should a tenant be released from the rental agreement and reimbursed for relocation expenses? There are no answers in current law, and consequently, already vulnerable renters are suffering without relief or remedy. HB 1540 introduces much-needed solutions to this problem.

#### Lack of standards means that renters are dealing with mold virtually on their own.

HB 1540 moves Maryland forward from the regulatory disarray that renters currently face when they seek help from hazardous mold defects. Local code enforcement agencies lack the legal tools to deal with mold. They rely on variations of international codes that have not incorporated standards on mold. Consequently, for most housing agencies, complaint-based inspections inconsistently cite mold, and when mold does appear on violation reports, it is recorded as "possible mold," "appearance of mold," or a "dark substance."

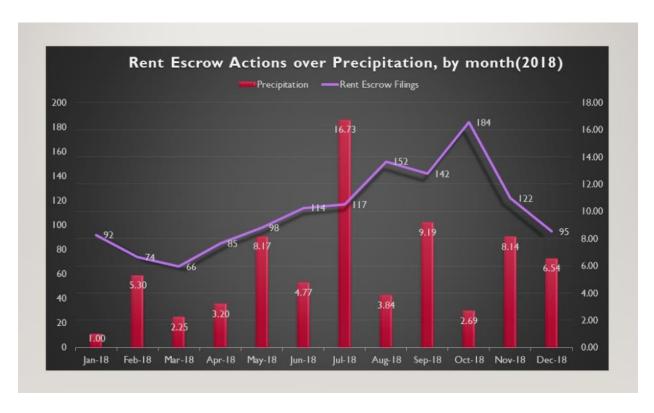
These descriptions match the superficiality of agency inspections. Inspectors literally can inspect only the surface of the problem. These shortcomings generate confusion about whether mold violates code and foster doubt about whether landlords have a legal obligation to remediate the mold. In the experience of attorneys in the RUM coalition, agency inspectors are more likely than not to remove a mold-related violation when the defect has been surface-cleaned or occluded by paint or some other covering. These ineffective methods of "remediation" meet agencies' visual surface inspections. Unless there are visible indicia of wood rot, water damage, or a leak, inspectors cannot resort to regulations or protocols that require a property owner to do more than cover up the mold.

The implied policy in Maryland is that the presence of toxic mold, if not visible, is an acceptable condition of rental housing. Renters expect more, and their health, stability, productivity, and educational outcomes require it. HB 1540 advances the changes that Maryland renters are demanding: definitional standards, inspection protocols, and regulations for remediation of mold.

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### HB 1540 includes important enforcement tools for renters.

By creating standards, HB 1540 will also boost renters' ability to assert their rights in legal actions to compel landlords to remediate mold or to seek compensation for hazardous living conditions. HB 1540 includes rent escrow and anti-retaliation provisions specific to mold defects.



The existing rent escrow law, Real Property Art. § 8-211, is an important but often limited mechanism for renters to seek court-ordered repair of mold defects. For instance, in Baltimore City, the volume of rent escrow actions spiked to nearly 1,350 in 2018, which was a record-setting year for precipitation in Maryland. In a comparison of monthly precipitation data against rent escrow cases filed by month, we see that 2018's unusually wet July was followed by a peak number of rent escrow filings in October.

Renters are clearly turning to the rent escrow procedure in district court when faced with mold defects, but the process can be frustratingly ineffective. These cases often fail to ensure mold remediation and fair compensation to the tenant because of lack of standards. The viability of the tenant's legal claim boils down to whether a judge can make sense of the vague, discretionary assessments of inspectors about whether mold exists and how it should be removed. HB 1540 would bring a foundation to these legal actions that judges could rely on.

The threat to tenant health and safety posed by the presence of mold in the home is clear. In the anecdotal experience of RUM member organizations, the elderly and those with existing respiratory problems suffer the worst, and in some cases have been hospitalized as a suspected result of unmitigated mold growth. Many renter families also suspect domestic mold to be the cause of their children's asthma development. A 2009

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<u>review of existing literature</u> on the health effects of dampness and mold by the World Health Organization found a substantial body of evidence of an association with upper respiratory tract symptoms, coughing, wheezing, asthma development in otherwise healthy children, and exacerbation of already diagnosed asthma. Maryland law should protect renter families from the potentially long-term adverse health outcomes resulting from poor property management.

## HB 1540 is a first, crucial step toward a comprehensive solution to mold in rental housing.

HB 1540 requires multiple Maryland agencies to collaboratively devise standards that fill gaps in current law. But the bill, by itself, is not a silver bullet against the myriad challenges that mold hazards present to renting families. HB 1540 works best in conjunction with additional measures that are presently before this Committee: **HB 744** (relocation costs for tenants leaving uninhabitable housing) and **HB 1372** (increasing renters' access to the rent escrow process and providing a statewide warranty of habitability).

The following member organizations of Renters United Maryland sign onto this statement in support of HB 1540 and urge this Committee's favorable report on the bill:

Baltimore Regional Housing Partnership
Communities United
Chesapeake Physicians for Social Responsibility
Fair Housing Action Center of Maryland
Homeless Persons Representation Project, Inc.
MEDCHI
Montgomery County Renters Alliance
Public Justice Center

If you have any questions, please contact Zafar Shah at (410) 625-0765 or at shahz@publicjustice.org.

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