

SB 563: Real Property – Actions to Repossess – Judgment for Tenants and Proof of Rental Licensure HEARING BEFORE THE JUDICIAL PROCEEDINGS COMMITTEE, FEBRURARY 22, 2022 AT 1:00 PM POSITION: SUPPORT

The Pro Bono Resource Center of Maryland ("PBRC"), an independent 501(c)(3) non-profit organization, is the statewide coordinator, thought leader and clearinghouse for volunteer civil legal services in Maryland. As the designated pro bono arm of the Maryland State Bar Association, PBRC provides training, mentorship, and pro bono service opportunities to members of the private bar. We respond to acute legal needs identified in areas across the state by piloting and operating innovative pro bono service projects targeting specific legal problems or populations.

In May 2017, with a grant from the Maryland Judiciary's Access to Justice Department, PBRC launched the **Tenant Volunteer Lawyer of the Day Program (TVLD Program)** in Baltimore City Rent Court to provide day-of-court legal representation to tenants who appear unrepresented for their proceedings. In September 2021, the TVLD program received additional funding to expand its services to Baltimore County. Tenants appearing in Rent Court often contend with difficult and unsafe living conditions, are nearly always unrepresented, and are often unaware of the judicial process, their rights as renters, or valid defenses they could raise in the face of eviction proceedings.

PBRC supports SB 563 because it will increase court efficiency and protect tenants by requiring landlords to demonstrate their compliance with licensure requirements, and because it will clarify that these requirements apply to Tenant Holding Over and Breach of Lease actions. Under current Maryland law, individual jurisdictions can elect to require landlords to be licensed. Licensure in these jurisdictions requires inspection for unsafe conditions, and the law is clear landlords may not avail themselves of certain summary ejectment procedures if they are out of compliance with licensure regulations. See *McDaniel v. Baranowski*, 419 Md. 560 (2011).

Nonetheless, in Baltimore City in the two years prior to the pandemic, PBRC identified a licensing or registration issue in over 700 cases and almost half of PBRC's Failure to Pay Rent cases were dismissed for lack of valid licensure or registration. By requiring proof of compliance at the time of filing, SB 563 will ensure that only those landlords who comply with Maryland law will be permitted to use summary ejectment procedures. Not only will this protect tenants' right to a safe and habitable home, but it will reduce the burden of these cases on the judiciary.

In addition, SB 563 will protect tenants by clarifying that local licensure regulations apply consistently to all forms of summary ejectment. Landlords should not be allowed to circumvent these requirements by choosing one form of summary ejectment over another. In the last six months, Tenant Holding Over actions, for which there are very few defenses, have more than doubled. One client who requested PBRC's assistance with a Tenant Holding Over action had been living in an unlicensed home without consistent electricity or adequate plumbing for over a year. When he lost his job due to COVID-19, his application for rental assistance was denied because his residence was not licensed. Yet his landlord was able to use the courts to secure an eviction.

PBRC supports SB 563 because it will ensure that Maryland tenants are protected from unsafe conditions and preserve court resources for valid actions. Thank you for the opportunity to submit testimony.

For the above reasons,

PBRC urges a FAVORABLE report on SB 563.

Please contact Katie Davis, Director of PBRC's Courtroom Advocacy Project, with any questions. kdavis@probonomd.org • 443-703-3049