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February 15, 2021

Delegate Luke Clippinger, Chair Judiciary Committee House of Delegates House Office Building, Room 101 Annapolis, Maryland 21401

Re: SUPPORT HB523 - REPOSSESSION FOR FAILURE TO PAY RENT – REGISTRATION AND LICENSE INFORMATION

Dear Chairman Clippinger and Members of the Committee:

The Green & Healthy Homes Initiative (GHHI) writes in support of HB523. GHHI is the nation's largest healthy homes organization and is dedicated to addressing the social determinants of health and advancing racial and health equity through the creation of healthy, safe, and energy efficient homes. By delivering a standard of excellence, GHHI aims to eradicate the negative health impacts of unhealthy housing and unjust policies for children, seniors, and families to ensure better health, economic, and social outcomes with an emphasis on black and brown and low-income communities. GHHI has been at the frontline of lead poisoning prevention and healthy housing for over three decades.

GHHI developed the holistic energy efficiency, health and housing service delivery model that is implemented in our nationally recognized, Maryland-based direct service program as well in over 25 partner jurisdictions nationwide and whose model was adopted by the U.S. Department of Housing and Urban Development. In addition, GHHI helped to elevate Maryland as a national leader in healthy housing by helping reduce childhood lead poisoning by 99% in the state. GHHI provides multiple direct services in Maryland including legal representation of tenants in District Court rent court for the repair of lead and other home-based environmental health hazards and compliance assistance for rental property owners across the state.

In 2004, HB1245 – The Clean Hands Bill was passed to require that rental property owners who were collecting rent through the Failure to Pay Rent Complaint process in District Court had to demonstrate that they were in compliance with Maryland's rental registration and lead inspection certification requirements. The law was passed to improve compliance rates of affected rental properties following a University of Maryland Law School report that analyzed 1,000 pre-1950, occupied rental properties that were the subject of current Failure to Pay Rent Complaints in Baltimore City District Court and found that 77% were not in compliance with the state's Maryland Reduction of Lead Risk in Housing Law. That law has been effective in helping improve

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compliance rates, but there are still non-compliant owners that are utilizing the District Court to collect rent for properties in Baltimore City that are unlicensed and have no lead risk reduction certification.

## Compliance Problem That Needs to be Addressed

In order to improve compliance with the law's effectiveness at increasing registration and lead inspection certification compliance rates of affected properties with the Maryland Reduction of Lead Risk in Housing Law and to insure that rental property owners obtain a lead certificate prior to a tenant's occupancy, we need to strengthen the District Court's role in helping to make sure that rental property owners who use the state funded and sanctioned Failure to Pay Rent court process are legally renting their properties by having them registered, licensed and inspected. During GHHI's years of legal representation of tenants in District Court in Baltimore City, it is not uncommon to represent tenants who reside in affected properties and are facing District Court eviction proceedings but:

- The property is not licensed in Baltimore City.
- The affected property lacks a valid lead inspection certificate and/or is not annually registered with the Maryland Department of the Environment as required.

HB523 helps address this problem by providing a requirement that in Baltimore City District Court Failure to Pay Rent actions under Real Property Article 8-401, rental property owners must demonstrate that they are licensed. A part of that Baltimore City licensing process is a requirement that rental property owners of pre-1978 constructed affected rental properties have their properties registered and pass the lead risk reduction inspection certification. We support HB523 to promote lead safer housing for tenants.

The Maryland Reduction of Lead Risk in Housing Law has helped produce a 99% decline in childhood lead poisoning, but there remain numerous non-compliant properties that contain serious lead hazards. Further, various research studies have shown that non-compliant landlords who failed to meet Maryland's registration and lead risk reduction measures and inspection were still able to prevail in District Court Failure to Pay Rent Complaint hearings. Rental property owners who are not responsible in maintaining proper MDE registration and valid lead inspection certificates for affected properties should not be allowed to use our courts.

HB523 would strengthen the rent court process so that it is fair to all parties and does not require that tenants, who are typically pro se, have legal representation in District Court in order to expect that their rental home will be licensed and inspected to meet Baltimore City's licensing and Maryland's lead law requirements. We request a favorable report on HB523.

Respectfully Yours,

Ruth Ann Norton President and CEO