



Maryland Consumer Rights Coalition

Testimony to the Senate Judicial Proceedings Committee
HB174: Landlord and Tenant - Repossession for Failure to Pay Rent - Registration and
License Information
Position: Favorable

March 31, 2022

The Honorable Will Smith, Chair
Senate Judicial Proceedings Committee
2 East, Miller Senate Office Building
Annapolis, Maryland 21401
cc: Members, Senate Judicial Proceedings Committee

Honorable Chair Smith and Members of the Committee:

The Maryland Consumer Rights Coalition (MCRC) is a statewide coalition of individuals and organizations that advances financial justice and economic inclusion for Maryland consumers through research, education, direct service, and advocacy. Our 8,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland. In 2019, the Fair Housing Action Center of Maryland became a program of MCRC.

HB174 is a bill that addresses the number of substandard rental properties in our state, and the predatory landlords who profit.

Substandard Housing

For more than 50 years, Baltimore City has been plagued with a dearth of substandard rental properties, to the detriment of tenants and their families, and also City taxpayers. These properties contribute to the low overall quality of life in Baltimore, and illustrate the deep power imbalance in the relationship between tenants and landlords. In no other relationship would a seller, or in this case, a lessor be allowed to bring a product to market with such low standards of care. Since landlords know they have the upper hand in the relationship, and the licensing law is not consistently enforced, there's no incentive to make repairs in a timely manner, or at all.

The Fair Housing Action Center of Maryland received 231 complaints in 2020 from Baltimore City tenants, 34% of which were related to substandard housing or denial of essential services



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(no heat, water, electricity, etc.) Also of the 231 complaints we received, 40% of those properties were unlicensed. It's also important to note that the majority of these unlicensed properties, or properties that should be considered uninhabitable, are occupied by Black women with children -- continuing Baltimore's racist history of slum housing. It's long past the time for our legislature to put a stop to this shameful history.

No doubt you will hear from "Mom and Pop" landlords who claim they don't have the money to make repairs or hire an inspector at their own expense. The only appropriate response to this claim is twofold: Owning and operating rental property is a business, period. As such, a business owner has a duty of care, and a responsibility to follow the law. If the business owner cannot follow these two basic rules, they should not be allowed to profit from their cruel and intentional negligence. Also, the mythical "Mom and Pop" landlords are not in the majority when we're discussing substandard rental housing. Many of these properties are owned by an LLC, a trust, or other corporate/company structure -- one individual in Baltimore City controls hundreds of properties under individual LLCs and trusts -- hardly fitting the image of the "small property owner" we hear so much about and are expected to somehow pity, as their tenants live in squalor. Also, many of these properties are managed by "professional" property management companies who will no doubt be upset about having to follow the law, and large out of state real estate investment trusts (REITs) that will of course also be upset by being told they have to respect the laws and ordinances enacted by our City Council.

You have a wonderful opportunity right now -- the opportunity to send a clear and strong message to the predatory landlords that profit from our state's substandard and dangerous housing. You have the opportunity to also send a message to thousands of tenants -- tell them they matter, they are important, and their families are your number one priority.

For all these reasons, we support HB174 and urge a favorable report.

Best,

Carol Ott
Tenant Advocacy Director
Fair Housing Action Center of Maryland