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## **HB0174 – Landlord and Tenant – Repossession for Failure to Pay Rent – Registration and License Information**

**Hearing before the Senate Judicial Proceedings Committee,  
March 31, 2022**

**Position: SUPPORT (FAV)**

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Public Justice Center (PJC) is a nonprofit public interest law firm that serves over 600 renters each year. We stand with tenants to protect and expand their rights to safe, habitable, affordable, and non-discriminatory housing. PJC seeks the Committee’s Favorable report on HB0174.

HB0174 would effectively bar unlicensed, law-breaking landlords from taking advantage of the court’s “summary” procedure of eviction for non-payment of rent (“Failure to Pay Rent”). Similar legislation, Senate Bill 563, passed unanimously in the Judicial Proceedings Committee and also passed third reader in the Senate. SB0563 bill is inclusive of the measures of HB0174 – with one critical distinction: HB 174 additionally permits a tenant or the court itself to examine the validity of the property’s lead inspection certification at trial. This accountability measure gives teeth to existing law (passed in 2004) that requires landlords to assert lead risk reduction compliance on the face of the Failure to Pay Rent complaint. Public Justice Center’s [2015 study \*Justice Diverted\*](#) revealed that, from an investigation of over 100 contested eviction actions in Baltimore City, over 70 percent of landlords had either omitted rental licensing information on the complaint or provided the court invalid information – and nearly 80% of landlords failed to provide valid lead compliance information.<sup>1</sup>

We urge the Committee to issue a Favorable report on this bill.

***HB0174 strengthens the barrier against rogue landlords’ use of ‘Rent Court’***

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<sup>1</sup> Public Justice Center, *Justice Diverted: How Renters Are Processed in the Baltimore City Rent Court 24-25* (2015), [http://www.publicjustice.org/wp-content/uploads/2019/09/JUSTICE\\_DIVERTED\\_PJC\\_DEC15.pdf](http://www.publicjustice.org/wp-content/uploads/2019/09/JUSTICE_DIVERTED_PJC_DEC15.pdf)

Although the District Court requires self-reporting of lead risk reduction and rental license compliance on the Failure to Pay Rent form complaint, more is needed to stop unlicensed landlords' routine use of the courts while they violate the law by leasing units without a valid rental license or lead inspection certificate.

- **Rental licensing compliance**

HB0174 would require all landlords to demonstrate at the trial of a Failure to Pay Rent action that the rental unit is licensed if required by local law. To meet that burden, a landlord would need only a physical or electronic copy of the license to show to the judge at trial. By meeting that evidentiary burden, the landlord may proceed with the case and may win a judgment for possession. Where the landlord fails to meet this burden of proof, HB0174 instructs that a judge may not enter a judgment in favor of the landlord.

- **Lead risk reduction compliance**

Importantly, HB0174 does *not* create an across-the-board requirement for landlords to show their valid lead inspection certificates or other lead risk reduction compliance records at trial. Instead, on page 6 at lines 1-2, by changing "may not" to "may" in Real Property § 8-401(c)(2)(i), HB0174 would allow a tenant to present evidence that the landlord's assertions of MDE registration and lead risk reduction compliance are incorrect. Those assertions are already required to be made in the Failure to Pay Rent complaint. Because of advancements made by the Maryland Department of the Environment's new [Lead Rental Certification and Accreditation database](#), evidence of lead inspection certificates is now easily, freely available online.

For rental licensing, HB0174 (like SB0563) clarifies that it is neither the court nor the tenant who should carry the burden of identifying unlicensed properties or initiating the inquiry as to licensing status.

For lead risk reduction compliance, HB0174 merely allows the court or the tenant to raise or to try an issue related to the landlord's assertion of compliance.

This bill does not require clerks to examine or rule on licensing and lead risk reduction compliance – that remains the judge's duty.

Public Justice Center is a member of the Renters United Maryland coalition and asks that the Committee **issue a FAVORABLE report on HB0174**. If you have any questions, please contact Zafar Shah, shahz@publicjustice.org, (410) 625-9409 Ext. 237.