### **SB6\_TenantProtectionAct-FAV.pdf**Uploaded by: Alice Wilkerson



#### SB 6 - Landlord and Tenant - Residential Leases - Tenant Rights and **Protections (Tenant Protection Act of 2022)**

#### Senate Judicial Proceedings Committee **February 3, 2022**

#### SUPPORT

Dear Chairman Smith and Members of the Committee:

On behalf of Strong Future Maryland, we write in strong support of Senate Bill 6. Strong Future Maryland works to advance bold, progressive policy changes to address systemic inequality and promote a sustainable, just and prosperous economic future for all Marylanders. We urge you to support this legislation as part of our efforts to address discriminatory housing practices in the state of Maryland and to ensure that everyone is treated fairly and equitably, regardless of background or income level.

Senate Bill 6, the Tenant Protection Act of 2022, provides Maryland renters four concise, long-needed, meaningful reforms that help balance landlord-tenant relations. This bill passed the House in 2021 and reflects amendments and compromises achieved in the 2020 session. Our organization supports the Tenant Protection Act as reintroduced.

#### SB 6 adds documentation of security deposit deductions

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. Current law requires landlords only to itemize the amounts withheld from the released security deposit. HB0086 creates an additional obligation by which landlords would provide documentation for those withheld amounts. For instance, if a landlord were to withhold hundreds of dollars for carpet cleaning after the renter moved out, HB0086 would require that the landlord, as practicable, provide their former tenant an invoice or other documentation that substantiates the itemized carpet-cleaning cost. Renters rely on the return of their security deposit and deserve to know, with the added certainty of documentation, why their former landlord deducted from the full deposit amount.

info@strongfuturemd.org PO Box 164 | Arnold MD 21012 240-643-0024 | strongfuturemd.org





#### SB6 expands grounds for early lease termination to include victims of stalking

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. SB6 adds stalking, as defined in the Criminal Law Article, as a third basis. This bill also addresses the difficult documentation standard in the current law, which requires the tenant to provide notice of intent to vacate to the landlord *plus* evidence of a peace order/protective order to substantiate their status as a victim. Because for many renters in these circumstances the peace order or protective order may be unattainable, HB0086 expands the documentation standard to include a report by a "qualified third party" (physician, psychologist, social worker) that supports the renter's assertion of domestic violence, sexual assault, or stalking. Additionally, SB6 specifies that a tenant in one of these emergency circumstances is responsible for payment of rent *only* for the period between their delivery of notice to the landlord and the date on which they vacate, up to a maximum of 30 days.

#### SB6 allows renters access to utility information at master-meter buildings

SB6 also sets forth new transparency provisions to help renters in Ratio Utility Billing System ("RUBS") properties understand their energy and water charges. These properties are typically multi-family 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. Under current law (outside Montgomery County and Baltimore City), tenants have no statutory rights to access the allocation calculations or to see the underlying billing and consumption data for the building. HB0086 addresses this information gap. This bill requires that tenants have written notice explaining exactly which utilities they will be expected to pay and the exact method or formula for how these costs will be allocated. In addition, the bill requires landlords to provide tenants with the average monthly cost for each utility in the prior calendar year. Importantly, too, HB0086 provides incumbent tenants the right to request information that would verify the accuracy of allocated utility bills – including past bills. All of these components of HB0086 offer tenants the opportunity to understand fluctuating utility charges over time and to dispute excessive or confusing utility costs.

#### SB6 gives tenant organizations the right of assembly in their buildings

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.

Strong Future Maryland is a member of the Renters United Maryland coalition and asks that the Committee **issue a report of FAVORABLE on SB6.** 

# HPRP\_FAV\_SB0006.pdf Uploaded by: Carisa Hatfield Position: FAV



#### HOMELESS PERSONS REPRESENTATION PROJECT, INC.

SB0006 - Landlord and Tenant - Residential Leases - Tenant Rights and Protections (Tenant Protection Act of 2022)

Hearing before the Senate Judicial Proceedings Committee, February 3, 2022

**Position: SUPPORT** 

The Homeless Persons Representation Project, Inc. (HPRP) is a non-profit civil legal aid organization that provides free legal representation to people who are homeless or at risk of homelessness on legal issues that will lead to an end to homelessness. HPRP regularly represents tenants in failure to pay rent cases and other landlord-tenant matters in Baltimore City.

Senate Bill 0006, the Tenant Protection Act of 2022, provides Maryland renters <u>four</u> concise, long-needed, meaningful reforms that help balance landlord-tenant relations. This bill passed the House in 2021 and reflects amendments and compromises achieved in the 2020 session. Our organization supports the Tenant Protection Act as reintroduced.

#### SB0006 adds documentation of security deposit deductions

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. Current law requires landlords only to itemize the amounts withheld from the released security deposit. SB0006 creates an additional obligation by which landlords would provide documentation for those withheld amounts. For instance, if a landlord were to withhold hundreds of dollars for carpet cleaning after the renter moved out, SB0006 would require that the landlord, as practicable, provide their former tenant an invoice or other documentation that substantiates the itemized carpet-cleaning cost. Renters rely on the return of their security deposit and deserve to know, with the added certainty of documentation, why their former landlord deducted from the full deposit amount. This will bring needed accountability to Maryland's security deposit law.

#### SB0006 expands grounds for early lease termination to include victims of stalking

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. SB0006 adds stalking, as defined in the Criminal Law Article, as a third basis. This bill also addresses the difficult documentation standard in the current law, which requires the tenant to provide notice of intent to vacate to the landlord *plus* evidence of a peace order/protective order to substantiate their status as a victim. This requirement is an impediment to survivors who either cannot or do not want to pursue a court order. According to the National Coalition Against Domestic Violence, 22,891 domestic violence crimes were reported to law enforcement in Maryland<sup>1</sup>; however, only 10,310 final protective orders were issued in the state during the same year<sup>2</sup>. This statistic illustrates in very stark terms the need to create other mechanisms for survivors to confirm their status and establish their need to break their lease and move from the property for reasons of personal safety. SB0006 expands the documentation standard to include a report by a "qualified third party" (physician, psychologist, social worker) that supports the renter's assertion of domestic violence, sexual assault, or stalking. Additionally, SB0006 specifies that a tenant in one of these emergency circumstances is responsible for payment of rent only for the period between their delivery of notice to the landlord and the date on which they vacate, up to a maximum of 30 days.

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SB0006 also sets forth new transparency provisions to help renters in Ratio Utility Billing System ("RUBS") properties understand their energy and water charges. These properties are typically multi-family 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. Under current law (outside Montgomery County and Baltimore City), tenants have no statutory rights to access the allocation calculations or to see the underlying billing and consumption data for the building. SB0006 addresses this information gap. This bill requires that tenants have written notice explaining exactly which utilities they will be expected to pay and the exact method or formula for how these costs will be allocated. In addition, the bill requires landlords to provide tenants with the average monthly cost for each utility in the prior calendar year. Importantly, too, SB0006 provides incumbent tenants the right to request information that would verify the accuracy of allocated utility bills – including past bills. All of these components of SB0006 offer tenants the opportunity to understand fluctuating utility charges over time and to dispute excessive or confusing utility costs.

#### SB0006 gives tenant organizations the right of assembly in their buildings

<sup>&</sup>lt;sup>1</sup> National Coalition Against Domestic Violence, "Domestic Violence in Maryland", available at https://assets.speakcdn.com/assets/2497/ncadv\_maryland\_fact\_sheet\_2020.pdf

<sup>&</sup>lt;sup>2</sup> Maryland Courts, "Domestic Violence Monthly Reports", available at https://www.courts.state.md.us/eservices/dvmonthlypublicreports

Except in Montgomery County, tenant organizations can be intimidated or effectively shut down when their landlords prohibit their use of common areas. SB0006 defines "tenant organization" and sets forth a right of tenant organizations to assemble freely in a meeting room in certain multi-family properties.

HPRP is a member of the Renters United Maryland coalition and asks that the Committee **issue a report of FAVORABLE on SB0006.** If you have any questions, please contact Carisa A. Hatfield, Esq. at 443-402-5395 or chatfield@hprplaw.org.

### SB0006\_Tenant\_Protection\_Act\_MLC\_FAV.pdf Uploaded by: Cecilia Plante



## TESTIMONY FOR SB0006 LANDLORD AND TENANT – RESIDENTIAL LEASES – TENANT RIGHTS AND PROTECTIONS (TENANT PROTECTION ACT OF 2022)

**Bill Sponsor:** Senator Waldstreicher **Committee:** Judicial Proceedings

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Cecilia Plante, co-chair

**Position: FAVORABLE** 

I am submitting this testimony in favor of SB0006 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

Being a landlord is difficult. Perhaps that is why our laws are so much more geared towards the rights of landlords than the rights of tenants. However, transparency and flexibility are not hall marks of the tenant experience. But, as difficult as being a landlord is, there should be some better give and take with tenants.

For example, if a tenant is charged for utilities as a percentage of the total utility bill for the rental building or collective, they should know in advance how the charges are calculated and what to expect for a normal monthly expense. This is basic transparency. It benefits the landlord by allowing the tenant to plan their expenses.

Along with transparency, flexibility is also an important consideration. In cases where the tenant is the victim of domestic violence or stalking and needs to terminate their rental contract for their own safety, being able to walk away from a horrible situation is crucial. No, it doesn't help the landlord financially, but it ensures that the victim is not having two things to worry about – the abuser or stalker, and a financial issue.

These are the kinds of things that we need to take into account in order to make our laws more equitable. Our members believe that the rights of tenants are as important as the rights of landlords and we need to ensure that they are protected.

We support this bill and recommend a **FAVORABLE** report in committee.

# SB006\_DRM\_Support.pdf Uploaded by: Cory Warren Position: FAV



#### Empowerment. Integration. Equality.

1500 Union Ave., Suite 2000, Baltimore, MD 21211
Phone: 410-727-6352 | Fax: 410-727-6389
www.DisabilityRightsMD.org

### SB006 - Landlord and Tenant - Residential Leases - Tenant Rights and Protections (Tenant Protection Act of 2022)

### Hearing before the Senate Judicial Proceedings Committee, Feb. 3, 2022

**Position: SUPPORT (FAV)** 

Disability Rights Maryland (DRM – formerly Maryland Disability Law Center) is the Protection & Advocacy agency in Maryland, mandated to advance the civil rights of people with disabilities. DRM works to increase opportunities for Marylanders with disabilities to be part of their communities and live in safe, decent, affordable and accessible housing.

DRM supports SB 006, the Tenant Protection Act of 2022, as reintroduced.

SB 006, the Tenant Protection Act of 2022, provides Maryland renters <u>four</u> concise, long-needed, meaningful reforms that help balance landlord-tenant relations, and aids those who face barriers to employment and stable income. Furthermore, this bill passed the House in 2020 and 2021 and reflects amendments and compromises achieved in the 2020 session.

These protections are meaningful to ensure people with disabilities have housing in the community, and are not placed in institutional settings, such as nursing homes, state hospitals, and jails and prisons. Persons with disabilities are overwhelmingly rent-burdened compared to their non-disabled peers and face greater housing insecurity. The Tenant Protection Act of 2022 willing meaningfully support the ability of persons with disabilities to obtain and stay in stable housing in the community by protecting housing security. <sup>2</sup>

<sup>&</sup>lt;sup>1</sup> The current Social Security Income payment is \$794 a month, while the average price of a 1 bedroom in Maryland is \$1247, or 157% of a disabled person's income, leaving no money for food, transportation, clothing, or other necessities. Technical Assistance Collaborative, <u>Priced Out: The Housing Crisis for People with Disabilities</u>, <a href="https://www.tacinc.org/resources/priced-out/">https://www.tacinc.org/resources/priced-out/</a> (2021).

<sup>&</sup>lt;sup>2</sup> K. C. Lakin, S. Larson, P. Salmi, and A. Webster (2010). <u>Residential Services for Persons with Developmental Disabilities: Status and Trends through 2009</u>, University of Minnesota, http://rtc.umn.edu/docs/risp2009.pdf

#### SB 006 adds documentation of security deposit deductions

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. Current law requires landlords only to itemize the amounts withheld from the released security deposit. SB 006 creates an additional obligation by which landlords would provide documentation for those withheld amounts. For instance, if a landlord were to withhold hundreds of dollars for carpet cleaning after the renter moved out, SB 006 would require that the landlord, as practicable, provide their former tenant an invoice or other documentation that substantiates the itemized carpet-cleaning cost. Renters rely on the return of their security deposit and deserve to know, with the added certainty of documentation, why their former landlord deducted from the full deposit amount.

#### SB 006 expands grounds for early lease termination to include victims of stalking

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. SB 006 adds stalking, as defined in the Criminal Law Article, as a third basis. This bill also addresses the difficult documentation standard in the current law, which requires the tenant to provide notice of intent to vacate to the landlord *plus* evidence of a peace order/protective order to substantiate their status as a victim. Because for many renters in these circumstances the peace order or protective order may be unattainable, SB 006 expands the documentation standard to include a report by a "qualified third party" (physician, psychologist, social worker) that supports the renter's assertion of domestic violence, sexual assault, or stalking. Additionally, SB 006 specifies that a tenant in one of these emergency circumstances is responsible for payment of rent *only* for the period between their delivery of notice to the landlord and the date on which they vacate, up to a maximum of 30 days.

People with disabilities are at higher risk of being victims of violent crimes, and have lower levels of reporting due to pressure from outside sources. Violent crimes against people with disabilities are underreported to the police, making it difficult for people with disabilities to show they have been victims of a crime. <sup>3</sup> People with disabilities may not wish to come forward to report or request a peace/protective order as their abuser may have financial or physical control over them. Allowing reports by a qualified third-party will protects people with disabilities who have been victims of domestic violence without relying on reports from the criminal legal system. This provision offers a significant protection for persons with disabilities who are fleeing domestic and sexual violence.

<sup>&</sup>lt;sup>3</sup> Only 47% of Violent Crimes towards people with disabilities are ever reported to the Police. Erika Harrell, <u>Crime Against Persons with Disabilities</u>, 2009–2014 - Statistical Tables (Washington, DC: U.S. Department of Justice, Bureau of Justice Statistics, 2016).

#### SB 006 allows renters access to utility information at master-meter buildings

SB 006 also sets forth new transparency provisions to help renters in Ratio Utility Billing System ("RUBS") properties understand their energy and water charges. These properties are typically multi-family 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. Under current law (outside Montgomery County and Baltimore City), tenants have no statutory rights to access the allocation calculations or to see the underlying billing and consumption data for the building. SB 006 addresses this information gap. This bill requires that tenants have written notice explaining exactly which utilities they will be expected to pay and the exact method or formula for how these costs will be allocated. In addition, the bill requires landlords to provide tenants with the average monthly cost for each utility in the prior calendar year. Importantly, too, SB 006 provides incumbent tenants the right to request information that would verify the accuracy of allocated utility bills – including past bills. All of these components of SB 006 offer tenants the opportunity to understand fluctuating utility charges over time and to dispute excessive or confusing utility costs.

We oppose any amendments to put short-window restrictions (for instance 7-day limits) on tenants' access to utility information.

#### SB 006 gives tenant organizations the right of assembly in their buildings

Except in Montgomery County, tenant organizations can be intimidated or effectively shut down when their landlords prohibit their use of common areas. SB006 defines "tenant organization" and sets forth a right of tenant organizations to assemble freely in a meeting room in certain multi-family properties.

Disability Rights Maryland is a member of the Renters United Maryland coalition and asks that the Committee **issue a report of FAVORABLE on SB 006.** If you have any questions, please contact:

Corinne "Cory" Warren, Esq.
Disability Rights Maryland
1500 Union Ave
Suite 2000
Baltimore, MD 21211
410-727-6352
Cwarren@disabilityrightsmd.org

### **SB0006-JPR\_MACo\_SUP.pdf**Uploaded by: D'Paul Nibber



#### Senate Bill 6

Landlord and Tenant – Residential Leases – Tenant Rights and Protections (Tenant Protection Act of 2022)

MACo Position: **SUPPORT**To: Judicial Proceedings Committee

Date: February 3, 2022 From: D'Paul Nibber

The Maryland Association of Counties (MACo) **SUPPORTS** SB 6. Among other necessary and common sense revisions to protect renters, this bill also creates utility billing transparency measures while preserving county autonomy to craft similar policies.

Throughout the COVID-19 pandemic, counties have worked to curb a record number of evictions stemming from pandemic-related job loss and other economic and health factors. These circumstances vary widely based on the local jurisdiction and its housing market and conditions, so a one-size-fits-all approach to this issue could leave our counties lacking in tools they may need to best address this especially challenging housing marketplace. SB 6 recognizes this possibility and grants counties clear flexibility to craft laws tailored to their jurisdictions, which is a necessary element of a proper statewide plan.

Additionally, many jurisdictions have already developed and enforced laws, including provisions regarding billing transparency, to prevent evictions stemming from late payments for utilities. Under SB 6, these jurisdictions – Baltimore City among them – will not experience an interruption to their current eviction prevention protocols, allowing these local solutions to continue to benefit their communities.

SB 6 is a common sense bill that both lays out necessary protections for tenants and enables counties to maintain their ability to craft policies based on their local needs and conditions. For these reasons, MACo **SUPPORTS** SB 6 and urges a **FAVORABLE** report.

# **sb006.pdf tenants rights.pdf**Uploaded by: Gwen DuBois Position: FAV



SB0006 - Landlord and Tenant - Residential Leases - Tenant Rights and Protections (Tenant Protection Act of 2022)
Hearing before the Senate Judicial Proceedings Committee,
FEB. 3 2002

**Position: SUPPORT** 

The Chesapeake Physicians for Social Responsibility (CPSR) is statewide evidenced-based, organization of 942 physicians. other health professionals and supporters, that addresses the existential public health threats: nuclear weapons, the climate crisis and the issues of pollution and toxics' effect on health as seen through the intersectional lens of environmental, social and racial justice. As an organization founded by physicians, we understand that prevention is far superior to treatment in reducing costs; death, illness, injury, and suffering.

Senate Bill 0006, the Tenant Protection Act of 2022, provides Maryland renters <u>four</u> concise, long-needed, meaningful reforms that help balance landlord-tenant relations. This bill passed the House in 2021 and reflects amendments and compromises achieved in the 2020 session. Our organization supports the Tenant Protection Act as reintroduced.

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#### SB0006 gives tenant organizations the right of assembly in their buildings

Except in Montgomery County, tenant organizations can be intimidated or effectively shut down when their landlords prohibit their use of common areas. SB0006 defines "tenant organization" and sets forth a right of tenant organizations to assemble freely in a meeting room in certain multi-family properties.

Chesapeake Physicians for Social Responsibility is a member of the Renters United Maryland coalition and asks that the Committee **issue a report of FAVORABLE on SB0006.** If you have any questions, please contact:

Gwen L. DuBois MD, MPH, President, Chesapeake PSR gdubois@jhsph.edu

### SB6-Landlord and Tenant - Residential Leases - Ten

Uploaded by: Isadora Stern



### Testimony to the Senate Judicial Proceedings Committee SB6: Tenant Protection Act of 2022 Position: Favorable

January 3, 2022

Senator 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 economic rights and financial 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.

We are writing today in support of SB6.

SB6 is a large bill that addresses some of the serious issues facing tenants across our state, two of which we are focusing on today: utility bill overcharges, and improper security deposit deductions. We chose to base our favorable testimony using these two issue areas, as they come up often when tenants contact our organization for assistance with a landlord-tenant matter.

#### Utility Bills and a Tenant's Right to Information

Landlords are allowed to bill tenants directly for utility costs, though the system used by most apartment complexes and small multi-family buildings is generally not transparent and can be confusing to tenants. Giving prospective tenants the right to see and understand how utilities are billed, and what those average monthly costs are before the prospective tenant signs a lease, is an important step towards allowing tenants to make a decision based on potential affordability. Also, allowing tenants the right to see actual utility bills and how those bills are calculated for individual units would ensure a fair and equitable billing system, removing the ability of landlords to overcharge for utilities.

The Fair Housing Action Center of Maryland received a complaint in 2019 from a tenant who claimed she was being overcharged by the property management company by approximately \$75 per month. Despite several requests to view the actual bills, she was told the amount was correct and the management company demanded payment. After weeks of emails and phone calls to BGE, it was determined the charges were in fact not correct, and the issue was not resolved until someone from the Maryland Department of Housing and Community Development stepped in. The property management company



had to refund the tenant more than \$300 in overpayments, due to their confusing and opaque billing system. Had this tenant been given the benefit of transparency on the part of the property management company from the beginning, this issue could have quickly resolved itself, or not occurred at all.

#### **Security Deposit Retention and Return**

Many landlords and management companies are adding a clause to leases that require the tenant to have the rental unit "professionally cleaned", along with the carpets -- something that is not the tenant's responsibility under current state law. Tenants are required to leave rental units "broom clean" and should only be charged for professional cleaning or repairs when there is actual damage to the property. As a result of these questionable lease clauses, tenants are losing hundreds of dollars or more, from their security deposits. For a low- or moderate-income household, the loss of their security deposit can be a devastating blow to finding a new apartment or rental home.

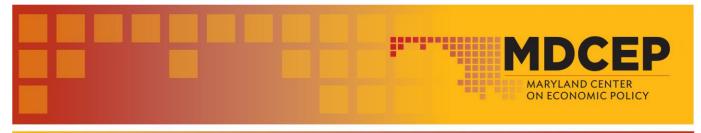
A large number of the inquiries we receive from tenants have to do with security deposits, and many of those are questions about what to do when the landlord retains part of the security deposit for "damages" but doesn't produce evidence of actual work done. SB6 will require landlords to provide not only a statement saying work was done to correct damages to the property, but to also produce receipts, invoices and the name and contact information of the company that provided the work. This will allow tenants additional legal recourse when their security deposits are wrongfully withheld by unscrupulous landlords.

For all these reasons, we support SB6 and urge a favorable report.

Best,

Carol Ott
Tenant Advocacy Director
Fair Housing Action Center of Maryland

### SB6\_MD Center on Economic Policy\_FAV.pdf Uploaded by: Kali Schumitz



FEBRUARY 3, 2022

## **Basic Tenant Protections Would Improve Housing Security for Maryland Renters**

#### **Position Statement Supporting Senate Bill 6**

Given before the Judicial Proceedings Committee

During the COVID-19 public health crisis, Marylanders have been dealing with not only a highly contagious deadly virus but price inflation as well. In addition to financial assistance to stay in their homes, tenants need additional legal protections as landlords have been using loopholes in current laws to violate tenant rights <sup>i</sup>. **The Maryland Center on Economic Policy supports Senate Bill 6 because ensuring that Marylanders have basic tenant rights helps people stay in their homes, which is good for the state's economy.** 

SB 6 contains several components that together would provide strong protections for Maryland families who rent. The bill contains the following:

- Requirement that landlords provide tenant a copy of utility bill and provide a breakdown of ratio utility billing for tenants that live in multi-unit dwelling buildings.
  - Under current law (outside Montgomery County and Baltimore City), people renting in a building with multiple apartments have no rights to see how their utility bill is calculated and divided between the different tenants. SB 6 requires that tenants have written notice explaining exactly which utilities they will be expected to pay and the exact method or formula for how these costs will be allocated. In addition, the bill requires landlords to provide new tenants with the average monthly cost for each utility in the prior calendar year. People who are already in a rental contract would gain the right to request information that would verify the accuracy of allocated utility bills including past bills.
- Requirement that landlord provide a statement to a tenant if any portion of their security deposit is withheld for damages or unpaid balances.
  - Current law requires landlords only to itemize the amounts withheld from the released security deposit. SB 6 creates an additional obligation by which landlords would provide documentation for those withheld amounts. For instance, if a landlord were to withhold hundreds of dollars for carpet cleaning after the renter moved out, SB 6 would require that the landlord provide their former tenant an invoice or other documentation that substantiates the itemized carpet cleaning cost. Renters rely on the return of their security deposit and deserve to know, with the added certainty of documentation, why their former landlord deducted from the full deposit amount.

- Requirement that landlords of multi-unit apartment buildings allow tenants to assemble on property grounds free of charge for the purpose of tenant organizing meetings.
  - Except in Montgomery County, tenant organizations can be intimidated or effectively shut down when their landlords prohibit their use of common areas. SB 6 defines "tenant organization" and sets forth a right of tenant organizations to assemble freely in a meeting room.
- Clarifies Violence Against Women Act protections.
  - 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. SB 6 adds stalking as a third basis and expands the documentation standard to include a report by a "qualified third party" (physician, psychologist, social worker) that supports the renter's assertion of domestic violence, sexual assault, or stalking. Additionally, SB 6 specifies that a tenant in one of these emergency circumstances is responsible for payment of rent *only* for the period between their delivery of notice to the landlord and the date on which they vacate, up to a maximum of 30 days.

Many Marylanders are still struggling financially and the COVID-19 pandemic is still surging at times, as with the current wave of the Omicron variant. SB 6 ensures that tenants have additional protections to be able to advocate and mediate directly with their landlords. If passed, the legislation will ensure that tenants are not being overcharged for utilities, that landlords are adhering to their lease by providing the tenant with a breakdown of applicable charges deducted from their security deposit, and that tenants have the right to assemble for tenant organizing, which is crucial during pandemic to ensure that resident concerns are being heard and addressed. In addition to the federal protections through the Violence Against Women Act, the bill also ensures that residents have state protections to prevent them from being penalized in the event of emergency and they must relocate during their lease term. For these reasons, the Maryland Center on Economic Policy respectfully requests the Judicial Proceedings Committee to make a favorable report on Senate Bill 6.

#### **Equity Impact Analysis: Senate Bill 6**

#### Bill Summary

A comprehensive tenant protection bill that requires the following:

- Requirement that landlords provide tenant a copy of utility bill and provide a breakdown of ratio utility billing for tenants that live in multi-unit dwelling buildings.
- Requirement that landlord provide a statement to a tenant if any portion of their security deposit is withheld for damages or unpaid balances.
- Requirement that landlords of multi-unit dwellings allow tenants to assembly on property grounds free of charge for the purpose of tenant organizing meetings.

Requirement that landlord allows certain Violence Against Women Act (VAWA) protections such as
allowing tenants to break their lease without penalty and not releasing tenant's information to third party
sources without their prior authorization unless required by law or court order.

#### **Background**

Many Marylanders are still struggling financially and the COVID-19 pandemic is still ongoing. SB 6 ensures that tenants have additional protections to be able to advocate and mediate directly with their landlords.

#### **Equity Implications**

Maryland has a high cost of living with 74% of extremely low-income renters being cost burdened. <sup>ii</sup> As such, it is crucial that renters have some basic protections from unexpected and improperly calculated expenses. The more tenants can organize and mediate issues with their landlords, the less court actions need to be filed, thus relieving Maryland courts with unnecessary landlord tenant filings. Since Black and Brown Marylanders are most likely to rent, this comprehensive bill will mostly impact them the most allowing them to have additional tenant protections outside of rent relief during this pandemic and beyond.

**Impact** 

Senate Bill 6 will likely improve racial and economic equity in Maryland.

<sup>&</sup>lt;sup>i</sup> Maryland Matters (2022) Lawmakers Vow Renewed Push for Tenant Protections in 2022 Session <a href="https://www.marylandmatters.org/2022/01/07/lawmakers-vow-renewed-push-for-tenant-protections-in-2022-session/">https://www.marylandmatters.org/2022/01/07/lawmakers-vow-renewed-push-for-tenant-protections-in-2022-session/</a>

ii National Low Income Housing Coalition (2022) Needs By State https://nlihc.org/housing-needs-by-state/maryland

### **SB 6 - Written Testimony - SENATE.pdf** Uploaded by: Katie Davis



### SB 6: Landlord and Tenant - Residential Leases - Tenant Rights and Protections (Tenant Protection Act of 2022) HEARING BEFORE THE JUDICIAL PROCEEDINGS COMMITTEE, FEBRUARY 3, 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 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 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 in Failure to Pay Rent and other proceedings related to the landlord/tenant relationship. In September 2021, the TVLD program received additional funding to expand its services to Baltimore County. In addition to direct representation of tenants, PBRC operates a tenants' rights hotline where tenants may call to seek legal information and advice in dealings with their landlords. Thus, PBRC staff attorneys regularly advise tenants both in and outside of court regarding a variety of landlord/tenant issues, including those related to security deposits and utilities.

SB 6 provides important protections for tenants regarding return of security deposits. Under current Maryland law, tenants may have to wait up to 45 days after ending a tenancy to receive their security deposits. As landlords are permitted to charge up to two months' rent as a security deposit, this can be a significant sum of money, particularly for low-income tenants. Tenants rely on the return of the security deposit to finance their move to another home. Currently, landlords need to itemize any deductions to the security deposit but are not required to provide documentation regarding those deductions. Through PBRC's tenant's rights hotline, our staff attorneys regularly speak with tenants who are confused about security deposit deductions and may have been treated unfairly by their landlords in this respect. SB 6 will protect tenants from unreasonable or arbitrary deductions by requiring landlords to provide supporting documentation.

SB 6 would also provide clarity to tenants in ratio billing utility systems regarding their energy and water bills. These are typically found in multi-family properties containing one master meter for the entire building. The landlord contracts with a third-party service to allocate the bill. Under current Maryland law, tenants have no right to the underling utility usage data or these allocation calculations (except for in two local jurisdictions). SB 6 provides transparency to tenants regarding their utility bills in several important ways. It requires landlords to provide written notice of the utilities tenants are expected to pay and the method by which those bills are calculated. It also mandates that landlords provide the average monthly cost for each utility. These provisions are vital for Maryland tenants, many of whom are cost-burdened. Last year, over 63% of clients served by PBRC reported an income of less than \$29,999 per year. Statistically, 74% of those households spend more than 50% of their income on housing. SB 6 will give Maryland tenants a greater understanding of the true cost of their rental and provide a means for them to challenge excessive charges.

No tenant should be subjected to unfair security deposit deductions or utility billing. PBRC supports SB 6 because it will ensure that Maryland tenants can make smart choices regarding housing and protect them from unfair or arbitrary security deposit deductions. Thank you for the opportunity to testify.

### For the above reasons,

#### PBRC urges a FAVORABLE report on SB 6.

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

### **SB 6\_Consumer Protection Division\_fav\_2022.pdf**Uploaded by: Kira Wilpone-Welborn

BRIAN E. FROSH Attorney General

**ELIZABETH F. HARRIS**Chief Deputy Attorney General

CAROLYN QUATTROCKI Deputy Attorney General

Writer's Fax No.



WILLIAM D. GRUHN

Chief

Consumer Protection Division

### STATE OF MARYLAND OFFICE OF THE ATTORNEY GENERAL CONSUMER PROTECTION DIVISION

Writer's Direct Dial No. 410-576-6986 kwilponewelborn@oag.state.md.us

February 1, 2022

To: The Honorable William C. Smith, Jr. Chair, Judicial Proceedings Committee

From: Kira Wilpone-Welborn, Assistant Attorney General

**Consumer Protection Division** 

Re: Senate Bill 6 – Landlord and Tenant – Residential Leases- Tenant Rights and Protection

(Tenant Protection Act of 2022) (SUPPORT)

The Consumer Protection Division of the Office of the Attorney General (the "Division") supports Senate Bill 6 sponsored by Senator Jeff Waldstreicher, which would enact a broad range of tenant protections in leasing residential realty. Specifically, Senate Bill 6 would require landlords to provide additional disclosures to tenants on ratio utility billing and security deposit deductions and would expand protections of renters who are victims of stalking and domestic violence.

Landlord-tenant complaints are consistently among the top consumer complaints received by the Division each year. Many of the complaints the Division receives address tenant concerns about utility billing and deductions made to their security deposits. The newly required disclosures and protections provided to Maryland consumers by Senate Bill 6 would assist the Division in attempting to mediate these types of complaints with consumers and their landlords.

The Real Property Article does not currently contain any provisions requiring landlords to inform prospective tenants of what the typical utility costs would be under a lease, even when the landlord is aware of the typical utility charges, service fees, and administrative fees charged to present and former tenants. The requirement in Senate Bill 6 that landlords disclose to prospective tenants the use of ratio utility billing, the methodology used to determine a tenant's utility obligation, the average monthly bill in the preceding year, and the amount of any service or administrative fees charged would allow consumers to compare utility costs at rental units available in the market and better understand what their overall financial obligations would be under a particular lease. The bill's required disclosures would also help prevent consumers from being surprised by utility costs after signing a lease.

The Honorable William C. Smith, Jr. Senate Bill 6 February 1, 2022 Page Two

Since 2016, the Division has received over 1,100 complaints from Maryland consumers regarding the handling of their security deposits by their landlords, many of which concern deductions made from the deposit at the conclusion of a tenancy. Currently, landlords are only permitted to deduct an amount actually incurred from a held security deposit and must provide to tenants a list of damages to the rental unit and the cost incurred for repairs. Notwithstanding, landlords and tenants often dispute the nature of the damage and the cost expended to make any repairs. The requirement in Senate Bill 6 that landlords submit documentation (*i.e.*, invoices, receipts, bills, etc.) to support the costs actually incurred for repairs would better enable tenants to evaluate the propriety of deductions made from their security deposits and could help prevent or minimize disputes between landlords and their tenants in court or in complaints filed with the Division.

Finally, the Division supports the provisions of Senate Bill 6 that provide additional protections for victims of stalking and domestic violence. Allowing consumers who are victims of gender-based violence to terminate their lease agreements provides victims with additional remedies for securing their safety without additional financial burdens.

The Division requests that the Judicial Proceedings Committee give Senate Bill 6 a favorable report.

cc: The Honorable Jeff Waldstreicher Members, Judicial Proceedings Committee

### **SB 6\_MoCo\_Frey\_FAV.pdf**Uploaded by: Leslie Frey

ROCKVILLE: 240-777-6550 ANNAPOLIS: 240-777-8270

SB 6 DATE: February 3, 2022

**SPONSOR: Senator Waldstreicher** 

**ASSIGNED TO: Judicial Proceedings** 

CONTACT PERSON: Leslie Frey (<u>leslie.frey@montgomerycountymd.gov</u>)

**POSITION: SUPPORT** 

### Landlord and Tenant – Residential Leases – Tenant Rights and Protections (Tenant Protection Act of 2022)

Senate Bill 6 would enhance residential tenants' rights, including (1) establishing requirements and procedures for landlords who use a ratio utility billing system (RUBS); (2) requiring a statement of costs, as required under current law if a landlord withholds the return of a security deposit, to include specified documentation if practicable; and (3) expanding protections for tenants or legal occupants who are victims of specified crimes to include victims of stalking.

Under Senate Bill 6, a lease provision that requires a tenant to pay the utility charges billed to the tenant under a RUBS is unenforceable if the landlord fails to provide certain information listed in the bill, such as how the utility costs are allocated and how the tenant can verify the amount they are billed. These disclosure requirements are similar to the disclosure requirements that must be included in a lease under Montgomery County regulation if a landlord uses a RUBS to bill tenants for water and sewer service. Additionally, the bill addresses the rights of tenant organizations with regard to free assembly and expands certain statutory provisions that pertain to victims of domestic violence, sexual assault, or stalking. These protections are similar to those provided to tenants under Montgomery County law.

Montgomery County supports Senate Bill 6 because it would increase transparency from landlords in common sense and necessary ways, such as by requiring documentation about costs to be provided to tenants. The protections the bill offers to tenants far outweigh any burden levied on landlords and thus the County respectfully urges the committee to issue a favorable report.

**SB 6 Testimony.pdf**Uploaded by: Maryland Legal Aid
Position: FAV



### Maryland Legal Aid



### STATEWIDE ADVOCACY SUPPORT UNIT

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Erica I. LeMon, Esq. Director of Advocacy for Children's Rights (410) 951-7648 elemon@mdlab.org February 1, 2022

The Honorable William C. Smith, Jr. Chairman of the Judicial Proceedings Committee Miller Senate Office Building Annapolis, Maryland 21401

Re: Maryland Legal Aid's Testimony in Support for Senate Bill 6 (cross-filed as HB 86)—Landlord and Tenant—Tenant Rights and Protections (Tenant Protection Act of 2022)

Dear Mr. Chair and Members of the Committee:

Thank you for the opportunity to testify in support of Senate Bill 6 (cross-filed as HB 86). SB6 would provide more adequate protections for tenants, provide transparency when landlords charge for utilities, increase the security deposit statute's clarity, protect tenants' rights to organize, and provide further protections for victims of domestic violence.

Maryland Legal Aid (MLA) is a non-profit law firm that provides free legal services to the State's low-income and vulnerable residents. MLA handles civil legal cases involving a wide range of issues, including family law, housing, public benefits, consumer law (e.g., bankruptcy and debt collection), and criminal record expungements to remove barriers to obtaining employment, child custody, housing, and a driver's license. This letter serves as notice that Gregory Countess will be testifying on behalf of MLA at the request of Senator Jeff Waldstreicher.

SB6 improves the fundamental transparency and fairness in the landlord-tenant relationship, by requiring landlords to provide transparent information regarding utility billing during the tenancy, and explanation of charges they seek to assess at the end of the tenancy. The requirement in SB6 that landlords who seek to use a ratio utility billing system fully explain that system in the lease will reduce confusion and increase fairness for tenants. Allowing tenants to see the way charges will be assessed and have documented information should prevent disputes, limit confusion, improve accounting and reduce arbitrary charges. Like all contracts under Maryland law, leases must be clear regarding all parties' rights and responsibilities to be fair and enforceable.

#### **EXECUTIVE STAFF**

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> www.mdlab.org 04.2021







The bill's provisions should further improve transparency and reduce disputes by requiring landlords to provide specifics about the costs they withhold from a tenant's security deposit at the end of a tenancy. A security deposit is meant to provide security for the landlord to cover damages caused by the tenant's use of the property beyond ordinary wear and tear. SB6 provides a straightforward way landlords must show actual damages caused by use beyond normal wear and tear. MLA has seen numerous tenants subject to unfair costs attributed to damages deducted from their security deposits over the years. With the increased clarity mandated by this SB6, fewer disputes and unsupported withholding of security deposits should occur.

In April of 2020, advocates in MLA's Baltimore City office were approached by a group of tenants at a large multifamily property in Baltimore. The tenants had been facing issues with their owner since first moving in. The building was unlicensed. Many dangerous conditions were on the premises, including severe life and safety concerns such as rodent and insect infestation. The small number of tenants who had leases were concerned about bad lease terms which, because units contained more than one tenant residence, left leaseholders responsible for rent for an entire unit, but no means to determine who rented those individual residences. When tenants organized to educate their peers about their right to withhold rent because the property wasn't licensed and organize themselves into a tenant council, the owner threatened tenants with eviction. Also, the pandemic impeded efforts to organize so that even space outside the building under the owner's control was unavailable for tenants to discuss their concerns and organize. SB6 would resolve problems like these for residents.

This bill broadens the definition of tenants who are protected due to being victims of domestic violence, to include stalking. These changes to the law rightfully broaden the class of tenants protected from eviction or liability for breaking a lease if they are subject to harm by an abuser.

MLA's responsibility is to serve indigent Marylanders' legal needs, but the mission is the advancement of Human Rights and Justice for All. This includes the right to safe and habitable housing. However, it also includes the right to equality before courts and tribunals and the equal protection of the law as enshrined in Articles 14 and 26 of the International Covenant on Civil and Political Rights. The bill provides more meaningful protections for a tenant's security deposit by requiring a more detailed accounting of the charges landlords levy against a tenant vacating an apartment. It also provides a framework to make it easier for tenants to organize; and provides further protections for those most vulnerable Marylander's suffering from domestic abuse. The bill addresses many critical issues for renters.

For these reasons, MLA asks this committee for a favorable report on SB 6 (cross-filed as HB 86). Sincerely,

/s/ Gregory Countess
Gregory Countess, Esq.
Director of Advocacy for Housing and Community Economic Development
Maryland Legal Aid
410 951 7687

## **SB6-FAV-Molly Amster, JUFJ (1).pdf** Uploaded by: Rianna Lloyd

Position: FAV

Molly Amster Baltimore, MD 21218



#### **TESTIMONY ON SB6/HB86 - POSITION: FAVORABLE**

Landlord and Tenant – Residential Leases – Tenant Rights and Protections (Tenant Protection Act of 2022)

TO: Chair Smith, Vice Chair Waldstreicher, and members of the Judicial Proceedings Committee

FROM: Molly Amster, on behalf of Jews United for Justice

My name is Molly Amster. I am a resident of District 43 and am the Maryland Policy Director and Baltimore Director for Jews United for Justice (JUFJ). I am submitting this testimony on behalf of JUFJ in support of SB6/HB86, the Tenant Protection Act of 2022. JUFJ organizes 6,000 Jews and allies from across Maryland in support of local social, racial, and economic justice campaigns.

Jewish sacred texts recognize that having safe, stable housing is key to a healthy society, and we know that it is key to reducing racial inequities. These texts have taken on even more urgency in the past two years: all people should be able to stay in their homes, especially during a pandemic.

SB6 will provide Maryland renters four overdue, meaningful reforms that help balance landlord-tenant relations: adds documentation of security deposit deductions; expands grounds for early lease termination to include victims of stalking; allows renters access to utility information at master-meter buildings; and gives tenant organizations the right of assembly in their buildings.

On behalf of JUFJ, I respectfully urge this committee to return a favorable report on SB6.

### **CASH\_SB 6-Landlord and Tenant – Residential Leases**

Uploaded by: Robin McKinney

Position: FAV



# SB 6 - Landlord and Tenant - Residential Leases - Tenant Rights and Protections (Tenant Protection Act of 2022) Senate Judicial Proceedings February 03, 2022 SUPPORT

Chair Smith, Vice-Chair, and members of the committee, thank you for the opportunity to provide testimony in support of Senate Bill 6. This bill provides Maryland renters <u>four</u> long-needed, meaningful reforms that help balance landlord-tenant relations. This bill passed the House in 2021 and reflects amendments and compromises achieved in the 2020 session. The CASH Campaign of Maryland supports the Tenant Protection Act as reintroduced.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.

#### Senate Bill 6 adds documentation of security deposit deductions.

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. Current law requires landlords only to itemize the amounts withheld from the released security deposit. SB 6 creates an additional obligation by which landlords would provide documentation for those withheld amounts. For instance, if a landlord were to withhold hundreds of dollars for carpet cleaning after the renter moved out, SB 6 would require that the landlord, as practicable, provide their former tenant an invoice or other documentation that substantiates the itemized carpet-cleaning cost. Renters rely on the return of their security deposit and deserve to know, with the added certainty of documentation, why their former landlord deducted from the full deposit amount.

#### Senate Bill 6 expands grounds for early lease termination to include victims of stalking.

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. SB 6 adds stalking, as defined in the Criminal Law Article, as a third basis. This bill also addresses the difficult documentation standard in the current law, which requires the tenant to provide notice of intent to vacate to the landlord plus evidence of a peace order/protective order to substantiate their status as a victim. Because for many renters in these circumstances the peace order or protective order may be unattainable, SB 6 expands the documentation standard to include a report by a "qualified third party" (physician, psychologist, social worker) that supports the renter's assertion of domestic violence, sexual assault, or stalking. Additionally, SB 6 specifies that a tenant in one of these

Creating Assets, Savings and Hope



emergency circumstances is responsible for payment of rent only for the period between their delivery of notice to the landlord and the date on which they vacate, up to a maximum of 30 days.

#### Senate Bill 6 allows renters access to utility information at master-meter buildings.

SB 6 also sets forth new transparency provisions to help renters in Ratio Utility Billing System properties understand their energy and water charges. These properties are typically multi-family 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. Under current law (outside Montgomery County and Baltimore City), tenants have no statutory rights to access the allocation calculations or to see the underlying billing and consumption data for the building. SB 6 addresses this information gap. This bill requires that tenants have written notice explaining exactly which utilities they will be expected to pay and the exact method or formula for how these costs will be allocated. In addition, the bill requires landlords to provide tenants with the average monthly cost for each utility in the prior calendar year. Importantly, too, SB 6 provides incumbent tenants the right to request information that would verify the accuracy of allocated utility bills – including past bills. All of these components of SB 6 offer tenants the opportunity to understand fluctuating utility charges over time and to dispute excessive or confusing utility costs.

#### Senate Bill 6 gives tenant organizations the right of assembly in their buildings.

Except in Montgomery County, tenant organizations can be intimidated or effectively shut down when their landlords prohibit their use of common areas. SB 6 defines "tenant organization" and sets forth a right of tenant organizations to assemble freely in a meeting room in certain multi-family properties.

The CASH Campaign of Maryland is a member of the Renters United Maryland coalition and asks that the Committee issue a favorable report on Senate Bill 6.

## **SB 6--AOBA Statement--FAV.pdf**Uploaded by: Ryan Washington

Position: FAV



Bill No: SB 6 -- Landlord and Tenant - Residential Leases - Tenant

Rights and Protections (Tenant Protection Act of 2022)

**Committee:** Judicial Proceedings

Date: 2/3/2022

Position: Support

The Apartment and Office Building Association of Metropolitan Washington (AOBA) represents members that own or manage more than 23 million square feet of commercial office space and 133,000 apartment rental units in Montgomery and Prince George's Counties. As housing providers, AOBA members support the tenant protections outlined in SB 6.

Senate Bill 6 would require a housing provider to make certain disclosures to prospective tenants if they use a ratio utility billing system (RUBS); requires that the lease provision is unenforceable if a housing provider fails to make a RUBS disclosure; requires a housing provider to provide a tenant with information to document a bill for certain utilities; provides a tenant organization the right of free assembly in certain areas within an apartment facility during reasonable hours and on reasonable notice to the housing provider and provides for early lease termination for victims of stalking.

AOBA worked with the house sponsor on the 2020 version of this bill to amend the act in such a way that it was balanced while maintaining valuable protections for residents. We are pleased to see that the sponsor has kept those amendments in the 2022 version of the bill.

AOBA has no issue with the RUBs disclosures required in the bill and will support any technical amendments to clarify the disclosures that must be provided.

#### For these reasons AOBA supports a favorable report on SB 6.

For further information contact Erin Bradley, AOBA Vice President of Government Affairs, at 301-904-0814 or ebradley@aoba-metro.org.

## **SB0006 - FAV - Public Justice Center.pdf** Uploaded by: Zafar Shah

Position: FAV



#### Zafar Shah Attorney Public Justice Center 201 North Charles Street, Suite 1200 Baltimore, Maryland 21201 410-625-9409, ext. 237 shahz@publicjustice.org

### SB0006 - Landlord and Tenant - Residential Leases - Tenant Rights and Protections (Tenant Protection Act of 2022)

Hearing before the Senate Judicial Proceedings Committee, Feb. 3, 2022

Position: SUPPORT (FAV)

The Public Justice Center (PJC) is a nonprofit public interest law firm that stands with tenants to protect and expand their rights to safe, habitable, affordable, and non-discriminatory. We support Senate Bill 6, the Tenant Protection Act of 2022, which provides Maryland renters <u>four</u> concise, long-needed, meaningful reforms that help balance landlord-tenant relations. This bill passed the House in 2021 and reflects amendments and compromises achieved in the 2020 session.

#### SB0006 adds documentation of security deposit deductions

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. Current law requires landlords only to itemize the amounts withheld from the released security deposit. SB0006 creates an additional obligation by which landlords would provide documentation for those withheld amounts. For instance, if a landlord were to withhold hundreds of dollars for carpet cleaning after the renter moved out, SB0006 would require that the landlord, as practicable, provide their former tenant an invoice or other documentation that substantiates the itemized carpet-cleaning cost. Renters rely on the return of their security deposit and deserve to know, with the added certainty of documentation, why their former landlord deducted from the full deposit amount.

#### SB0006 expands grounds for early lease termination to include victims of stalking

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. SB0006 adds stalking, as

defined in the Criminal Law Article, as a third basis. This bill also addresses the difficult documentation standard in the current law, which requires the tenant to provide notice of intent to vacate to the landlord *plus* evidence of a peace order/protective order to substantiate their status as a victim. Because for many renters in these circumstances the peace order or protective order may be unattainable, SB0006 expands the documentation standard to include a report by a "qualified third party" (physician, psychologist, social worker) that supports the renter's assertion of domestic violence, sexual assault, or stalking. Additionally, SB0006 specifies that a tenant in one of these emergency circumstances is responsible for payment of rent *only* for the period between their delivery of notice to the landlord and the date on which they vacate, up to a maximum of 30 days.

#### SB0006 allows renters access to utility information at master-meter buildings

SB0006 also sets forth new transparency provisions to help renters in Ratio Utility Billing System ("RUBS") properties understand their energy and water charges. These properties are typically multi-family 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. Under current law (outside Montgomery County and Baltimore City), tenants have no statutory rights to access the allocation calculations or to see the underlying billing and consumption data for the building. SB0006 addresses this information gap. This bill requires that tenants have written notice explaining exactly which utilities they will be expected to pay and the exact method or formula for how these costs will be allocated. In addition, the bill requires landlords to provide tenants with the average monthly cost for each utility in the prior calendar year. Importantly, too, SB0006 provides incumbent tenants the right to request information that would verify the accuracy of allocated utility bills – including past bills. All of these components of SB0006 offer tenants the opportunity to understand fluctuating utility charges over time and to dispute excessive or confusing utility costs.

#### SB0006 gives tenant organizations the right of assembly in their buildings

Except in Montgomery County, tenant organizations can be intimidated or effectively shut down when their landlords prohibit their use of common areas. SB0006 defines "tenant organization" and sets forth a right of tenant organizations to assemble freely in a meeting room in certain multi-family properties.

Public Justice Center is a member of the Renters United Maryland coalition and asks that the Committee **issue a FAVORABLE report on SB0006**. If you have any questions, please contact Zafar Shah, shahz@publicjustice.org, (410) 625-9409 Ext. 237.

# MMHA - 2022 - SB6 - Tenant Protection Act.pdf Uploaded by: Aaron Greenfield

Position: FWA



Bill Title: Senate Bill 6, Landlord and Tenant - Residential Leases - Tenant Rights and

**Protections (Tenant Protection Act of 2021)** 

**Committee: Judicial Proceedings Committee** 

Date: February 3, 2022

**Position:** Favorable with Amendments

This testimony is offered on behalf of the Maryland Multi-Housing Association (MMHA). MMHA is a professional trade association established in 1996, whose members consist of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities. Our members house over 538,000 residents of the State of Maryland. MMHA also represents over 250 associate member companies who supply goods and services to the multi-housing industry.

Senate Bill 6 proposes additional restrictions on residential housing providers substantially negatively affecting four categories of their operations: Ratio Utility Billing System (RUBS), security deposits, tenant organizations and victims of stalking.

<u>RUBS</u>: This Bill mandates that a housing provider who uses a RUBS system provide to all <u>prospective tenants</u>, in writing, a number of statements and data related to the allocated utility services. Some of the proposals under the Bill warrant clarification and amendment. <u>MMHA offers the attached amendments to address these industry concerns.</u>

Security Deposit: Senate Bill 6 requires that when a security deposit is withheld, a landlord must provide a statement of actual costs where practicable, including supporting documentation detailing bills, invoices and receipts that identify materials or services provided (page 5, lines 33-36). Maryland law requires that a housing provider send a security deposit reconciliation within 45 days of the tenant's return of possession of the rental unit. Many times damage repairs are made by outside contractors and vendors who may not invoice the housing provider within the 45 day period. Moreover, the detailed documentation required under the Bill is generally held by the contractor and not within the control of the housing provider. Given this Bills large amount of newly required documentation, the lack of access housing providers have to it that and the amount of time it often requires to obtain invoices, MMHA is concerned that its members will routinely face exceeding the 45-day security deposit return date to their detriment.

<u>Tenant Organization</u>: Senate Bill 6 mandates a tenant organization is given the right of free assembly in a meeting room within an apartment facility. A landlord may impose reasonable terms and conditions on the use of the meeting room. A landlord may require an individual participating in a tenant organization meeting who is not a resident of the apartment facility to sign a waiver of liability for injuries sustained on the property. The



bill spells out the requirements of a tenant organization which is to designate at least two but not more than five members who are authorized to schedule use of a meeting room and provide written notification to the landlord at least once per year. A landlord cannot charge a tenant organization a fee for use of the meeting room for the first meeting of the tenant organization within the same month, as long as the fee not exceed the regular schedule of fees charged to other groups.

<u>Victims of Stalking</u>: A tenant may terminate the future liability under the lease if the tenant or legal occupant is a victim of stalking. The tenant would only be responsible for rent for the time following the tenant providing notice of intent to vacate, up to a maximum of 30 days. The notice must include a copy of a report by a qualified third party with certain redactions. Once a landlord receives notice, the landlord must inspect the leased premises. If the tenant vacates, landlord must provide the tenant a written statement that confirms the tenant has vacated, states the rent that the tenant is responsible for and the amount still owed. If the tenant vacates earlier than 30 days after the date the tenant provided notice of intent to vacate or who fails to provide written notice, the tenant is responsible for the maximum rent required under this section.

For these reasons, we respectfully request a <u>favorable report with amendments</u> on Senate Bill 6.

Aaron J. Greenfield, MMHA Director of Government Affairs, 410.446.1992



#### AMENDMENTS TO SENATE BILL 6

#### AMENDMENT NO. 1

On page 3, line 16, "THE ELEMENTS" should be defined.

We are unclear what "THE ELEMENTS" refers to. We ask that this be defined.

#### AMENDMENT NO. 2

On page 3, line 28, strike "METER READING DATES, BILLING DATES AND DUE DATES, BY UTLITY"

In some jurisdictions, Baltimore City in particular, residential housing providers are not informed of when meter reading dates occur. Billings dates and related due dates are also inconsistent. While we appreciate the language "WHERE PRACTICABLE", we are not sure it fully addresses the challenges associated with water meter issues in Baltimore City. And, as a result, our ability to comply with this provision

#### AMENDMENT NO. 3

On page 4, line 2, after "REQUEST" insert, "BY THE TENANT IF MADE WITHIN SEVEN (7) DAYS FROM THE DATE THE LANDLORD PROVIDES THE TENANT A BILL"

The resident should have some responsibility to request a timely copy of the master bill, which is voluminous, 7 days following receipt of their portion.

#### AMENDMENT NO. 4

On page 4, in line 14, after "UTILITIES" insert "IF MADE WITHIN SEVEN (7) DAYS FROM THE DATE THE LANDLORD PROVIDES THE TENANT A BILL"

The resident should have some responsibility to request a timely copy of the master bill, which is voluminous, 7 days following receipt of their portion.

#### AMENDMENT NO. 5

On page 5, lines 33-36, strike the language.

This provision is cumbersome and will require an enormous amount of paper to be provided to the tenant. This provision seems like a terrible waste of resources when the tenant has the right to ask for it under RP 8-203. Further, under Section 8-203(e)(1) of the Real Property Article, a security deposit must be returned to the tenant within 45 days. That time period is compromised depending on the time it takes a landlord to obtain invoices from contractors and subcontractors. Many times the contractor will not have the work completed in time to



meet the security deposit statement deadline. Again, while we appreciate the "WHERE PRACTICABLE" language, this language doesn't go far enough. Lastly, this provision effectively nullifies the dispute mechanism in current law and makes the landlord strictly liable with treble damages for failure to provide. See Section 8-203(g)(2) and Section 8-203(h)(2) of the Real Property Article.

#### AMENDMENT No. 6

On page 10, at the beginning of line 25, insert "WITHIN 48 HOURS OR A DATE SPECIFIED BY THE LANDLORD AND TENANT".

The current provision as drafted suggests the landlord must inspect right away.

#### AMENDMENT No. 7

On page 12, in line 15 after "PREMISES" add "WITH A DATE CERTAIN".

This provides the landlord with some specificity on the date by which the tenant intends to vacate.

# SB 6 FWA House of Ruth.pdf Uploaded by: Dorothy Lennig Position: FWA



#### Marjorie Cook Foundation Domestic Violence Legal Clinic

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## TESTIMONY IN SUPPORT WITH AMENDMENTS OF SENATE BILL 6 February 3, 2022 DOROTHY J. LENNIG, LEGAL CLINIC DIRECTOR

House of Ruth is a non-profit organization providing shelter, counseling, and legal services to victims of domestic violence throughout the State of Maryland. House of Ruth has offices in Baltimore City, Baltimore County, Prince George's County, and Montgomery County. Senate Bill 6 would expand protections for victims of domestic violence who have residential leases. We urge the Senate Judicial Proceedings Committee to amend SB 6 and report favorably.

In 2010, the Maryland General Assembly passed legislation which permitted victims of domestic violence to, among other remedies, terminate a residential lease after providing notice to the landlord. This law greatly improved the safety and welfare of victims of domestic violence and their children. SB 6 would expand the avenues available to victims to be able to take advantage of this remedy. In addition to allowing a victim to use this provision by obtaining a protective order, it would allow the victim to have a Qualified Third Party issue a report indicating that the tenant is seeking assistance for domestic violence.

The House of Ruth has represented numerous clients who continue to feel unsafe in their homes because the abuser knows where the victim lives, is familiar with the area around the residence and how to come and go undetected, and may even know ways of entering the residence through windows or insecurely locked doors. Multiple of the House of Ruth's clients have continued to feel unsafe in their homes because the abuser's family members live in the same apartment complex or on the same block and provide information to the abuser about the victim's activities. In such cases, the only way for the victim and her children to be safe is to move to a location of which the abuser is unaware. This is only possible if the victim is able to terminate the existing lease so that she is no longer responsible for the leased premises. Passage of SB 6 as amended would expand this important remedy to victims of domestic violence.

House of Ruth suggests amending SB 6 to strike references to domestic violence, sexual assault, and stalking and replace them collectively with "abuse," which would be defined as "Abuse" has the meaning stated in 4-501(B) of the Family Law Article. This is the definition of abuse used for obtaining a protective order.

We also suggest that the definition of "Qualified Third Party" be amended in SB 6 to comport with those permitted to determine eligibility for the Address Confidentiality Program, MD STATE GOVT § 7-304. Specifically, add "documentation from a domestic violence or sexual assault prevention or assistance program," on page 8 after line 6.

In addition, we suggest striking all of the language referring to stalking, as this would now be covered under the definition of abuse. Finally, we suggest on page 8, line11, striking "physical or mental injuries resulting from," as the current statute does not require injury to be eligible for the relief sought.

The House of Ruth urges the Senate Judicial Proceedings Committee to amend Senate Bill 6 and report favorably.

# **SB 6\_MNADV\_FWA.pdf**Uploaded by: Melanie Shapiro Position: FWA



**BILL NO:** Senate Bill 6

**TITLE:** Landlord and Tenant – Residential Leases – Tenant Rights and Protections

(Tenant Protection Act of 2022)

**COMMITTEE:** Judicial Proceedings **HEARING DATE:** February 3, 2022

POSITION: SUPPORT WITH AMENDMENTS

The Maryland Network Against Domestic Violence (MNADV) is the state domestic violence coalition that brings together victim service providers, allied professionals, and concerned individuals for the common purpose of reducing intimate partner and family violence and its harmful effects on our citizens. **MNADV urges Senate Judicial Proceedings Committee to issue a favorable report with amendments on SB 6.** 

Senate Bill 6 confers many critical protections to tenants including those that are victims and survivors of domestic violence and sexual assault. Notably SB 6 expands those qualified to provide the necessary documentation that a person is in fact a victim or survivor of domestic violence so that the victim may terminate their future liability under a residential lease. The law already permits the lease termination. Many victims of domestic violence seek assistance from service providers or medical professionals and do not utilize the protective order or peace order process. A victim of domestic violence should not be compelled to go to court and obtain a protective order or peace order to prove that they are in fact a victim and access protections available to them in Maryland law.

MNADV suggests that the definition of "Qualified Third Party" be amended in SB 6 to comport with those permitted to determine eligibility for the Address Confidentiality Program, MD STATE GOVT § 7-304. Specifically, add "documentation from a domestic violence or sexual assault prevention or assistance program," on page 8 after line 6.

Senate Bill 6 should further be amended to strike references to domestic violence, sexual assault, and stalking. MNADV suggests using the definition of abuse found in MD Code, Family Law, § 4-501. This is existing law. MNADV supports this definition as it reflects the current understanding and knowledge of domestic violence and includes acts such as assault, rape, and stalking. We further suggest striking the additional stalking references since they are no longer needed with the inclusion of the definition of abuse.

In addition, we suggest on page 8, line 11, striking "physical or mental injuries resulting from" as current statute does not require injury to be eligible for the relief sought.

Victims of domestic violence must often flee their homes to escape the potentially life-threatening violence they are facing. In doing so they risk homelessness with 38% of victims of domestic violence



experiencing homelessness at some point in their lives. This is further complicated and exacerbated by the economic instability victims of domestic violence face, often a direct result of their abuse. Legislation such as SB 6 is critical to support victims so they can leave their abusers without facing further economic harms.

For the above stated reasons, the Maryland Network Against Domestic Violence urges a favorable report with amendments on SB 6.

For further information contact Melanie Shapiro • Public Policy Director • 301-852-3930 • mshapiro@mnadv.org

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<sup>&</sup>lt;sup>1</sup> Charlene K. Baker, Cook, Sarah L., Norris, Fran H., "Domestic Violence and Housing Problems: A Contextual Analysis of Women's Help-seeking, Received Informal Support, and Formal System Response," Violence Against Women 9, no. 7 (2003): 754-783.