

Testimony HB 86 Budget & Taxation Committee January 18, 2022 Position: FAVORABLE

The Community Development Network of Maryland (CDN) is the voice for Maryland's community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland's urban, suburban and rural communities. CDN envisions a state in which all communities are thriving and where people of all incomes have abundant opportunities for themselves and their families.

HB 86, the Tenant Protection Act of 2022, provides Maryland renters long-needed reforms.

In Maryland, release of a tenant's security deposit can be delayed up to 45 days after the tenant moves out of the property. Particularly for lower-income renters in Maryland, **this delay imposes economic hardship that can destabilize the renter's new tenancy**. This hardship is worsened when renters finally receive their security deposit back and find that the landlord deducted fees or charges unreasonably. HB 86creates an additional obligation by which landlords would provide documentation for those withheld amounts.

Currently, Maryland law limits the costs faced by a tenant who seeks early lease termination on grounds that they are a victim of domestic violence or sexual assault. **HB 86 adds stalking, as defined in the Criminal Law Article, as a third basis**. This bill also addresses the current difficult documentation standard, which requires the tenant to provide notice of intent to vacate to the landlord *AND* evidence of a peace order/protective order to substantiate their status as a victim.

HB 86 also sets forth new transparency provisions to help renters understand their energy and water charges. These properties are typically multi-unit buildings on a master meter serviced by the local utility company. The owner then contracts with a third party to allocate utility charges to each unit in the building. Currently, in most jurisdictions, tenants have no statutory rights to access the calculations or to see the underlying billing and consumption data for the building. HB 86 offers tenants the opportunity to understand their utility charges and dispute charges if necessary.

Except in Montgomery County, tenant organizations can be intimidated or effectively shut down when their landlords prohibit their use of common areas. HB0086 defines "tenant organization" and sets forth a right of tenant organizations to assemble freely in a meeting room in certain multi-family properties.

We urge your FAVORABLE REPORT on HB 86.

Submitted by Claudia Wilson Randall, Executive Director, Community Development Network