# JUFJ\_Renters\_Rights\_Testimony.pdf Uploaded by: Abby Root

SB 0100 AbbyRoot FAV

Date of Hearing: 1/25/2023

Abby Root Odenton, MD 21113

#### **TESTIMONY ON SB100 - POSITION: FAVORABLE**

Real Property – Actions to Repossess – Proof of Rental Licensure

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

**FROM**: Abby Root

My name is Abby Root. I am a resident of District 21. I am submitting this testimony in support of SB 0100, Real Property – Actions to Repossess – Proof of Rental Licensure

My Jewish tradition teaches that in regard to landlord-tenant relationships, landlords are forbidden from evicting tenants without due warning, and may not evict tenants during the winter months, when new housing will be hard to find. Moses Maimonides suggests the landlord will be held responsible if a tenant becomes homeless as the result of eviction.

Although landlords must be licensed, where required, to file an eviction suit in Maryland courts, a loophole allows unlicensed landlords to use the streamlined eviction process to evict tenants based on the Tenant Holding Over (THO) clause.

When unlicensed landlords use eviction court, it encourages all landlords to ignore licensing laws and increases the risk of tenants being subjected to health and safety hazards.

Safe and reliable housing is the start of stopping the steamrolling of hopelessness. Safe housing provides the stability needed to secure and maintain employment, promote good health and educational opportunities.

Everyone deserves to live in a safe home. This bill would help make that a reality for more Maryland families.

I respectfully urge this committee to return a favorable report on SB 0100.

## **SB0100-FAV-Anna Levy-JUFJ\_01-25-2023.pdf** Uploaded by: Anna Levy

Anna T. Levy Rockville, MD 20852



## <u>TESTIMONY ON SB0100 - POSITION: FAVORABLE</u> Real Property-Actions to Repossess-Proof of Rental Licensure

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

FROM: Anna T. Levy on behalf of Jews United for Justice

My name is Anna T. Levy. I am a resident of District 16. On behalf of Jews United for Justice (JUFJ), I am submitting this testimony in support of SB0100, Real Property - Actions to Repossess - Proof of Rental Licensure. JUFJ organizes 6,000 Jews and allies from across Maryland in support of social, racial, and economic justice campaigns. JUFJ is a member of Renters United Maryland, a statewide coalition working to advance the rights of all tenants to safe, affordable, and stable housing.

Jewish tradition teaches us that we have an obligation to ensure fairness in tenant/landlord law, to ensure safe living conditions, and to prevent homelessness. The Book of Lamentations compares homelessness to the loss of a parent or spouse. Without a home, there is no foundation for all other parts of a person's life, and everything is at risk. Moreover, we differentiate between the definition of a temporary vs permanent home, including that a permanent home should be sturdy, should not have holes in the roof and should fully shield a person from the elements (Mishnah, Sukkah 2:9). Access to safe and stable housing has far reaching economic, health, and social benefits to individuals, families, and communities, and is key to reducing racial inequities. Renters routinely have little agency when faced with threats to maintaining stable housing.

Local rental licensing laws are meant to protect public health and safety and most landlords comply with those laws. However, unlicensed landlords can avoid complying with licensing laws, often refusing to make critical repairs to address health and safety hazards, while raising rents. Although landlords must be licensed, where required, to file suit in Maryland courts, a loophole allows unlicensed landlords to use the streamlined eviction process to evict tenants based on the Tenant Holding Over (THO) clause. Perhaps consequently, the number of THO filings has tripled over those prior to the pandemic. In 2022, the Legislature recognized this loophole and passed HB0703/SB0563, which was written in agreement with Maryland Multi-Housing Association but vetoed by Governor Hogan. That bill is identical to the proposed bill, SB0100.

How many evictions might have been prevented if this bill had been put in place in 2022? How many tenants would be living in safe homes because they would not have had to fear retribution for complaining about intolerable conditions? No landlord should be incentivized to operate without conforming to the law.

On behalf of Jews United for Justice, I thank you for the opportunity to share our position, for passing this legislation last year, and respectfully urge this committee to return a favorable report on SB0100.

# Letter of Support - SB0100 Comptroller Henry - Cop Uploaded by: Bill Henry

City Hall – Room 204 100 Holliday St Baltimore, MD 21202

January 24, 2023

The Honorable William C. Smith, Chairman Judicial Proceedings Committee Miller Senate Office Building, 2 East Wing 11 Bladen Street Annapolis MD 21401

#### Dear Chairman Smith:

I am writing in support of SB 100, "Real Property—Actions to Repossess—Proof of Licensure." SB 100 would require a landlord who files an action for repossession of residential property in the District Court to demonstrate that the property is licensed as required under applicable local laws or ordinances before the landlord can obtain a judgment for failure to pay rent, tenant holding over, or breach of lease. Baltimore City, which I represent, has such licensing requirements codified in Subtitle 4 of Article 13, Housing and Urban Renewal, of the City Code.

SB 100 is identical to SB 563, which passed the House (90-45) and Senate (47-0) in 2022 but was vetoed by Governor Hogan. By the time you hear this bill, Governor-elect Moore will have been inaugurated. I am hopeful that he will finally sign this bill into law.

Before my election to the Office of Baltimore City Comptroller, I served for thirteen years on the Baltimore City Council. In 2018 I introduced Council Bill 18-0185, which significantly broadened and strengthened the existing rental licensing laws by extending licensing requirements to non-owner-occupied, one and two-unit rental dwellings. The bill had eleven co-sponsors including our current Mayor, Brandon Scott, and was enacted into law in April 2018 as Ordinance 18-130. I developed this legislation in collaboration with not only the City's Housing department, but also many of the advocates who are testifying before you on SB 100, including the Public Justice Center. Council Bill 180-0185 was the most significant update to Baltimore City's rental licensing law in fifty years, and it effectively applied inspection and safety requirements to all private rental housing.

The aim of our local legislation was to extend licensing, inspection, and safety requirements to what was then one of the least-regulated sectors of the rental property market. A guiding principle underlying this major expansion of rental licensing is that affordable, safe, and well-maintained housing is a human right. As a former community development professional, I was and am well aware of the terrible conditions that some landlords, particularly absentee landlords shielded by anonymous LLCs, allow their properties to deteriorate into. It is essential that all landlords be held to the basic standards of maintenance and safety that the City's licensing law mandates. Similarly, landlords should be required to have a valid license before pursuing expedited actions of eviction against renters. I can say without hesitation that this was our clear legislative intent—if landlords did not follow the law by inspecting and

#### Page Two

The Hon. William Smith

licensing their properties, they should not have the government's assistance in taking action against their tenants.

As a lifelong advocate for fair and affordable housing, I was deeply concerned by the Court of Appeals' ruling in *Velicky v. Copy Cat Building* last December. I realize that the provisions of state law allowing the use of summary eviction proceedings in the District Court have evolved over many years and reflect the wisdom and consensus of the General Assembly, and that *Velicky* only applied to an action under Maryland's "tenant holding over" statute. The Court's holding, however, stretched the current law beyond any reasonable interpretation and created a loophole through which unlicensed landlords can retake their property within a matter of days of filing with the District Court, simply because they are asserting a right of possession and not claiming any money from their tenant.

This ruling is a judicially-crafted slap in the face to local jurisdictions with rental licensing laws, as well as to renters who deserve safe and habitable housing, and to landlords who follow the law and keep their property inspected and registered. To paraphrase Judge Watts' dissent, allowing an unlicensed landlord to repossess property under the tenant holding over statute means there will be little incentive for landlords to obtain licenses and comply with housing code requirements. The precedent *Velicky* creates is even worse. Since the Court of Appeals has fashioned a way around local licensing requirements in one class of expedited eviction actions, it is only a matter of time before unlicensed landlords seeking to evict tenants for failure to pay rent and breach of lease start pushing such cases through the judicial system. That is why SB 100 is vitally necessary. It codifies what should be common sense; if a local jurisdiction has a rental licensing ordinance, a landlord must comply with it before using expedited procedures to evict a tenant.

Simply put, effective and enforceable rental licensing laws are the right thing to do, as a matter of public policy and of simple equity and justice. The change in state law proposed in SB 100 offers a simple solution to restore the balance between landlords' property rights and the duty of local governments to protect our constituents from exploitation.

For all these reasons, I respectfully request the committee to give SB 100 a favorable report. If you have any questions, please feel free to contact me at 410-396-4577 or via email at comptroller@baltimorecity.gov.

Sincerely,

Bill Henry

**Baltimore City Comptroller** 

CC: Senator Jill Carter, Chair, Baltimore City Senate Delegation Ms. Nina Themelis, Mayor's Office of Government Relations

# SB100\_Carol Stern\_FAV.pdf Uploaded by: CAROL STERN Position: FAV

#### Carol Stern 4550 North Park Avenue Apt. T106 Chevy Chase, MD 20815

## TESTIMONY IN SUPPORT OF SB100 Holding Illegally Operating Landlords Accountable

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

FROM: Carol Stern

My name is Carol Stern from Chevy Chase in District 16 and I am a member of Adat Shalom Reconstructionist Congregation in Bethesda. I am providing this testimony in strong support of SB100, Holding Illegally Operating Landlords Accountable.

Our Jewish tradition's primary concern regarding landlord-tenant relations is the question of permanence. Landlords are forbidden from evicting tenants without due warning and may not evict tenants during the winter months, when new housing will be hard to find. According to the great Jewish sage and philosopher, Moses Maimonides, a landlord must give the tenant sufficient notice before terminating a lease "so that the tenant can look for another place and will not be abandoned in the street". The landlord, Maimonides suggests, will be held responsible if a tenant becomes homeless as the result of eviction.

We must use this strong advice when reforming our laws to hold landlords accountable. In 2021 The Maryland Court of Appeals ruled that illegally operating landlords can still use the expedited eviction process, enabling landlords to violate local rental licensing and inspection laws, and lease the property again without eliminating any hazards or obtaining a license. Licensing laws protect public health and safety through periodic inspections. No landlord is above the law. This bill passed the 2022 General Assembly but was vetoed by Governor Hogan.

We hope this session that both Houses of the General Assembly will pass SB100 to assure that landlords operating illegally cannot evict tenants using this expedited process. As our rabbis taught us, giving permanent housing to our citizens and being responsible for homelessness after an eviction is of the utmost importance for any society. Decent, safe, accessible, and affordable housing is a basic human right and Jewish tradition recognizes the importance of the home for we are taught that the home is a *mikdash me'at*—a mini sanctuary, a sacred place.

I respectfully urge this committee to return a favorable report on SB100.

## **SB0100\_ Claire Landers\_FAV.pdf** Uploaded by: Claire Landers

SB0100\_Claire Landers\_FAV January 24, 2023 Claire Landers Baltimore County, 21209

#### **TESTIMONY ON SB0100 - FAVORABLE**

Real Property - Actions to Repossess - Proof of Rental Licensure

**TO**: Chair W. Smith, Vice Chair J. Waldstreicher, and members of the Judicial Proceedings Committee

FROM: Claire Landers

As a resident of District II, I am submitting testimony in support of SB0100, Holding Illegally Operating Landlords Accountable.

I live in Pikesville and am a congregant of Baltimore Hebrew Congregation. In the Jewish faith, we have a religious tradition extending back 2,000 years that specifies obligations landlords have to maintain properties that are safe and habitable for their tenants. In Jewish law, it falls to the community's leaders to ensure these obligations are met to protect vulnerable tenants..

As a one-time renter, I know what it is like to be a tenant in uninhabitable housing. When I began working at my first job out of college, I shared an apartment in a DC row home that was owned by a man, who we later learned, the Washington Post reported as one of the city's most notorious "slumlords". One day I got a call that my roommates arrived home from work unable to enter because the property had been cordoned off due to dangerous structural disrepair. It meant couch surfing and raiding friends' closets for some time, but I realize we were fortunate in that none of us had children to worry about and care for.

I'd not thought of that experience for years until I sat in to observe Rent Court in Baltimore City and saw dozens of renters, some with children, pleading with judges to stop their evictions: The vast majority represented themselves, unsuccessfully attempting to present evidence, including photos, of gross disrepair that their landlords refused to remediate. Yet, judges did not require landlords or their agents to demonstrate that they had complied with lead abatement mandates or basic licensure. I was absolutely shocked at how this court functioned regularly.

Last session, both chambers of the General Assembly passed SB563 to uphold rental licensing programs and prevent illegally operating landlords from using the expedited eviction process. Governor Hogan vetoed that legislation. <u>Licensed landlords have nothing to fear from SB0100</u>, yet without this legislation, there is no way of holding illegally operating landlords accountable.

I respectfully urge this committee to return a favorable report on SB0100.

# **CDN SB 100 FAVORABLE.pdf**Uploaded by: Claudia Wilson Randall Position: FAV



# Testimony SB 100 Senate Judicial Proceedings Committee January 25, 2022 Position: FAVORABLE

Dear Chairman Smith & Members of the Judicial Proceedings Committee

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

SB 100 is identical to SB 563 which was vetoed by Governor Hogan. SB 100 would stop landlords who do not have an operating license from using streamlined court processes (Failure To Pay Rent, Tenant Holding Over, and Breach of Lease) from evicting tenants in localities that have a licensing law. Licensing laws protect public health and safety through periodic inspections. Like any other business, if a landlord wants to file suit in Maryland courts, they must be licensed in any jurisdiction that requires licensure.

Licensing laws in six (6) counties and other municipalities require landlords to pass a periodic a health and safety inspection. The vast majority of landlords comply with these laws. The number of Tenant Holding Over cases filed has risen dramatically during the pandemic – a 116% increase from FY 2018 to FY 22. Under current law, landlords in these cases may ignore basic health and safety laws and still use the taxpayer-funded court system to evict tenants. Maryland needs to take action to prevent unnecessary evictions throughout the state and keep vulnerable people in the homes they are living in.

Landlords have adequate tools to evict any tenant who would hold up repairs including lease provisions permitting them to enter the unit to address the issue when the tenant is not present, or to enter even if the tenant objects when they have to address emergencies or if the tenant is causing the code violation.

CDN is a member of the Renters United Maryland, a statewide coalition of renters, organizers, and advocates, and we urge a favorable report on SB 100.

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

## **SB0100\_Deedee Jacobsohn\_Favorable.docx.pdf**Uploaded by: Deedee Jacobsohn

Deedee Jacobsohn Rockville, MD 20852

### <u>TESTIMONY ON SB#0100 - POSITION: FAVORABLE</u> Real Property – Actions to Repossess – Proof of Rental Licensure

My name is Deedee Jacobsohn and I live in District 16. I am a member of the SEA Change coalition at B'nai Israel Congregation, which is working for racial equity and social justice, although the opinions expressed here are my own. I am submitting this testimony **in support of SB0100: Real Property – Actions to Repossess – Proof of Rental Licensure.** 

During the Jewish holiday of Sukkot, we "live" in a sukkah, a temporary dwelling or hut, for seven days. There are many ritual laws and spiritual goals for this observance. For me, one of the critical teachings is the importance of the contrast between a temporary dwelling and a permanent one. At the end of the holiday, we return to our permanent home. The holiday of Sukkot forces us to remember the plight of the homeless; it also obligates us to consider the equally devastating plight of those whose homes are plagued with mold, rodents, lack of heat, and other issues making them unit for permanent habitation.

We face almost daily reminders in the news, on social media, and during public hearings, about the many people who are living in our own state in unsafe or unsanitary conditions. With a legally licensed landlord, there are ways, however inadequate, to compel them to make repairs. Illegally operating landlords face no such compulsion. Furthermore, they can ignore these basic health and safety laws while using our court system to evict tenants.

Illegally operating landlords have been granted a loophole to evict tenants in "Tenant Holding Over" cases. Last year, the Senate passed a bill to close this loophole but it was vetoed by then-Governor Hogan. I urge you to pass SB0100 and close this loophole. We need to remove the incentives that encourage landlords not to be licensed, and one way is to prevent illegally operating landlords from using our court system to evict tenants.

I respectfully urge this committee to return a favorable report on SB0100.

**SB 100.pdf**Uploaded by: Detrese Dowridge
Position: FAV

#### SB 100 -Unlicensed Landlords

Hello,

My name is Detrese Dowridge and I'm writing in favor SB-100. I've been a tenant organizer and advocate for years and have witnessed firsthand that landlords use rent courts to evict tenants when themselves are unlicensed while subjecting tenants to live in deplorable, unhabitual and unsafe conditions. As the bill states licensing laws protect public health and safety through periodic inspections. Like any other business, if a landlord wants to file suit in Maryland courts, they must be licensed in any jurisdiction that requires licensure.

Unfortunately, many tenants have been evicted without the knowledge that their landlord is unlicensed and unfortunately judges don't enforce this the way this should be enforced and because of this it encourages landlords to ignore licensing which increases evictions and tenants being subjected to health and safety hazards and displacement.

As a tenant myself I would like to see landlords licensed and held accountable for operating illegally and without a license. I'm quite sure landlords live comfortable in their homes and make the necessary repairs needed to their homes but what I cannot understand is why this same courtesy isn't extended to tenants they lease to. I'm quite sure landlords will counter by asking well why don't these tenants move? Well, it's not easy for some tenants to pick up and move especially tenants in low income communities or is living on minimum wage and landlords know this and take advantage of this.

If they (landlords) cannot keep their properties up to code, should they be allowed to operate unlicensed? Should they be allowed to use the courts to find loopholes to evict tenants illegally? Please ask yourself this and vote in favor of this bill.

Thanks

Detrese Dowridge

Lead Tenant Organizer

**Baltimore Renters United** 

## **SB0100-JPR\_MACo\_SUP.pdf**Uploaded by: Dominic Butchko



#### Senate Bill 100

Real Property - Actions to Repossess - Proof of Rental Licensure

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

Date: January 25, 2023 From: Dominic Butchko

The Maryland Association of Counties (MACo) **SUPPORTS** SB 100. This bill would, among other provisions, require a landlord to comply with a county's licensing scheme for the operation of residential rental properties prior to filing for repossession of a property.

Licensing schemes for rental properties are a means for governments to ensure proper code and zoning compliance for the welfare of their communities, as well as maintain a proper record of housing needs within their jurisdiction. Allowing a complaint for repossession of a property to proceed without compliance with these licensing schemes completely undermines their validity. It would permit landlords to continue the illegal operation of residential rental properties by retaining the necessary tools of eviction and continued collection of rent by threat of eviction.

SB 100 would prevent courts from potentially undermining counties seeking to protect, and reflect the will of, our shared constituents. For this reason, MACo **SUPPORTS** SB 100 and urges a **FAVORABLE** report.

# **Testimony for SB100 2023.pdf**Uploaded by: Gregory Countess Position: FAV



### Maryland Legal Aid

## Human Rights and Justice for All

**BOARD OF DIRECTORS** 

Warren S. Oliveri, Jr., Esq. President

> Ora Johnson Vice President

Marquita Wise-Jones Secretary

Richard L. Wasserman, Esq. Treasurer

Brian P. Hochheimer, Esq. Member At Large

Lorenzo A. Bivans, Jr., Esq. Douglas M. Bregman, Esq. Phyllis Butler Emerson L. Dorsey, Jr., Esq.

Jessica A. duHoffmann, Esq. Neil E. Duke, Esq.

Susan M. Erlichman Guy E. Flynn, Esq.

Manuel R. Geraldo, Esq.

Ashley M. Green Timothy Howe

Gwendolyn Johnson Lauren H.C. Lacey, Esq.

**EXECUTIVE STAFF** 

Vicki Schultz, Esq. Executive Director

Kristi Schulenberg, Esq. Chief Operating Officer

Somil B. Trivedi, Esq. Chief Legal & Advocacy Director

Amy L. Petkovsek, Esq. Deputy Chief Counsel

Graham Cowger
Director of Development

John Jeffcott, Esq. Director of Information Technology

> Mitra Ghahramanlou Chief Financial Officer

> > Jennifer L. Lavella Director of Marketing & Communications

Colleen E. Russell Director of Administrative Services

Jennifer W. R. Schauffler Director of Grants, Contracts, & Compliance

Jessica Sysak Director of Human Resources

> Administrative Offices 500 East Lexington Street

00 East Lexington Street Baltimore, MD 21202 (410) 951-7777 (800) 999-8904 (410) 951-7778 (Fax)

> www.mdlab.org 11.2022





January 24, 2023

The Honorable William C. Smith, Jr, Esq. Chair, Judicial Proceedings Committee 2 E Miller Senate Office Building, Bladen Street, Annapolis, Md. 21401

#### RE: TESTIMONY IN SUPPORT OF SENATE BILL 100

Dear Chair Smith and Members of the Committee,

Thank you for the opportunity to testify in support Senate Bill 100. SB 100 will require landlords to demonstrate their compliance with applicable licensing requirements before seeking to evict or recover money from tenants on an expedited basis. SB 100 is identical to last year's SB 563, which passed the House (90-45) and Senate (47-0) in 2022 but was vetoed by Governor Hogan. Maryland Legal Aid ("MLA") believes the bill should pass again this year – and this time be signed into law – on the fundamental ground that landlords should comply with the law before seeking the benefit of the law. MLA asks this committee to favorably report on SB 100 (the "Bill")

MLA is a private, non-profit law firm that provides free legal services to indigent Maryland residents. MLA assists individuals and families in every Maryland county with a wide array of civil legal issues, including protecting people from the epidemic of evictions across the state. This letter serves as notice that Gregory Countess, Esq. will testify behalf of Maryland Legal Aid in support of SB 100 at Delegate Lehman's request.

MLA believes that the Bill is consistent with the long-standing principle of Maryland law that a contract is illegal and unenforceable in Maryland courts if made by an unlicensed person who is required to be licensed for the protection of the public. In this written testimony we refer to that principle as the *McDaniel* principle, after *McDaniel v. Baranowski*, 419 Md. 560 (2011), in which the Supreme Court of Maryland applied the principle under Real Property Article §8-401 (failure to pay rent) in the landlord/tenant context.

The Bill would extend the commonsense *McDaniel* principle to §8-402 (tenant holding over) and §8-402.1 (breach of lease) actions by requiring a

landlord to be licensed before seeking to enforce its lease under those sections. After applying the principle to failure-to-pay-rent cases in *McDaniel*, the Supreme Court of Maryland declined in *Velicky v. CopyCat Building* (2021) to extend the principle to §8-402 tenant holding over cases on legal grounds that we believe do not bear on the compelling policy considerations that support the Bill.

The fundamental reason to extend the *McDaniel* principle to tenant holding over cases (§8-402) and to breach of lease cases (§8-402.1) is that unlicensed landlords now use those types of cases as an end run around the *McDaniel* prohibition against them suing in "rent court," where §8-401 cases are heard. Instead of obtaining a license so that they can proceed in rent court, unlicensed landlords now evict tenants by bringing tenant holding over or breach of lease cases. As a consequence, the purpose of requiring a landlord to be licensed is defeated. Rather than bringing its rental property up to code so that it can obtain a license, the unlicensed landlord can continue in business, in violation of the licensure laws, by evicting tenants under §8-402 or §8-402.1 and then re-renting the unlicensed premises. The unfairness here is self-evident.

This is not a hypothetical problem. We see it repeatedly, the most well-known example being the unlicensed 58-unit CopyCat building in Baltimore City, where the landlord announced to tenants in writing that "We use Tenant Holding Over Court" as a way of avoiding the prohibition against proceeding in rent court. The landlord made good on that threat, leading to the ruling in the *Velicky* case that highlighted the need for this legislation.

The Bill is the product of compromise during the 2022 session that resulted in agreement with the Maryland Multi-Housing Association on the current form of the Bill.

The Bill is necessary to stop unlicensed landlords from operating in violation of the law rather than complying with the licensing requirements intended to protect the health and safety of its tenants. The Bill closes a loophole exploited by landlords to avoid the very purpose of the licensing requirements – to bring rental properties up to code. The Bill is necessary for the protection of the many low-income Marylanders who rent from such landlords.

For these reasons, MLA respectfully asks that the Committee give the Bill a favorable report.

Sincerely
/s/
Lee Ogburn, Esq.
Director of Appellate Advocacy
Maryland Legal Aid

## **SB 100 CPSR Dr Gwen DuBois.pdf** Uploaded by: Gwen DuBois



SB 100 - Real Property - Actions to Repossess - Proof of Rental Licensure

Hearing before the Senate Judicial Proceedings Committee on January 25, 2023

**Position: SUPPORT (FAV)** 

Chesapeake Physicians for Social Responsibility (CPSR) is statewide evidenced-based, organization of over 900 physicians, other health professionals and supporters, that addresses existential public health threats 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 death, illness, injury, suffering and costs. This is why CPSR supports SB100.

Position: SUPPORT (FAV)

On August 4, 2022, two Potomac, Maryland young women died in a fire in the rental home their family had taken for a vacation on Southampton, Long Island. Police confirmed that the rental home did not have a valid rental permit, which meant that there was no inspection of the home to ensure its safety. The Southampton tragedy is an example of how deadly the consequences can be when a rental unit does not have a health and safety inspection.

SB100 is identical to SB 563, which passed the House (90-45) and Senate (47-0) in 2022 but was vetoed by Gov. Hogan. SB100 would stop landlords who do not have an operating license from using streamlined court processes (Failure To Pay Rent, Tenant Holding Over, and Breach of Lease) from evicting tenants in localities that have a licensing law. Licensing laws protect public health and safety through periodic inspections. When unlicensed landlords successfully use eviction court, it encourages all landlords to ignore licensing laws and increases the risk of tenants being subjected to health and safety hazards

 $<sup>{}^{1}\,\</sup>underline{\text{https://dailyvoice.com/maryland/montgomery/police-fire/maryland-sisters-die-in-hamptons-vacation-house-fire-reports/839657/}$ 

Rental unit inspections in Baltimore City, for example, play an important health and safety function in protecting children, especially in low-income housing where substandard housing is a greater risk without the protection of inspections.<sup>2</sup>

Having a living unit inspected for lead is crucial to prevent irreversible brain injury leading to behavior problems, learning problems, and loss of IQ in the case of small children. Primary prevention, which is removing the sources of lead before exposure occurs, is the most reliable and cost-effective way to protect our children. The American Academy of Pediatrics urges "local or state governments, in consultation with pediatricians, develop policies and regulations requiring the remediation of lead-contaminated housing and child care facilities, including the elimination of lead hazards during transfer of rental units or renovation or demolition of older housing." Certificate of inspection for lead for rental units is an important tool in preventing lead exposure and a court requirement is a crucial way to enforce that policy.

Inspections in Baltimore check for other health and safety provisions. The tragedy in Southampton underscores the importance of inspection for hazards that increase the risk of fires or of being trapped in fires. If there is a bedroom in the basement, they check for proper egress. Inspectors check for Smoke Detectors that are properly installed and operational. In multi-family dwellings, inspectors check for fire separation between dwellings, hallways for fire doors and for fire alarm systems that are in working order. Inspectors look for exposed live wire.

Units are checked for any other readily observable problems that in an inspector's opinion represent an immediate threat to the health and safety of occupant including evidence of infestation of rodents, insects or other pests, toilets that don't work, plumbing leaks and exterior walls that allow rain water to seek in, contributing to mold formation which can lead to health problems.

Inspectors check for an operable heat supply system. In a 2008 Hopkins study, 12 % of the families studied were using their stoves for heat, leading to nitrogen oxide exposure and increasing the risk of asthma. A Longitudinal Study of Indoor Nitrogen Dioxide Levels and Respiratory Symptoms in Inner-City Children with Asthma.<sup>4</sup> A family should not have to use their oven for heat, which is especially dangerous with gas stoves, exposing the family to nitrogen oxides, formaldehyde, benzene, and carbon monoxide, some of the sickening and deadly gases that fill apartments when gas stove doors are kept open all night to heat homes in addition to the fire risk when gas appliances are used improperly.

<sup>&</sup>lt;sup>2</sup>https://dhcd.baltimorecity.gov/sites/default/files/1%20&%202%20FAMILY%20DWELLING%20INSPECTI ON%20FORM%20rev%202-4-21.pdf

<sup>&</sup>lt;sup>3</sup>https://publications.aap.org/pediatrics/article/138/1/e20161493/52600/Prevention-of-Childhood-Lead-Toxicity

<sup>&</sup>lt;sup>4</sup> https://doi.org/10.1289/ehp.11349

The list that inspectors must certify are not extravagant but portray an array of living conditions no family should have to endure, which happens when basic health and safety requirements are not met. If landlords are entitled to use rent court without requiring certification, this might encourage less scrupulous landlords to forego inspections as well, allowing unsafe living conditions to prevail.

Chesapeake Physicians for Social Responsibility is a member of the Renters United Maryland, a statewide coalition of renters, organizers, and advocates, and we urge the Committee's report of Favorable on SB100. CPSR strongly encourages passage of SB100 to protect the health and safety of Marylanders who have a right to safe and healthy living conditions when they become renters.

Respectfully,

Gwen L. DuBois MD, MPH President, Chesapeake Physicians for Social Responsibility

## **Support SB 100 - JPR - Proof of Rental Licensure** Uploaded by: Henry Bogdan



January 25, 2023

## <u>Testimony on Senate Bill 100</u> <u>Real Property – Actions to Repossess – Proof of Rental Licensure</u> Senate Judicial Proceedings Committee

#### **Position: Favorable**

Maryland Nonprofits is a statewide association of more than 1400 nonprofit organizations and institutions. We urge you to support Senate Bill 100, identical to SB 563, which passed the Senate (47-0) in 2022 but was vetoed by Gov. Hogan.

Safe and secure housing is critical to the well-being of every family, and without it efforts to improve educational outcomes, assure healthy living conditions, and employment stability are jeopardized. At a time when rents are increasing dramatically, this is particularly important for those with lower incomes. Where localities that have a landlord licensing law, to protect public health and safety through periodic inspections, SB 100 would stop landlords who do not have an operating license from using streamlined court processes (Failure To Pay Rent, Tenant Holding Over, and Breach of Lease) to evict tenants. Licensing laws Like any other business, if a landlord wants to file suit in Maryland courts, they must be licensed in any jurisdiction that requires licensure.

Licensing laws in six (6) counties and other municipalities require landlords to pass a periodic a health and safety inspection. The vast majority of landlords comply with these laws. However, tenants whose predatory landlords refuse to make repairs, refuse to obtain a license, extract as much rent as possible, and when the tenant complains, move to evict them through one of Maryland's streamlined eviction processes. When unlicensed landlords successfully use eviction court, it encourages all landlords to ignore licensing laws and increases the risk of tenants being subjected to health and safety hazards.

For these reasons, we urge you to give Senate Bill 100 a favorable report.



# Indigo\_Null\_SB100\_WrittenTestimony.pdf Uploaded by: Indigo Null

#### **Testimony of Indigo Null**

#### SB100 – Actions to Repossess – Proof of Rental Licensure Hearing before

Senate, January 25, 2023

Position: SUPPORT (FAV)

Please see the exhibits after page 4 for supporting evidence.

I am a tenant at the Copycat Building in Baltimore City, owned by Charles Lankford. I am also the defendant in the Court of Appeals' November 2021 decision *Velicky v. Copycat Building*. I am writing to testify because my landlord's business model relies on the advantage of having no requirement to prove rental licensing compliance in Tenant Holding Over actions. This legal loophole allows my landlord to extort illegal payments from tenants while keeping his properties in unsafe and unlivable conditions.

The Court of Appeals decision is dangerous. Licensing is dependent on code enforcement – if your building isn't safe, you can't be licensed, and you shouldn't be able to collect rent or utilize court procedures like evictions. The inability to collect rent through the courts *should* be more than enough motivation for a landlord to keep his building safe. But Copycat tenants see clearly before us that our landlord's use of Tenant Holding Over evictions proceedings without a license breaks down that system – *tenants will do whatever they can to avoid homelessness*, including paying illegal rent to an unlicensed landlord. And landlords know this.

### Allowing unlicensed landlords to use the Tenant Holding Over eviction procedure gives them leverage to conduct illegal activities outside of court.

Charles Lankford and his company have not had a rental license since at least January 2019, if not longer. They have many outstanding violations related to fire code, safety, and habitability in their properties. The law tells us it is illegal for a landlord to collect rent without a license – but he has done exactly that for years. Even now, he is advertising unsafe apartments for rent on the Copycat rental website. His behavior is a prime example of why SB100 is necessary.

In Spring 2020, everyone in my house lost their income due to the pandemic. We applied for unemployment, but, as you probably read in the news, it was not available for months. After the first full month of shutdown, Lankford began to send out a series of emails making it very clear that if tenants did not keep up with their rent payments, they would be evicted. In an email dated June 15, 2020, the landlord explained: "To be clear: ONLY Rent Court and apartment buildings whose mortgage is Federally financed are part of the Eviction Moratorium. We use Tenant Holding Over Court and our mortgage is NOT

federally funded... Hence, there will be no delay on our end as soon as courts reopen....Whatever remaining deposits you have are being applied to the oldest debt in your account. If we have not heard from you by the time the courts have reopened, we will be filing for your eviction and your remaining debt will be turned over to a national credit collection agency which will negatively impact your credit for the next 7 years." (see p. 6 for full email)

Remember, Lankford was unlicensed when he wrote this and knew full well that he was illegally

collecting rent. He knew he would face no consequences for filing Tenant Holding Over actions as a work-around existing laws – *McDaniel v. Baranowski*, local code Article 13 § 5-4, or eviction moratorium protections.

#### Rental licensing is about safety and human dignity, not mere technicalities.

A housing code enforcement report is attached, documenting the violations and dangerous conditions in my apartment. I have also attached a copy of the reports showing the presence of deteriorating lead and asbestos in my apartment.

I came to the Copycat fresh out of college, moving to Baltimore with almost no money, no credit, and no familial support. Because of this lack of resources, I could not rent a traditional apartment that required a credit check and paystubs – my only options were subleases and other less official avenues. I luckily had a partner living in the Copycat, and I moved in to my current apartment on the 5th floor in 2015. The apartment had 7 bedrooms, and I lived with 11 other people-we all shared one bathroom. At the time, I believed I was lucky and was just happy to have a roof over my head. As I said before, people will take almost anything over homelessness.

After I moved in, it became obvious the building had not been maintained for years - Outlets would randomly spray sparks everywhere and then completely stop working, destroying whatever was plugged in at the time. We had no running water when the boiler was on, and very low pressure when it was off. Sometimes you couldn't wash your hair or dishes. Often the water is brown, and people joke that "drinking the water in the Copycat makes you more thirsty afterward than before!". Water pressure is so low we have to flush our toilet with a bucket, and my roommate washes her hands with bottled water because the building's water makes her break out in a rash.

Every winter, it would be a fight to get Lankford to turn on the heat – he would often wait until November or December, citing "maintenance issues" with the boiler. Most apartments have little to no insulation, and even when tenants attempt to seal the windows ourselves, it only helps so much. Sometimes my bedroom is 41 degrees at night.

Every year, our fridge broke and we'd go without it for a couple days or weeks until maintenance found us another one from another apartment. We'd always lose all our food in the process, and we could never predict it. Usually, they'd eventually bring a used fridge to replace it, we'd clean the mold and meat slime out of it, and have a fridge for another year. The last time this happened was November 2021 – they never came to replace it this time. When asked in person about it, Brice Lankford (Charles Lankford's son, and head of maintenance) hissed at me "I'm not gonna f\*ckin talk to you about that".

The response to our filed maintenance request about it was a form letter that said:

"Sorry to inform you your service request was recently closed due to the fact that the work was not approved by the property owner. If you feel the owner is legally obligated to perform this work in accordance with law, you may contact the management company directly from your portal...In other cases, this may have been considered a nonessential request and the owner exercised his right to defer the request"

We have tried to contact management multiple times since, to no avail. Eventually I bought a used mini fridge on Facebook. Lankford is legally required to provide a refrigerator to us-Some of the conditions in my apartment honestly feel like retaliation for speaking up against what's happening in my building.

One summer, we found out that apparently half the fire sprinklers in our apartment had no water going to them, and that the building had narrowly avoided being shut down for how dangerous it was. I lost a lot of sleep after that, knowing that the sprinklers over my bed would just sit there useless if the building caught fire.

Many times the elevator broke while I was in it, and I learned to carry my phone with me even when going to get the mail because there was no emergency call button – stuck in the elevator with no phone? I hope you have a good screaming voice. A maintenance man eventually showed me how to open the doors from the inside so I could get out as long as it broke near an exterior door, because I often got off work after midnight and there was a real risk of me being trapped overnight - This actually happened to at least two people I know of. There was a yearlong period when we had no light in the elevator, and a tenant put a adhesive-backed battery-powered nightlight in so we could see inside when the doors were closed.

For the first couple years I was here, we had three bedrooms that randomly had leaks when it rained – gallons of water that looked like coffee would pour through the ceiling and down from upstairs. The wall between our kitchen and bathroom began to rot out from it. They closed down the apartment upstairs from us because the leaks were so bad nobody would live there. They later re-rented it, claiming it was fixed, but my new neighbor informed me he had to put a tarp over his bed and build a water collection device for when it rained. Ironically, they had no running water upstairs around the same time, because the water pressure in the building was so bad that water couldn't make it to the 6th floor. Maintenance "fixed" that by running a hose from another part of the building to that apartment.

Around that same time we suddenly got mice. And when I say "mice" I do not mean just a couple — dozens. Crawling on the counters, eating our food, leaving piles of feces everywhere. My roommates and I caught four or five a week. One time my roommate caught one that crawled into a bag of chips he was actively eating. Another, my cat caught in my bed. We had to keep our dry goods in airtight plastic bins, and we put out poison everywhere. When I contacted maintenance, Brice Lankford informed me pest control was our responsibility, (which is in direct violation of rental law). I found out everyone on our side of the building had suddenly gotten mice (at least 10 apartments), but he refused to help. Shortly after, the German cockroaches came. They found the rotting wall behind our kitchen sink, and moved in. Now it's a normal occurrence to lift up a sponge and find 50 cockroaches. They have also colonized our shower, which is on the other side of the same wall.

When we found out the building was unlicensed, we got a professional code inspection – you can read the full report on page 09, but here are some highlights: Our entire unit has deteriorating lead paint that hasn't been properly sealed, flaking into the air constantly. Many spaces are insulated with deteriorating asbestos. We breathe both of those 24/7. Our circuit box has been illegal since the mid-1900s, and has loose wires in danger of overheating and catching fire. Our elevator is not safe or up to code, and has DIY wiring among other issues -it appears the license has been expired for a while now.

At the most recent city inspection, the inspector said there were multiple unused elevator shafts in the building that would be deadly during a fire because they are not sealed properly. If a fire starts on a lower floor, it will travel up these empty shafts, fed by the oxygen, and explode onto the floors above, quickly spreading to the whole building and becoming deadly. I have one connected to my bedroom, when I moved in I had to seal the door with plastic because there was constantly a draft coming from it.

Much of this, I had no idea about. I wish I had known about all this before I moved in, and I don't understand why the Department of Housing hasn't shut Lankford down. I regularly try to repair things,

but I don't know how to do asbestos removal or boiler maintenace. I need to stress that I, like many tenants, cannot afford to move, and that is part of why I still live here. Moving costs a lot of money that we simply don't have, and many of us have no credit or bad credit, or are still facing unemployment or underemployment due to the pandemic. We are, in a word, trapped.

### SB100 closes the loophole that allows landlords to continue to profit off unsafe and uninhabitable properties.

I have to respectfully disagree with the Court of Appeals majority decision – I feel they did not look at the whole picture. This isn't just about a landlord's right to throw people off his property easily. It's about the safety of every single renter in our state. As long as a landlord can continue to collect rent on a property like this, and the law cannot stop him, we are all in danger.

The majority claim they do not believe Lankford wanted to collect rent, only to evict me. But he behavior shows the opposite - The day the decision came out, I was woken up by a tenant in the building calling to tell me Lankford had sent out a round of emails and calls telling everyone that the court had decided he could evict people. Within days, everyone I knew who the building claimed owed rent had received emails about their balances, notices of lease termination and notices to vacate.

He was literally flaunting the court decision. Several of those tenants have since moved out, and their apartments are back up for rent on the Copycat website. Noticeably, they have gone up in rent since the previous tenants. One that belonged to a friend of mine has almost doubled in price.

Now, every single tenant in this building has to think - "Do I want to go to court? Can I afford to move? Can my credit handle an eviction?" every time they put in a maintenance request or file a code report. They know that if they don't pay him whatever he asks, they are likely facing an eviction. The threat to our credit has a specifically vicious tone to it – remember, he said "your remaining debt will be turned over to a national credit collection agency which will negatively impact your credit for the next 7 years." Not only will he kick you out of your home if you don't comply, he will make it harder for you to find anywhere else to go. The message is clear - "Give me money and expect nothing in return, unless you want a world of hurt and trouble".

Is it just that a landlord operating illegally can use a taxpayer-funded court process to threaten tenants if they don't pay him illegal payments? That you can be threatened with homelessness if you attempt to get any of these conditions remedied?

My lawyer told me not to let these things make me jaded, and that the legislature is here to fix these things. I want to believe he's right and other people see how unjust this is. My argument is not with landlords following the law, and landlords operating legally will never have to worry about this bill – SB100 is specifically aimed at landlords already operating illegally.

If you remove the loophole that allows these slumlords to continue to profit while operating illegally, you remove their incentive to keep their buildings in lethal disrepair, and you remove their leverage to extort tenants and threaten us into silence.

The last thing I wanted to mention is this – I am often asked "but how many landlords can really be *this bad*? Yours *has* to be a fluke". The only thing I have to say to that is that I know a lot of tenants in Baltimore – I work in tenant advocacy. It is not an exaggeration when I say *almost everyone I know has lived in a building like this*.

#### **Exhibits**

Email: June 15, 2020 – page 06 Asbestos Report – page 07 XRF Lead Report – page 10 Code Report for Apartment F501 – page 11 June 15, 2020

Dear Resident,

We are entering the fourth month of the pandemic. With jobs lost and Maryland is still struggling to disperse unemployment checks, we realize there are tenants who are still unable to pay rent. Many have come to us with their situations and we have made agreements to work together when their funds begin appearing. Some are about to receive their unemployment and we have set up a fair payment plan to begin paying rents that we both can live with. As I have explained to many, it is less expensive for us to work with willing tenants now than go through eviction processes and re-renting emptied units.

Due to these circumstances, we are willing to set up extended payment plans that would not have been agreeable under normal conditions but, we can no longer stay quiet, wondering what the intentions of our silent tenants are. Are they holding out for the Feds to swoop down and forgive rents? Are they stockpiling unemployment checks and planning to move into a new apartment at the last minute? We don't know.

<u>More troubling are group units</u> who have not made any payments through the pandemic. If a few of these tenants are receiving income or parental aid beyond living expenses, we would expect them to pay as they can individually. This is not the place for solidarity, and it *will* make the difference whether you stay or go!

Also, our attorneys have informed us it is legal to reallocate your deposits to your oldest debt, provided we contact you by mail, which we are in the process of doing. This will help reduce your debt as well as assuage the concerns of our creditors. We are struggling to pay our monthly mortgage, salaries, and the various other operating costs through this stressful time, due to our greatly reduced rental income.

Finally, Baltimore City has announced the reopening of various government departments starting this Monday which means courts will be open in the very near future.

To be clear: ONLY Rent Court and apartment buildings whose mortgage is Federally financed are part of the "Eviction Moratorium".

We use Tenant Holding Over Court and our mortgage is NOT federally funded. The Rent Strike website clearly lists by zip code, each apartment building that cannot participate in evictions. We are NOT included in that listing. Hence, there will be no delay on our end as soon as courts reopen. If you are receiving this letter it was meant for YOU. This is NOT a building wide letter. Whatever remaining deposits you have are being applied to the oldest debt in your account. If we have not heard from you by the time the courts have reopened, we will be filing for your eviction and your remaining debt will be turned over to a national credit collection agency which will negatively impact your credit for the next 7 years.

Management

The Copycat Building LLC

# Attachment A: Lead Based Paint Survey Datasheet

Index	Room	Component 1	Component 2	Wall Code	Substrate	XRF Reading (mg/cm^2)	Result	Condition	Address
1	Calibration	SRM-2579				1			
2	Calibration	SRM-2579				0.9			
3	Calibration	SRM-2579				1			
	Calibration	SRM-2570		<u> </u>		0		late of	200 F Federal St Apt FEO1
	Bathroom	Door	ļ	D	Wood		Negative	Intact	309 E Federal St Apt F501
	Bathroom	Door	Casing	D	Wood		Negative	Intact	309 E Federal St Apt F501
	Bathroom	Window	Casing	Α	Wood		Positive	Deteriorated Deteriorated	309 E Federal St Apt F501 309 E Federal St Apt F501
	Bathroom	Window	Sash	A	Wood		Positive Positive	Deteriorated	309 E Federal St Apt F501
	Bathroom	Shower Stall		С	Wood			Deteriorated	309 E Federal St Apt F501
	Bathroom	Floor		N	Concrete		Negative	Deteriorated	309 E Federal St Apt F501
	Bathroom	Wall		A D	Wood		Positive	Deteriorated	309 E Federal St Apt F501
	Bathroom	Wall		В	Wood		Positive	Deteriorated	309 E Federal St Apt F501
	Kitchen	Wall		A	Concrete		Positive	Deteriorated	309 E Federal St Apt F501
	Kitchen	Wall	Casina	A	Wood		Positive	Deteriorated	309 E Federal St Apt F501
	Kitchen	Window	Casing	-	Wood		Positive	Deteriorated	309 E Federal St Apt F501
	Kitchen	Window	Sash	A	Concrete		Positive	Deteriorated	309 E Federal St Apt F501
	Common Living Space	Wall		A C			Positive	Deteriorated	309 E Federal St Apt F501
	Common Living Space	Wall	<u> </u>		Concrete		Negative	Deteriorated	309 E Federal St Apt F501
	Common Living Space	Column		N			Negative	Deteriorated	309 E Federal St Apt F501
,	Common Living Space	Floor		C	Concrete Metal		Negative	Deteriorated	309 E Federal St Apt F501
		Radiator	cill	C	Concrete		Negative	Deteriorated	309 E Federal St Apt F501
	Common Living Space	Window	Sill	C	Wood		Positive	Deteriorated	309 E Federal St Apt F501
	Common Living Space	Window	Casing Sash	В	Wood		Positive	Deteriorated	309 E Federal St Apt F501
	Common Living Space	Window		C	Wood	-	Positive	Deteriorated	309 E Federal St Apt F501
	Storage Closet	Window	Casing		Wood	-	Positive	Deteriorated	309 E Federal St Apt F501
	Storage Closet	Window	Sash	С					309 E Federal St Apt F501
	Storage Closet	Wall		С	Concrete		Negative	Deteriorated	
	Storage Closet	Door	Carta	A	Wood	4	Positive	Deteriorated	309 E Federal St Apt F501
	Storage Closet	Door	Casing	A	Wood		Negative	Intact	309 E Federal St Apt F501
	Bedroom 1	Door	Casing	D	Wood		Negative Negative	Intact	309 E Federal St Apt F501
	Bedroom 1	Door	<del> </del>	D				Intact	309 E Federal St Apt F501
	Bedroom 1	Wall	<del> </del>	A	Concrete	_	Positive	Deteriorated	309 E Federal St Apt F501
	Bedroom 1	Wall	CIII	В	Wood		Negative	Intact	309 E Federal St Apt F501
	Bedroom 1	Window	Sill	В	Wood		Positive	Deteriorated Deteriorated	309 E Federal St Apt F501
	Bedroom 1	Window	Casing Door	C	Wood	-	Negative	Intact	309 E Federal St Apt F501
	Bedroom 1 Bedroom 1	Closet		c	Wood		Negative	Intact	309 E Federal St Apt F501 309 E Federal St Apt F501
	Bedroom 1	Closet	Casing Wall	A	Concrete		Positive	Deteriorated	309 E Federal St Apt F501
	Bedroom 2	Door	Wall	A	Wood		Negative	Intact	309 E Federal St Apt F501
	Bedroom 2	Door	Casing	A	Wood		Negative	Intact	309 E Federal St Apt F501
	Bedroom 2	Wall	Casing	c	Concrete		Positive	Deteriorated	309 E Federal St Apt F501
41	Bedroom 2	Wall		C	Concrete	-	Positive	Deteriorated	309 E Federal St Apt F501
	Bedroom 2	Window	Sach	В	Wood	-	-		
	Bedroom 2	Window	Sash Casing	В	Wood		Positive Positive	Deteriorated Deteriorated	309 E Federal St Apt F501 309 E Federal St Apt F501
	Bedroom 2	Floor	Casing	N	Concrete	-	Negative	Deteriorated	309 E Federal St Apt F501
	Bedroom 3	Door		A	Wood		Negative		
	Bedroom 3	Door	Casing	A	Wood		Negative	Intact	309 E Federal St Apt F501 309 E Federal St Apt F501
	Bedroom 3	Window	Casing	C	Wood		Positive	Deteriorated	309 E Federal St Apt F501
	Bedroom 3	Window	Sash	C	Wood	-	Positive	Deteriorated	309 E Federal St Apt F501
	Bedroom 3	Wall	Ju311	c	Concrete		Positive	Deteriorated	309 E Federal St Apt F501
	Bedroom 3	Floor		N	Concrete		Negative	Deteriorated	309 E Federal St Apt F501
	Bedroom 4	Baseboard		A	Wood		Negative	Intact	309 E Federal St Apt F501
	Bedroom 4	Wall		В	Wood		Negative	Intact	309 E Federal St Apt F501
	Bedroom 4	Wall		C	Concrete		Negative	Deteriorated	309 E Federal St Apt F501
	Bedroom 4	Floor		N	Wood		Negative	Deteriorated	309 E Federal St Apt F501
	Bedroom 4	Window	Sash	C	Wood		Positive	Deteriorated	309 E Federal St Apt F501
	Bedroom 4	Window	Casing	c	Wood		Positive	Deteriorated	309 E Federal St Apt F501
	Bedroom 5	Wall		A	Concrete		Positive	Deteriorated	309 E Federal St Apt F501
	Bedroom 5	Wall		В	Wood		Negative	Intact	309 E Federal St Apt F501
	Bedroom 5	Floor		N	Concrete		Negative	Deteriorated	309 E Federal St Apt F501
	Bedroom 5	Door		C	Wood		Negative	Intact	309 E Federal St Apt F501
	Bedroom 5	Door	Casing	C	Wood		Negative	Intact	309 E Federal St Apt F501
UZ		Window	Sash	A	Wood		Positive	Deteriorated	309 E Federal St Apt F501
62	IRedroom 5		130311	I C	WOOU				
	Bedroom 5			Δ	Wood	20	Docitivo	Deteriorated	200 E Endoral Ct Ant FEO1
64	Bedroom 5	Window	Casing	A	Wood		Positive	Deteriorated	309 E Federal St Apt F501
64 65				A A	Wood Concrete Wood	3.1	Positive Positive Negative	Deteriorated Deteriorated Intact	309 E Federal St Apt F501 309 E Federal St Apt F501 309 E Federal St Apt F501

Index	Room	Component 1	Component 2	Wali Code	Substrate	XRF Reading (mg/cm^2)	Result	Condition	Address
60	Bedroom 6	Window	Sash	A	Wood	1.6	Positive	Deteriorated	309 E Federal St Apt F501
	Bedroom 6	Window	Casing	Α	Wood	1.8	Positive	Deteriorated	309 E Federal St Apt F501
	Calibration	SRM-2579				0.9			
71	Calibration	SRM-2579				1			
72	Calibration	SRM-2579				1.1			
73	Calibration	SRM-2570			<u> </u>	0	<u></u>		

Tel: (888) 854-0477

**Analysis Date:** 

NVLAP LAB CODE: 102053-0 | Scope of Accreditation to ISO/IEC 17025:2005



# **Certificate of Asbestos Analysis**

Property Inspection Pros, LLC Prepared for:

Phone: Email:

Lab COC #:

(443) 934-4574 sol@mdinspectionpros.com

52397908

3910 W Strathmore Ave

Baltimore, MD 21215

Test Address: Anna Velicky

309 Federal St Unit F501

Baltimore, MD 21202 **Date Collected:** 

Receive Date: 11/03/20 10/30/20 11/03/20 Report Date: 11/03/20

Collection Location: PIPE INSULATION IN COMMON AREA Client Sample: PIPE INSULATION IN COMMON AREA

Sample Description: PIPE INSULATION

Asbestos Containing Material Detected Friable/Homogeneous: YES/YES Lavers: 1

, made de de l'itanimis	mater fat Detected		<b>-</b> , c. c	
	Layer 1	Intentionally blank	Intentionally blank	Intentionally blank
Description:	PIPE INSULATION			
Color:				
Asbestos Type				
Chrysotile	70%			
Other Fibers				
Cellulose	10%			
Non-Fibers				
Minerals	20%			

Lance R. Cotton

Laboratory Manager

Lance R. Cotton

This report pertains only to the samples reported and may not be reproduced, except in full, without written permission from PriorityLab. The client is solely responsible for the use and interpretation of this report. This report shall not be used to claim product certification, approval, or endorsement by NVLAP, NIST, or any agency of the US government. Samples analyzed using Code 18/A01: EPA 40 CFR Appendix E to Subpart E of Part 763, Interim Method of the Determination of Asbestos in Bulk Insulation Samples, and Code 18/A03: EPA/600R-93/116 Method for the Determination of Asbestos in Bulk Building Materials. Furthermore, PriorityLab's liability is limited to the cost of the analysis. Limit of Quantitation (LOQ) is 1%. "Trace", if listed, indicates the presence of asbestos below the LOQ. "ND" = None Detected. Floor tile is non-homogeneous and results only reflect sample content.

EPA requirements for reporting and analyzing asbestos are: Asbestos Containing Material (ACM) = equal to or greater than 1%; Non-Asbestos Containing (NAD) is < 1% asbestos, even though the sample may contain a trace amount of Asbestos. If the PLM method is >1% a point count may be performed (but is not required) at the client's request for an additional fee. PriorityLab is not able to assess the degree of hazard resulting from materials analyzed. PriorityLab reserves the right to dispose of all samples after a period of thirty (30) days. Laboratory reports will be kept for a period of three (3) years electronically. All samples were received in acceptable condition unless otherwise noted. Visit www.epa.gov/iaq/asbestos.html for more information.



# **Inspection Report**

# **Anna Velicky**

# **Property Address:**

309 Federal Ave Unit F501 Baltimore MD 21202



# **Property Inspection Pros LLC**

Sol Kruk MD Home Inspector License #32972 443-934-4574 sol@mdinspectionpros.com www.mdinspectionpros.com

# **Table of Contents**

<u>Cover Page</u>	<u>. 1</u>
Table of Contents	
Intro Page	. 3
1 Interior Rooms & Halls	
2 Bathrooms	
3 Kitchen & Appliances	
4 Laundry & Aplliance 1	
5 Electrical System 1	19
6 Plumbing System2	
7 Heating	
General Summary2	

# **Property Inspection Pros LLC**

Velicky

Property: Customer: Anna Velicky
Baltimore MD 21202

Time: 11:00:00 AM Report ID: 102920SK1

Real Estate Professional:

BY RELYING ON THIS INSPECTION REPORT YOU AGREE TO BE BOUND BY THE TERMS, CONDITIONS, AND LIMITATIONS SET FORTH IN THE INSPECTION AGREEMENT YOU SIGNED PRIOR TO THE INSPECTION.

This report has been prepared for your exclusive use as our client. No use by third parties is intended. Property Inspection Pros LLC will not be responsible to any parties not named herein for the contents of the report. The report itself is copyrighted, and may not be used in whole or in part by any third parties without the report owners express written permission.

# **Comment Key or Definitions**

The following definitions of comment descriptions represent this inspection report. All comments by the inspector should be considered before purchasing this home. **Any recommendations by the inspector to repair or replace suggests a second opinion or further inspection by a qualified licensed individual**. Weather or not the repairs are performed by a qualified licensed individual, Property Inspection Pros LLC will not be responsible for any and all repairs. All costs associated with further inspection fees and repair or replacement of item, component or unit should be considered before you purchase the property.

**Inspected (IN)** = I visually observed the item, component or unit and if no other comments were made then it appeared to be functioning as intended allowing for normal wear and tear.

**Not Inspected (NI)**= Item, system or component was not inspected. No representation of it's condition was given or implied. Reasons include but not limited to: lack of normal operating controls, utilities off, restricted access, safety or environmental issues, potential property damage.

**Not Present (NP)** = This item, component or unit is not in this home or building.

**Repair or Replace (RR)** = The item, component or unit is not functioning as intended, or needs further inspection by a qualified contractor. Items, components or units that can be repaired to satisfactory condition may not need replacement.

IT IS ESSENTIAL YOU READ THE ENTIRE INSPECTION REPORT

This home inspection report is an unbiased assessment of the property on the day it was inspected. It contains observations of those systems and components that, in the professional judgment of the inspector, do not function properly, are significantly defective, unsafe, or are near the end of their service lives. The cause for deficiencies may or may not be readily apparent, comments will be made as appropriate. This report is not intended to reflect the value of the property, or to make any representation as to the advisability of purchase. Not all improvements will be identified during this inspection. Unexpected repairs should be anticipated. This inspection is not a guarantee or warranty of any kind.

**ENVIROMENTAL INSPECTION** 

The following are common items that can exist in a building, but are outside the scope of this general home inspection: Chinese drywall, mold, radon, asbestos, buried tanks, soil contamination, lead contamination, rodent, bat or pest feces/urine. Specific inspections intended to confirm or deny that any of the noted concerns

# **Property Inspection Pros LLC**

Velicky

are present during the inspection are not performed as part of this general home inspection as they require additional testing or evaluation for positive confirmation of their existence.

If additional testing is desired you can contact us to refer or perform these services. A separate inspection agreement will be required for additional services.

#### PERMIT RESEARCH

This inspection does not include permit research and is not intended to ensure permit enforceability or evaluation of any un-permitted construction. Any permit related construction issues now or in the future are disclaimed. Permits on record for this building can be obtained or viewed by contacting the local municipality. Any additional construction or replacement of major systems that is not listed with the local municipality may have been installed or constructed without a permit. You should consult with the local municipality to ensure lack of permits will not impact you now or in the future. In some cases additional fines or removal of unpermitted structures may be required.

THIS DISCLOSURE IS REQUIRED BY THE STATE OF MARYLAND

- (i) "An inspection is intended to assist in the evaluation of the overall condition of a building. The inspection is based on observation of the visible and apparent condition of the building and its components on the date of the inspection";
- (ii) "The results of this home inspection are not intended to make any representation regarding latent or concealed defects that may exist, and no warranty or guaranty is expressed or implied";
- (iii) "If your home inspector is not a licensed structural engineer or other professional whose license authorizes the rendering of an opinion as to structural integrity of a building or the condition of its components or systems, you may wish to seek the professional opinion of a licensed structural engineer or other professional regarding any possible defects or other observations set forth in this report"; and
- (iv) "Only home inspections performed by Maryland licensed home inspectors will be recognized as a valid home inspection under a real estate contract". Some areas and items at this property were obscured by stored items, furniture, and or debris. This often includes but is not limited to walls, floors, windows, inside and under cabinets, under sinks, on counter tops, in closets, behind window coverings, under rugs or carpets, and under or behind furniture. Areas around the exterior, under the structure, in the garage and in the attic may also be obscured by stored items. The inspector in general does not move personal belongings, furnishings, carpets or appliances. When furnishings, stored items or debris are present, all areas or items that are obscured, concealed or not readily accessible are excluded from the inspection. The client should be aware that when furnishings, stored items or debris are eventually moved, damage or problems that were not noted during the inspection may be found. Structures built prior to the mid 1980's may contain asbestos. Asbestos is commonly found in various building materials such as insulation, siding, and/or floor and ceiling tiles. Laws were passed in 1978 to prohibit usage of asbestos, but stocks of materials containing these substances remained in use for a number of years thereafter. Asbestos is a known health hazard. Evaluating for the presence of asbestos is beyond the scope of this home inspection. Any mentions of asbestos in the report is made of courtesy only, and meant to refer client to specialist. Consult with a specialist as necessary for further evaluation. Because

# **Property Inspection Pros LLC**

Velicky

this home was built before 1978, there is a good chance it has lead-based paint. In 1978, the federa<sup>15</sup> government banned consumer uses of lead-containing paint as a potential health hazard, but some states banned it even earlier. Lead from paint, including lead-contaminated dust, is one of the most common causes of lead poisoning.

Lead can be found in dust around the perimeter of the home exterior. It is a greater risk to young children than adults.

Determining the presence of lead paint requires a specialist inspection.

**Standards of Practice:** 

Type of building:

**Approximate Square Footage:** 

Maryland

Multi-family Apartment building

6000

**Approximate Year of Original** 

**Construction:** 

1900

Pre 1978:

Pre 1978

Mid-1980's and Older Asbestos

**Disclaimer:** 

Asbestos Warning

Inspection Started At:

11am

**Inspection Ended At:** 

2pm

**Occupancy:** 

The home was occupied

Attending the Inspection:

Tenant

Weather during the Inspection:

Heavy Rain

Significant Precipitation in last 3

Days:

Yes

Temperature during Inspection:

Below 60 (F) = 15.5 (C)

**Ground/Soil Surface Condition:** 

Wet

# 1. Interior Rooms & Halls





# **Styles & Materials**

### **Window Material:**

Wood

# **Window Glazing:**

Single-pane

# **Items**

### 1.0 Floors

### Repair/Replace

All floors were concrete and no flooring was installed. Many areas had metal bolts sticking out of floor which are a hazard.



1.0 Item 1(Picture)

#### 1.1 Walls

## Repair/Replace

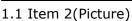
(1) Holes in the exterior walls were observed in many areas.



1.1 Item 1(Picture)

(2) Stains on the walls in the visible in many areas at the time of the inspection appeared to be the result of moisture intrusion. The moisture meter showed elevated moisture levels in the affected areas at the time of the inspection, indicating that the leakage has been recent. The Inspector recommends consultation with a qualified contractor to discuss options and costs for correction and repair.







1.1 Item 3(Picture)



1.1 Item 4(Picture)



1.1 Item 5(Picture)



1.1 Item 6(Picture)

- (3) No insulation was installed in the exterior walls or ceilings. This condition will result in higher heating and cooling costs and lower comfort levels than would be the case if the walls were insulated.
- (4) Walls in the exhibited moderate damage or deterioration and were poorly installed.



1.1 Item 7(Picture)



1.1 Item 8(Picture)

(5) Stains on the walls in the kitchen below sink and behind the shower visible at the time of the inspection appeared to be the result of moisture intrusion. The moisture meter showed elevated moisture levels in the affected areas at the time of the inspection, indicating that the leakage has been recent. The Inspector recommends consultation with a qualified contractor to discuss options and costs for correction and repair to prevent mold growth and unhealthy conditions.



1.1 Item 9(Picture)

## 1.2 Lighting

# Repair/Replace

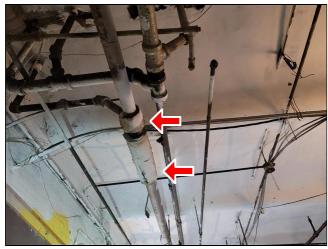
(1) Many interior light fixtures in the home were damaged or inoperable and extension cords with lighting was used instead. This condition is a potential fire or shock/electrocution hazard. The Inspector recommends repairs be performed by a qualified electrical contractor.



1.2 Item 1(Picture)

- (2) Many areas of the home were missing light fixtures and were not illuminated. This is potential trip hazard when its dark outside.
- 1.3 Misc. Components: Ceiling fans, doorbells, Env. Hazards, Detectors, etc. Repair/Replace

(1) Materials in the on the boiler distribution pipes throughout the home may contain asbestos. Asbestos has been classified as a known human carcinogen (a substance that causes cancer) by the U.S. Department of Health and Human Services, the EPA, and the International Agency for Research on Cancer. People who become ill from asbestos are usually those who are exposed to it on a regular basis, most often in a job where they work directly with the material or through substantial environmental contact. To cause health problems, asbestos must be in a form in which the fibers can be inhaled, such as when it is cut, torn, or sanded. The insulation on these pipes of concern had damage and deterioration that can be friable. The only way to know for certain whether asbestos is in a particular product or material is to have testing performed. A sample was taken and will be sent to a laboratory for testing.



1.3 Item 1(Picture)

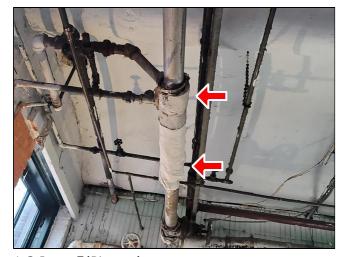
1.3 Item 2(Picture)





1.3 Item 3(Picture)

1.3 Item 4(Picture)



1.3 Item 5(Picture)

1.3 Item 6(Picture)



1.3 Item 7(Picture)

(2) Because this home was built before 1978, there is a good chance it has lead-based paint. In 1978, the federal government banned consumer uses of lead-containing paint as a potential health hazard, but some states banned it even earlier. Lead from paint, including lead-contaminated dust, is one of the most common causes of lead poisoning. Chipping, cracking, flaking and deteriorated paint was observed widespread throughout the building. All painted surfaces in the building should be repainted and repaired by a lead abatement contractor.



1.3 Item 8(Picture)



1.3 Item 9(Picture)



1.3 Item 10(Picture)



1.3 Item 11(Picture)

#### 1.4 Doors

## Repair/Replace

(1) Interior doors in the home were moderately damaged or deteriorated. This condition is a fire safety issue.





1.4 Item 1(Picture)

1.4 Item 2(Picture)

(2) The entry door did not have an operable locks and had sharp bolts sticking out. This condition is a fire hazard.



1.4 Item 3(Picture)

1.4 Item 4(Picture)

# 1.5 Windows and Skylights

## Repair/Replace

(1) One or more window in the unit had a cracked or broken pane.



1.5 Item 1(Picture) bathroom

- (2) The lower sash of many of the windows in the unit would not stay up when lifted and released, and fell with enough force to cause significant injury. The Inspector recommends replacement by a qualified contractor.
- (3) Windows in the home were generally old, deteriorated, had chipping paint and were inoperable. The Inspector recommends window replacement.
- (4) A window in the common area was boarded up with loose wood and cinder blocks allowing moisture and air leakage into the building.



- 1.5 Item 2(Picture)
- (5) Components of window sill exteriors were loose, damaged or deteriorated and needed maintenance to help prevent damage from moisture intrusion to the home materials, the exterior wall structure and to prevent development of microbial growth such as mold. All work should be performed by a qualified contractor.



- 1.5 Item 3(Picture)
- (6) All windows were missing window screen.

#### 1.6 Rodents or Insects

#### Repair/Replace

Signs of possible roach and pest infestation was observed and should be further evaluated and treated by a qualified pest control contractor.



1.6 Item 1(Picture)



1.6 Item 2(Picture)



1.6 Item 3(Picture)

23

# 1.7 Luandry Apliances

Repair/Replace

Laundry appliances were not functioning properly and should be repaired by a qualified technician.



1.7 Item 1(Picture)

## 2. Bathrooms





## **Items**

## 2.0 Electrical Receptacles and Switches

#### Repair/Replace

A ground fault circuit interrupter (GFCI) electrical receptacle in the bathroom did not respond to testing at the time of the inspection. The Inspector recommends that this receptacle be replaced with a new GFCI receptacle by a qualified electrical contractor.

#### 2.1 Ventilation

## Repair/Replace

No exhaust fan was installed to exhaust moist air from bathing activities and windows were inoperable. This condition is likely to result in excessively high humidity levels elevated which may cause a number of problems, such as corrosion and deterioration of materials, and shower wall tile detachment. High humidity can also encourage the growth of microbes such as mold fungi. Excessive growth of mold fungi can produce high concentrations of mold spores in indoor air which can cause serious health problems in some people. Consider installation of an exhaust fan in this bathroom to exhaust moist air to the home exterior. All work should be performed by a qualified contractor.

#### 2.2 Toilet

#### Repair/Replace

- (1) In the bathroom, the toilet was loose at the floor and should be re-attached by a qualified plumbing contractor.
- (2) The toilet in the bathroom ran continuously at the time of the inspection. This usually indicates a failed flapper valve, the need for float mechanism adjustment, or water leaking from the water tank into the bowl. The Inspector recommends correction to avoid wasting water.

#### 2.3 Bathtub

Not Present

#### 2.4 Shower

# Repair/Replace

(1) In the bathroom, the showerhead connection leaked when the shower was operated. The inspector recommends service by a qualified plumbing contactor.



2.4 Item 1(Picture)

- (2) Water flow at the shower in the entry bathroom appeared to be inadequate. The Inspector recommends that you have this condition evaluated by a qualified plumbing contractor to determine the potential need and costs for correction.
- (3) Fungi growth was observed below the shower pan due to water entering from behind the shower walls. The Inspector recommends installing a new shower enclosure to prevent water leakage and mold growth. The mold growth should be remediated by a qualified professional.







2.4 Item 2(Picture)

2.4 Item 3(Picture)

2.4 Item 4(Picture)

(4) In the bathroom, the shower enclosure was old and deteriorated.





2.4 Item 5(Picture)

2.4 Item 6(Picture)

# 3. Kitchen & Appliances

# Styles & Materials

## Range:

Electric

## **Items**

#### 3.0 Receptacles and Switches

#### Repair/Replace

The kitchen had an inoperable electrical receptacle. The Inspector recommends that an evaluation and any necessary corrections or repairs be performed by a qualified electrical contractor.

#### 3.1 Cabinets

## Repair/Replace

(1) Leaking connections at the trap assembly beneath the kitchen sink should be repaired to avoid future/ additional damage to the cabinet floor and possibly the wall/floor structures below. The Inspector recommends repair by a qualified plumbing contractor.



3.1 Item 1(Picture)

(2) The kitchen sink faucet leaks when turned off.



3.1 Item 2(Picture)

(3) A faucet supply pipe connection in the cabinet beneath the kitchen sink was leaking at the connection and should be corrected to avoid cabinet damage. The Inspector recommends repair by a qualified plumbing contractor.

#### 3.2 Range

#### Repair/Replace

(1) The range was not fastened to the floor. A child standing on the open oven door could overturn the range. This condition is a life-safety issue. The Inspector recommends installation of an approved anti-tip device by a qualified contractor. (2) The electric stove had one or more inoperable stove top burners. The Inspector recommends service by a qualified technician.



3.2 Item 1(Picture)

## 3.3 Range Hood

## Repair/Replace

No range hood or exhaust system was installed at the time of the inspection. The Inspector recommends that an exhaust hood or air filtration system be installed to prevent possible moisture damage and grease accumulation on walls and ceiling adjacent to the range. All work should be performed by a qualified contractor.



3.3 Item 1(Picture)

# 3.4 Refrigerator

Inspected

# 4. Laundry & Aplliance

# **Styles & Materials**

#### **Dryer Power:**

Electric

## **Items**

# 4.0 Dryer Venting

#### Repair/Replace

No vent connection was provided for the dryer. Lack of proper dryer venting to the exterior may result in excessively high humidity levels that can damage home materials or components and may encourage the growth of microbes such as mold. Lack of proper dryer venting can also result in the accumulation of lint in the home. Lint is combustible and its accumulation is a potential fire hazard and a possible health hazard from the inhalation of particulates. The Inspector recommends proper installation of an Underwriter's Laboratory (UL)-approved dryer vent for safety reasons. Dryer vents should be cleaned annually to ensure that safe conditions continue to exist. All work should be performed by a qualified contractor.



4.0 Item 1(Picture)

# 5. Electrical System

## **Items**

#### **5.0 Overcurrent Protection Devices**

#### Repair/Replace

Damaged circuit breakers visible in the service panel should be replaced by a qualified electrical contractor.

## **5.1 Conventional Electrical Receptacles (interior)**

## Repair/Replace

(1) The number of electrical receptacles in the home was inadequate and extension cords were used throughout the unit. This condition is potential fire hazard and should be corrected.



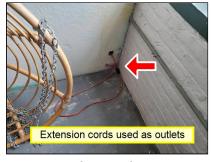




5.1 Item 1(Picture)

Picture) 5.1 Item 2(Picture)

5.1 Item 3(Picture)





5.1 Item 4(Picture)

5.1 Item 5(Picture)

(2) Some electrical receptacles in this unit were improperly wired and should be corrected by a qualified electrical contractor to prevent a fire hazard.





5.1 Item 6(Picture)

5.1 Item 7(Picture)

 $\checkmark$  (3) Some electrical receptacles in the home were inoperable at the time of the inspection. The Inspector recommends service by a qualified electrical contractor.





5.1 Item 8(Picture)

5.1 Item 9(Picture)

# 5.2 Lighting

# Repair/Replace

This unit did not have operable and enough light fixtures. Extension cords with lighting and string lights were used. This condition is a potential fire hazard.



5.2 Item 1(Picture)

# **5.3 Visible Branch Wiring**

# Repair/Replace

(1) One or more junction boxes were missing covers and energized electrical components were exposed to touch. This condition is an electrical shock/electrocution hazard.



5.3 Item 1(Picture)

(2) Some of the electrical junction boxes had open wires and should be secured close to prevent electrical shock.



5.3 Item 2(Picture)

(3) Extension cords used as house wiring visible in the throughout the apartment at the time of the inspection is a potential fire hazard. The Inspector recommends removal of the extension cord and proper wiring be installed by a qualified electrical contractor.



5.3 Item 3(Picture)



5.3 Item 4(Picture)



5.3 Item 5(Picture)

#### **5.4 Smoke Detectors**

#### Repair/Replace

Smoke and Carbon monoxide detectors in this home were poorly placed and not enough were installed. Many of them were old and inoperable and were not compliant. Recommend installing smoke detectors as necessary by a qualified licensed electrician.

# 5.5 Sub-panel Manufacturer

## Repair/Replace

This sub-panel was made by Federal Pacific and was the Stab-lok model. Federal Pacific Stab-lok model sub-panels are reputed to have a high rate of circuit breaker failure which can result in a fire or shock/ electrocution. One of the breakers was damaged and sparks when turned on. The Inspector recommends that you consult with a qualified electrical contractor concerning for replacing this sub-panel. Information about defective Federal Pacific Stab-lok panels is widely available on the internet.



5.5 Item 1(Picture)

## 5.6 Sub Panel Wiring

## Repair/Replace

Strands from the service entrance wires were cut and may cause the the wires to overheat. The Inspector recommends evaluation and repair as necessary by a qualified licensed electrician.



5.6 Item 1(Picture)

# 6. Plumbing System

# Styles & Materials

**Water Supply** Source:

**Public Water Supply** 

**Water Distribution Pipes:** 1/2-inch copper

1/2-inch galvanized steel

Chlorinated Polyvinyl Chloride (CPVC)

**Sewage System Drain Waste and Vent Pipe Materials:** 

Acrylonitrile butadiene styrene (ABS) Polyvinyl Chloride (PVC)

**Water Heater Fuel Type:** 

Cast Iron

Electric

Date of Manufacture:

Unable to determine

Water Heater Manufacturer:

No Bonding Visible

**Distribution Pipe Bonding:** 

Unable to determine (missing/illegible information)

**Water Heater Type:** Tank (conventional)

#### Items

Type:

**Public** 

# 6.0 Water Supply and Distribution

#### Repair/Replace

(1) Some of the visible water distribution pipes were galvanized steel. This pipes are old, and of a material no longer installed for this purpose due to bore shrinkage from accumulation of interior corrosion that over time reduces water flow. These pipes may need to be replaced soon.





6.0 Item 1(Picture)

6.0 Item 2(Picture)

(2) Actively leaking, heavily-corroded water distribution pipes visible in the bathroom should be repaired by a qualified plumbing contractor to avoid damage to home materials or the development of conditions which encourage the growth of microbes such as mold.



6.0 Item 3(Picture)

(3) Chlorinated Poly Vinyl Chloride (CPVC) water distribution pipes were poorly supported in the unit. This condition puts excessive strain on fittings and may result in premature failure. Horizontally-oriented CPVC distribution pipes should be supported at least every 3 feet. The Inspector recommends installation of

additional supports by a qualified contractor. Some portions of the home distribution piping will not be accessible for installation of additional supports.





6.0 Item 4(Picture)

6.0 Item 5(Picture)

(4) Plumbing fixtures in the home exhibited inadequate flow. The Inspector recommends that this condition be investigated by a qualified plumbing contractor to determine the potential costs for correction.

# 6.1 Sewage and DWV Systems

#### Repair/Replace

(1) Many traps were of a type called an "S-trap". S-traps are no longer allowed to be installed in new construction for safety reasons. A siphon can develop which empties the trap of water; a condition with the potential to allow toxic sewer gas to enter the living space. Although this type of trap may have been commonly considered safe at the time the home was originally constructed, as general knowledge of safe building practices has improved with the passage of time, building standards have changed to reflect current understanding. The Inspector recommends replacement of all such traps in the home by a qualified plumbing contractor.



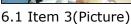


6.1 Item 1(Picture)

6.1 Item 2(Picture)

(2) Drain/waste pipes in the rear bedroom were damaged and had created unhealthy conditions at the time of the inspection. The Inspector recommends correction and disinfection by a qualified contractor.







6.1 Item 4(Picture)



6.1 Item 5(Picture)

(3) Supports for the ABS or PVC drain/waste pipe visible in the rear bedroom were located too far apart. The maximum support spacing recommended by generally-accepted modern plumbing standards is 4 feet. The Inspector recommends correction by a qualified contractor.





6.1 Item 6(Picture)

6.1 Item 7(Picture)

#### **6.2 Electric Water Heater**

#### Repair/Replace

The pressure relief valve was leaking at the time of the inspection. Because the TPR valve is an important safety component it should be replaced by a qualified HVAC technician or plumbing contractor.



6.2 Item 1(Picture)

## 6.3 Fire Supression System

#### Repair/Replace

Some of the fire extinguishers in the common areas had expired inspections.



6.3 Item 1(Picture)

# 7. Heating

# **Styles & Materials**

Heating System Type: None Number of Heat Systems (excluding wood):

None

# **Items**

#### 7.0 Thermostat

Not Present

#### 7.1 Presence of installed heat source in each room

#### Repair/Replace

The apartment had no operable heat present in all the rooms. Heat was relied on old boiler distribution pipes to give off heat without radiators which was not suffice and was inoperable at the time of the inspection. Heat was not on and no controls were present. The Inspector recommends that heat be installed in each room with accessible thermostats to the occupants of the apartment by a qualified HVAC contractor or electrician. It was cold outside and in the units at the time of the inspection.





7.1 Item 1(Picture)

7.1 Item 2(Picture)

# **General Summary**



**Property Inspection Pros LLC** 

443-934-4574 sol@mdinspectionpros.com www.mdinspectionpros.com

# Customer

Anna Velicky

#### **Address**

309 Federal Ave Unit F501 Baltimore MD 21202

The following items or discoveries indicate that these systems or components **do not function as intended** or **adversely affects the habitability of the dwelling;** or **warrants further investigation by a specialist,** or **requires subsequent observation.** This summary shall not contain recommendations for routine upkeep of a system or component to keep it in proper functioning condition or recommendations to upgrade or enhance the function or efficiency of the home. This Summary is not the entire report. The complete report may include additional information of concern to the customer. It is recommended that the customer read the complete report.

# 1. Interior Rooms & Halls

#### 1.0 Floors

#### Repair/Replace

All floors were concrete and no flooring was installed. Many areas had metal bolts sticking out of floor which are a hazard.



1.0 Item 1(Picture)

#### 1.1 Walls

Repair/Replace

(1) Holes in the exterior walls were observed in many areas.



1.1 Item 1(Picture)

(2) Stains on the walls in the visible in many areas at the time of the inspection appeared to be the result of moisture intrusion. The moisture meter showed elevated moisture levels in the affected areas at the time of the inspection, indicating that the leakage has been recent. The Inspector recommends consultation with a qualified contractor to discuss options and costs for correction and repair.



1.1 Item 2(Picture)



1.1 Item 3(Picture)



1.1 Item 4(Picture)



1.1 Item 5(Picture)



1.1 Item 6(Picture)

- (3) No insulation was installed in the exterior walls or ceilings. This condition will result in higher heating and cooling costs and lower comfort levels than would be the case if the walls were insulated.
- (4) Walls in the exhibited moderate damage or deterioration and were poorly installed.



1.1 Item 7(Picture)



1.1 Item 8(Picture)

(5) Stains on the walls in the kitchen below sink and behind the shower visible at the time of the inspection appeared to be the result of moisture intrusion. The moisture meter showed elevated moisture levels in the affected areas at the time of the inspection, indicating that the leakage has been recent. The Inspector recommends consultation with a qualified contractor to discuss options and costs for correction and repair to prevent mold growth and unhealthy conditions.



1.1 Item 9(Picture)

# 1.2 Lighting

#### Repair/Replace

(1) Many interior light fixtures in the home were damaged or inoperable and extension cords with lighting was used instead. This condition is a potential fire or shock/electrocution hazard. The Inspector recommends repairs be performed by a qualified electrical contractor.



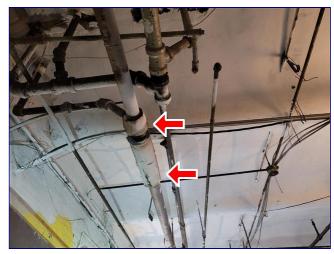
1.2 Item 1(Picture)

- (2) Many areas of the home were missing light fixtures and were not illuminated. This is potential trip hazard when its dark outside.
- 1.3 Misc. Components: Ceiling fans, doorbells, Env. Hazards, Detectors, etc.

# Repair/Replace

(1) Materials in the on the boiler distribution pipes throughout the home may contain asbestos. Asbestos has been classified as a known human carcinogen (a substance that causes cancer) by the U.S. Department of Health and Human Services, the EPA, and the International Agency for Research on Cancer. People who become ill from asbestos are usually those who are exposed to it on a regular basis, most often in a job where they work directly with the material or through substantial environmental contact. To cause health problems, asbestos must be in a form in which the fibers can be inhaled, such as when it is cut, torn, or sanded. The insulation on these pipes of concern had damage and deterioration that can be friable. The only way to know for certain whether asbestos is in a particular product or material is to have testing performed. A sample was taken and will be sent to a laboratory for testing.

40



1.3 Item 1(Picture)



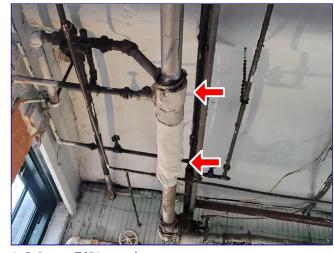
1.3 Item 2(Picture)



1.3 Item 3(Picture)



1.3 Item 4(Picture)



1.3 Item 5(Picture)



1.3 Item 6(Picture)



1.3 Item 7(Picture)

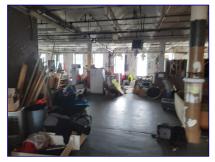
(2) Because this home was built before 1978, there is a good chance it has lead-based paint. In 1978, the federal government banned consumer uses of lead-containing paint as a potential health hazard, but some states banned it even earlier. Lead from paint, including lead-contaminated dust, is one of the most common causes of lead poisoning. Chipping, cracking, flaking and deteriorated paint was observed widespread throughout the building. All painted surfaces in the building should be repainted and repaired by a lead abatement contractor.



1.3 Item 8(Picture)



1.3 Item 9(Picture)



1.3 Item 10(Picture)



1.3 Item 11(Picture)

## 1.4 Doors

## Repair/Replace

(1) Interior doors in the home were moderately damaged or deteriorated. This condition is a fire safety issue.





1.4 Item 1(Picture)

1.4 Item 2(Picture)

(2) The entry door did not have an operable locks and had sharp bolts sticking out. This condition is a fire hazard.





1.4 Item 3(Picture)

1.4 Item 4(Picture)

#### 1.5 Windows and Skylights

## Repair/Replace

(1) One or more window in the unit had a cracked or broken pane.



1.5 Item 1(Picture) bathroom

- (2) The lower sash of many of the windows in the unit would not stay up when lifted and released, and fell with enough force to cause significant injury. The Inspector recommends replacement by a qualified contractor.
- (3) Windows in the home were generally old, deteriorated, had chipping paint and were inoperable. The Inspector recommends window replacement.
- (4) A window in the common area was boarded up with loose wood and cinder blocks allowing moisture and air leakage into the building.



- 1.5 Item 2(Picture)
- (5) Components of window sill exteriors were loose, damaged or deteriorated and needed maintenance to help prevent damage from moisture intrusion to the home materials, the exterior wall structure and to prevent development of microbial growth such as mold. All work should be performed by a qualified contractor.



- 1.5 Item 3(Picture)
- (6) All windows were missing window screen.

#### 1.6 Rodents or Insects

#### Repair/Replace

Signs of possible roach and pest infestation was observed and should be further evaluated and treated by a qualified pest control contractor.







1.6 Item 3(Picture)

1.6 Item 1(Picture)

#### 1.7 Luandry Apliances

#### Repair/Replace

Laundry appliances were not functioning properly and should be repaired by a qualified technician.



1.7 Item 1(Picture)

#### 2. Bathrooms

#### 2.0 Electrical Receptacles and Switches

#### Repair/Replace

A ground fault circuit interrupter (GFCI) electrical receptacle in the bathroom did not respond to testing at the time of the inspection. The Inspector recommends that this receptacle be replaced with a new GFCI receptacle by a qualified electrical contractor.

#### 2.1 Ventilation

#### Repair/Replace

No exhaust fan was installed to exhaust moist air from bathing activities and windows were inoperable. This condition is likely to result in excessively high humidity levels elevated which may cause a number of problems, such as corrosion and deterioration of materials, and shower wall tile detachment. High humidity can also encourage the growth of microbes such as mold fungi. Excessive growth of mold fungi can produce high concentrations of mold spores in indoor air which can cause serious health problems in some people. Consider installation of an exhaust fan in this bathroom to exhaust moist air to the home exterior. All work should be performed by a qualified contractor.

#### 2.2 Toilet

#### Repair/Replace

- (1) In the bathroom, the toilet was loose at the floor and should be re-attached by a qualified plumbing contractor.
- (2) The toilet in the bathroom ran continuously at the time of the inspection. This usually indicates a failed flapper valve, the need for float mechanism adjustment, or water leaking from the water tank into the bowl. The Inspector recommends correction to avoid wasting water.

#### 2.4 Shower

#### Repair/Replace

(1) In the bathroom, the showerhead connection leaked when the shower was operated. The inspector recommends service by a qualified plumbing contactor.



2.4 Item 1(Picture)

- (2) Water flow at the shower in the entry bathroom appeared to be inadequate. The Inspector recommends that you have this condition evaluated by a qualified plumbing contractor to determine the potential need and costs for correction.
- (3) Fungi growth was observed below the shower pan due to water entering from behind the shower walls. The Inspector recommends installing a new shower enclosure to prevent water leakage and mold growth. The mold growth should be remediated by a qualified professional.







2.4 Item 2(Picture)

2.4 Item 3(Picture)

2.4 Item 4(Picture)

(4) In the bathroom, the shower enclosure was old and deteriorated.







2.4 Item 5(Picture)

2.4 Item 6(Picture)

#### 3. Kitchen & Appliances

#### 3.0 Receptacles and Switches

#### Repair/Replace

The kitchen had an inoperable electrical receptacle. The Inspector recommends that an evaluation and any necessary corrections or repairs be performed by a qualified electrical contractor.

#### 3.1 Cabinets

#### Repair/Replace

(1) Leaking connections at the trap assembly beneath the kitchen sink should be repaired to avoid future/additional damage to the cabinet floor and possibly the wall/floor structures below. The Inspector recommends repair by a qualified plumbing contractor.



3.1 Item 1(Picture)

(2) The kitchen sink faucet leaks when turned off.



3.1 Item 2(Picture)

(3) A faucet supply pipe connection in the cabinet beneath the kitchen sink was leaking at the connection and should be corrected to avoid cabinet damage. The Inspector recommends repair by a qualified plumbing contractor.

#### 3.2 Range

#### Repair/Replace

- (1) The range was not fastened to the floor. A child standing on the open oven door could overturn the range. This condition is a life-safety issue. The Inspector recommends installation of an approved antitip device by a qualified contractor.
- (2) The electric stove had one or more inoperable stove top burners. The Inspector recommends service by a qualified technician.



3.2 Item 1(Picture)

#### 3.3 Range Hood

#### Repair/Replace

No range hood or exhaust system was installed at the time of the inspection. The Inspector recommends that an exhaust hood or air filtration system be installed to prevent possible moisture damage and grease accumulation on walls and ceiling adjacent to the range. All work should be performed by a qualified contractor.



3.3 Item 1(Picture)

#### 4. Laundry & Aplliance

#### 4.0 Dryer Venting

47

#### Repair/Replace

No vent connection was provided for the dryer. Lack of proper dryer venting to the exterior may result in excessively high humidity levels that can damage home materials or components and may encourage the growth of microbes such as mold. Lack of proper dryer venting can also result in the accumulation of lint in the home. Lint is combustible and its accumulation is a potential fire hazard and a possible health hazard from the inhalation of particulates. The Inspector recommends proper installation of an Underwriter's Laboratory (UL)-approved dryer vent for safety reasons. Dryer vents should be cleaned annually to ensure that safe conditions continue to exist. All work should be performed by a qualified contractor.



4.0 Item 1(Picture)

#### 5. Electrical System

#### 5.0 Overcurrent Protection Devices

#### Repair/Replace

- Damaged circuit breakers visible in the service panel should be replaced by a qualified electrical contractor.
- **5.1** Conventional Electrical Receptacles (interior)

#### Repair/Replace

(1) The number of electrical receptacles in the home was inadequate and extension cords were used throughout the unit. This condition is potential fire hazard and should be corrected.



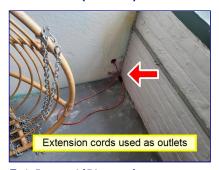
5.1 Item 1(Picture)



5.1 Item 2(Picture)



5.1 Item 3(Picture)



5.1 Item 4(Picture)



5.1 Item 5(Picture)

(2) Some electrical receptacles in this unit were improperly wired and should be corrected by a qualified electrical contractor to prevent a fire hazard.





5.1 Item 6(Picture)

5.1 Item 7(Picture)

(3) Some electrical receptacles in the home were inoperable at the time of the inspection. The Inspector recommends service by a qualified electrical contractor.





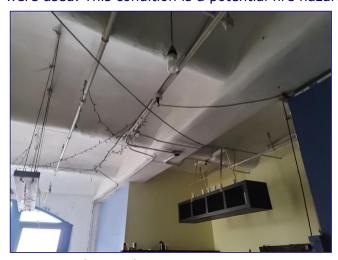
5.1 Item 8(Picture)

5.1 Item 9(Picture)

#### 5.2 Lighting

#### Repair/Replace

This unit did not have operable and enough light fixtures. Extension cords with lighting and string lights were used. This condition is a potential fire hazard.



5.2 Item 1(Picture)

#### 5.3 Visible Branch Wiring

#### Repair/Replace

(1) One or more junction boxes were missing covers and energized electrical components were exposed to touch. This condition is an electrical shock/electrocution hazard.



5.3 Item 1(Picture)

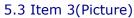
(2) Some of the electrical junction boxes had open wires and should be secured close to prevent electrical shock.

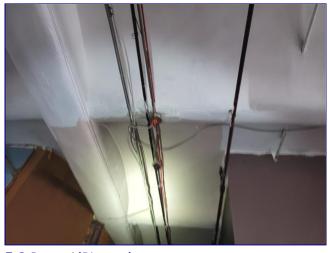


5.3 Item 2(Picture)

(3) Extension cords used as house wiring visible in the throughout the apartment at the time of the inspection is a potential fire hazard. The Inspector recommends removal of the extension cord and proper wiring be installed by a qualified electrical contractor.







5.3 Item 4(Picture)



5.3 Item 5(Picture)

#### 5.4 Smoke Detectors

#### Repair/Replace

Smoke and Carbon monoxide detectors in this home were poorly placed and not enough were installed. Many of them were old and inoperable and were not compliant. Recommend installing smoke detectors as necessary by a qualified licensed electrician.

#### 5.5 Sub-panel Manufacturer

#### Repair/Replace

This sub-panel was made by Federal Pacific and was the Stab-lok model. Federal Pacific Stab-lok model sub-panels are reputed to have a high rate of circuit breaker failure which can result in a fire or shock/ electrocution. One of the breakers was damaged and sparks when turned on. The Inspector recommends that you consult with a qualified electrical contractor concerning for replacing this sub-panel. Information about defective Federal Pacific Stab-lok panels is widely available on the internet.



5.5 Item 1(Picture)

#### 5.6 Sub Panel Wiring

#### Repair/Replace

Strands from the service entrance wires were cut and may cause the the wires to overheat. The Inspector recommends evaluation and repair as necessary by a qualified licensed electrician.



5.6 Item 1(Picture)

#### 6. Plumbing System

#### 6.0 Water Supply and Distribution

#### Repair/Replace

(1) Some of the visible water distribution pipes were galvanized steel. This pipes are old, and of a material no longer installed for this purpose due to bore shrinkage from accumulation of interior corrosion that over time reduces water flow. These pipes may need to be replaced soon.





6.0 Item 1(Picture)

6.0 Item 2(Picture)

(2) Actively leaking, heavily-corroded water distribution pipes visible in the bathroom should be repaired by a qualified plumbing contractor to avoid damage to home materials or the development of conditions which encourage the growth of microbes such as mold.



6.0 Item 3(Picture)

(3) Chlorinated Poly Vinyl Chloride (CPVC) water distribution pipes were poorly supported in the unit. This condition puts excessive strain on fittings and may result in premature failure. Horizontally-oriented CPVC distribution pipes should be supported at least every 3 feet. The Inspector recommends installation of additional supports by a qualified contractor. Some portions of the home distribution piping will not be accessible for installation of additional supports.





6.0 Item 4(Picture)

6.0 Item 5(Picture)

(4) Plumbing fixtures in the home exhibited inadequate flow. The Inspector recommends that this condition be investigated by a qualified plumbing contractor to determine the potential costs for correction.

#### 6.1 Sewage and DWV Systems

#### Repair/Replace

(1) Many traps were of a type called an "S-trap". S-traps are no longer allowed to be installed in new construction for safety reasons. A siphon can develop which empties the trap of water; a condition with the potential to allow toxic sewer gas to enter the living space. Although this type of trap may have been commonly considered safe at the time the home was originally constructed, as general knowledge of safe building practices has improved with the passage of time, building standards have changed to reflect current understanding. The Inspector recommends replacement of all such traps in the home by a qualified plumbing contractor.





6.1 Item 1(Picture)

6.1 Item 2(Picture)

(2) Drain/waste pipes in the rear bedroom were damaged and had created unhealthy conditions at the time of the inspection. The Inspector recommends correction and disinfection by a qualified contractor.







6.1 Item 3(Picture)

6.1 Item 4(Picture)

6.1 Item 5(Picture)

(3) Supports for the ABS or PVC drain/waste pipe visible in the rear bedroom were located too far apart. The maximum support spacing recommended by generally-accepted modern plumbing standards is 4 feet. The Inspector recommends correction by a qualified contractor.





6.1 Item 6(Picture)

6.1 Item 7(Picture)

#### **6.2** Electric Water Heater

#### Repair/Replace

The pressure relief valve was leaking at the time of the inspection. Because the TPR valve is an important safety component it should be replaced by a qualified HVAC technician or plumbing contractor.



6.2 Item 1(Picture)

#### 6.3 Fire Supression System

#### Repair/Replace

Some of the fire extinguishers in the common areas had expired inspections.



6.3 Item 1(Picture)

#### 7. Heating

7.1 Presence of installed heat source in each room Repair/Replace

The apartment had no operable heat present in all the rooms. Heat was relied on old boiler distribution pipes to give off heat without radiators which was not suffice and was inoperable at the time of the inspection. Heat was not on and no controls were present. The Inspector recommends that heat be installed in each room with accessible thermostats to the occupants of the apartment by a qualified HVAC contractor or electrician. It was cold outside and in the units at the time of the inspection.





7.1 Item 1(Picture)

7.1 Item 2(Picture)

Home inspectors are not required to report on the following: Life expectancy of any component or system; The causes of the need for a repair; The methods, materials, and costs of corrections; The suitability of the property for any specialized use; Compliance or non-compliance with codes, ordinances, statutes, regulatory requirements or restrictions; The market value of the property or its marketability; The advisability or inadvisability of purchase of the property; Any component or system that was not observed; The presence or absence of pests such as wood damaging organisms, rodents, or insects; or Cosmetic items, underground items, or items not permanently installed. Home inspectors are not required to: Offer warranties or guarantees of any kind; Calculate the strength, adequacy, or efficiency of any system or component; Enter any area or perform any procedure that may damage the property or its components or be dangerous to the home inspector or other persons; Operate any system or component that is shut down or otherwise inoperable; Operate any system or component that does not respond to normal operating controls; Disturb insulation, move personal items, panels, furniture, equipment, plant life, soil, snow, ice, or debris that obstructs access or visibility; Determine the presence or absence of any suspected adverse environmental condition or hazardous substance, including but not limited to mold, toxins, carcinogens, noise, contaminants in the building or in soil, water, and air; Determine the effectiveness of any system installed to control or remove suspected hazardous substances; Predict future condition, including but not limited to failure of components; Since this report is provided for the specific benefit of the customer(s), secondary readers of this information should hire a licensed inspector to perform an inspection to meet their specific needs and to obtain current information concerning this property.

Prepared Using HomeGauge <a href="http://www.HomeGauge.com">http://www.HomeGauge.com</a> : Licensed To Sol Kruk

## SB100 JOTF Testimony FAV - Real Property – Actions Uploaded by: Ioana Stoica

Position: FAV



#### Advocating better skills, jobs, and incomes

#### **TESTIMONY IN SUPPORT OF SB100**

#### Real Property – Actions to Repossess – Proof of Rental Licensure

TO: Hon. William C. Smith, and Members of the Senate Judicial Proceedings Committee

FROM: Ioana Stoica, Policy Advocate

DATE: Tuesday, January 24, 2023

The Job Opportunities Task Force (JOTF) is an independent, nonprofit organization that helps Marylanders reach higher-wage jobs in industries that need more skilled workers. While we conduct workforce training to move people into employment with career paths that pay higher wages, we also advocate for policies that remove barriers to employment such as the lack of access to affordable and stable housing. Because housing is critical to obtaining and maintaining employment, JOTF urges you to **vote favorably on Senate Bill 100** as a means of protecting tenants from unsafe living conditions and providing housing stability for low-income workers.

Steady employment is predicated on affordable housing stability. A 2016 Harvard study showed that stable housing has a direct impact on an individual's ability to maintain employment. This study found that the likelihood of job loss was up to 22 percent higher for individuals who did not have secure housing. Even further, lost employment disrupts the ability to maintain housing – creating a vicious cycle of poverty for Maryland's most vulnerable. At JOTF, through our experience in workforce training, we have found that our workforce program participants are primarily renters and experience housing access and insecurity issues similar to those discussed in the Harvard study.

SB 100 is identical to SB 563, which passed the House (90-45) and Senate (47-0) in 2022 but was vetoed by Gov. Hogan. SB 100 would stop landlords who do not have an operating license from using streamlined court processes (Failure To Pay Rent, Tenant Holding Over, and Breach of Lease) from evicting tenants in localities that have a licensing law. Licensing laws protect public health and safety through periodic inspections. Like any other business, if a landlord wants to file suit in Maryland courts, they must be licensed in any jurisdiction that requires licensure. When unlicensed landlords successfully use eviction court, it encourages all landlords to ignore licensing laws and increases the risk of tenants being subjected to health and safety hazards. SB 100, therefore, provides vulnerable tenants some degree of housing protection while still allowing landlords to take advantage of available eviction options other than the streamlined process.



#### Advocating better skills, jobs, and incomes

JOTF understands the fragile relationship that exists between housing and employment: to be stable in employment, jobseekers and wage earners must have consistent, reliable, and safe places in which to live. As a member of Renters United Maryland, a statewide coalition of renters, organizers, and advocates, JOTF urges a favorable report on Senate Bill 100.

For more information on how SB 100 supports workforce development please contact loana Stoica, JOTF Policy Advocate at <a href="mailto:ioana@jotf.org">ioana@jotf.org</a> or 240-643-0059.

# **Testimony for SB100.pdf**Uploaded by: Jo Shifrin Position: FAV

SB0100\_Jo Shifrin\_FAV January 25, 2023

Jo Shifrin Bethesda, MD 20817

### <u>TESTIMONY ON SB#0100 - POSITION: FAVORABLE</u> Real Property – Actions to Repossess – Proof of Rental Licensure

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

FROM: Jo Shifrin

OPENING: My name is Jo Shifrin. I am a resident of District 16. I am submitting this testimony in support of SB#0100 Real Property – Actions to Repossess – Proof of Rental Licensure.

I am a retiree, and someone who has been interested in housing for a long time.

Jewish values, passed down through texts, customs and culture, teach Jewish people how to live and how to treat people, animals, and nature, basically everything in the world. There are many Jewish values, too numerous to go into here, but two that are very important to me: I) Treat people the way that you would want to be treated and 2) Try to make the world more fair, and help everyone get what they need to live a safe and healthy life.

Housing is a basic human right. The need for safe housing is central to Jewish thought. Our texts speak about the obligation of landlords and tenants, about how homes should be built safely, and about making sure that people can remain in their homes. Loss of a home can lead to a family being displaced and sometimes homeless. This is a matter of public health as well: in the middle of a pandemic, all people should be able to stay in their homes.

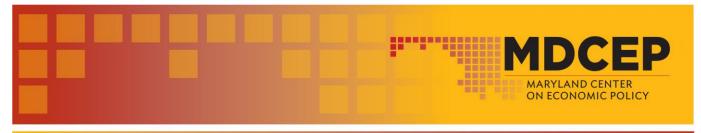
Last session, you passed a bill (SB 0563) to uphold rental licensing programs and to prevent illegally operating landlords from using the expedited eviction process. Renters living at or below the poverty line and/or who have experienced pandemic-related loss of income are often the ones impacted.

The passage of this bill will keep more families in their homes.

I respectfully urge this committee to return a favorable report on SB#0100.

### **SB100\_MD Center on Economic Policy\_FAV.pdf**Uploaded by: Kali Schumitz

Position: FAV



JANUARY 25, 2023

## Marylanders Should be Protected From Eviction Actions By Unlicensed Landlords

#### **Position Statement Supporting Senate Bill 100**

Given before the Senate Judicial Proceedings Committee

SB 100 is identical to SB 563, which passed the House (90-45) and Senate (47-0) in 2022 but was vetoed by Gov. Hogan. SB 100 would stop landlords who do not have an operating license from using streamlined court processes (Failure To Pay Rent, Tenant Holding Over, and Breach of Lease) from evicting tenants in localities that have a licensing law. Licensing laws protect public health and safety through periodic inspections. Like any other business, if a landlord wants to file suit in Maryland courts, they must be licensed in any jurisdiction that requires licensure. The Maryland Center on Economic Policy supports Senate Bill 100 because licensing laws protect public health and safety through periodic inspections.

Licensing laws in six (6) counties and other municipalities require landlords to pass a periodic a health and safety inspection. Most landlords comply with these laws. However, many Marylanders whose predatory landlords refuse to make repairs, refuse to obtain a license, extract as much rent as possible, and when the tenant complains, move to evict them through one of Maryland's streamlined eviction processes. When unlicensed landlords successfully use eviction court, it encourages all landlords to ignore licensing laws and increases the risk of tenants being subjected to health and safety hazards.

While current law stops illegally operating landlords from obtaining a judgment for eviction for failure to pay rent, the current loophole in the law allows illegally operating landlords to obtain an eviction in Tenant Holding Over cases. The number of Tenant Holding Over cases filed has risen dramatically during the pandemic — a 116% increase from FY 2018 to FY 22. Under current law, landlords in these cases may ignore basic health and safety laws and still use the taxpayer-funded court system to evict tenants.

Housing advocates across the state has made significant compromises in 2022 and had reached agreement with Maryland Multi-Housing Association on the amended bill, which passed the House and Senate and is being reintroduced as it passed in 2022. These compromises include:

- Strike the requirement that the landlord show a license when filing a complaint;
- Allow unlicensed landlords to proceed to a Tenant Holding Over or Breach of Lease trial if they show that the tenant's act caused the landlord not to have a rental license; and
- Allow landlords to submit an electronic record or provisional license in their burden of proof.

Additionally SB 100 does not require proof of licensure if the landlord is proceeding on a breach of lease case alleging that the tenant's behavior constitutes an imminent threat of danger to person or property.

Some landlords still oppose the bill claiming that one obstructive tenant can hold up licensing for an entire building and prevent other evictions, which is not been proven to be true.

- No large landlord has testified to specific examples of whether they acted diligently to make repairs and obtain a license but were denied because of the actions of one tenant who they could not evict.
- Landlords have many tools to evict any tenant who would hold up repairs including lease provisions permitting them to enter the unit to address the issue when the tenant is not present, or to enter even if the tenant objects when they have to address emergencies or if the tenant is causing the code violation.
- Code enforcement has the right to enter the unit even when the occupant objects either for emergency issues or upon issuance of a warrant that they can obtain.

SB 100 is a step in the right direction with ensuring that landlords are not illegally evicting tenants while they are in violation with state and local laws regarding licensing requirements. For these reasons, **the Maryland Center on Economic Policy respectfully requests the Senate Judicial Proceedings Committee to make a favorable report on Senate Bill 100.** 

#### **Equity Impact Analysis: Senate Bill 100**

#### Bill Summary

SB 100 is identical to SB 563, which passed the House (90-45) and Senate (47-0) in 2022 but was vetoed by Gov. Hogan. SB 100 would stop landlords who do not have an operating license from using streamlined court processes (Failure To Pay Rent, Tenant Holding Over, and Breach of Lease) from evicting tenants in localities that have a licensing law.

#### **Background**

Licensing laws in six (6) counties and other municipalities require landlords to pass a periodic a health and safety inspection. The vast majority of landlords comply with these laws. However, we have witnessed many clients or constituents whose predatory landlords refuse to make repairs, refuse to obtain a license, extract as much rent as possible, and when the tenant complains, move to evict them through one of Maryland's streamlined eviction processes. When unlicensed landlords successfully use eviction court, it encourages all landlords to ignore licensing laws and increases the risk of tenants being subjected to health and safety hazards.

#### Equity Implications

If passed, this bill will directly benefit all renters in Maryland. This bill would have equity implications giving that majority of renters in the state tend to be lower income Black and Brown residents. In fact, often, its these residents that are often subject to practices of predatory landlords especially if they live in underserved communities. SB 100 will level the playing field and assist tenants with extra protections when faced with illegal/unfair court actions brought against by their landlords.

#### **Impact**

SB 100 will likely improve racial, health and economic equity in Maryland.

# Written Testimony 2023 SB100\_final.pdf Uploaded by: Kane Levings Position: FAV

#### Empowerment. Integration. Equality.



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

## Disability Rights Maryland SB 100 - Real Property – Actions to Repossess – Proof of Rental Licensure Hearing before the Senate Judicial Proceedings Committee on January 25, 2023 Position: SUPPORT (FAV)

Disability Rights Maryland (DRM – formerly Maryland Disability Law Center) is the federally designated Protection and 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, affordable and accessible housing. This includes representing persons with disabilities in eviction proceedings to prevent unnecessary homelessness and institutionalization.

SB 100 is identical to SB 563, which passed the Senate (47-0) in 2022 but was vetoed by Gov. Hogan. In localities that have a landlord licensing law, SB 100 would stop landlords who do not have an operating license from using streamlined court processes (Failure To Pay Rent, Tenant Holding Over, and Breach of Lease) to evict tenants. Licensing laws protect public health and safety through periodic inspections. Like any other business, if a landlord wants to file suit in Maryland courts, they must be licensed in any jurisdiction that requires licensure.

DRM has represented tenants in Tenant Holding Over actions where the property does not have a valid, current rental license to lease the premises. In two such cases, judgments were entered in favor of the Landlord for possession. The consequences of this, such as homelessness and/or housing subsidy termination, are dire for DRM clients and all Maryland renters.

Licensing laws in six (6) counties and other municipalities require landlords to pass a periodic a health and safety inspection. The vast majority of landlords comply with these laws. However, we have witnessed many clients or constituents whose predatory landlords refuse to make repairs, refuse to obtain a license, extract as much rent as possible, and when the tenant complains, move to evict them through one of Maryland's streamlined eviction processes. When unlicensed landlords successfully use eviction court, it encourages all landlords to ignore licensing laws and increases the risk of tenants being subjected to health and safety hazards.

While current law stops illegally operating landlords from obtaining a judgment for eviction for failure to pay rent, the Court created a loophole in *Velicky v. CopyCat* by

#### Empowerment. Integration. Equality.



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

allowing illegally operating landlords to obtain an eviction in Tenant Holding Over cases. 476 Md. 435 (2021). On Jan. 17, 2023, the <u>Baltimore Banner reported</u> that "<u>Tenant Holding Over filings are now about three times higher than they were before the pandemic." Under current law, landlords in these cases may ignore basic health and safety laws and still use the taxpayer-funded court system to evict tenants.</u>

Judge Shirley Watts understood this dynamic, and wrote in dissent in *Velicky*: "Allowing [the landlord] to evict [tenants] in a tenant holding over action under RP § 8-402 without a license essentially renders the licensing requirement of Baltimore City Code ... meaningless and defeats its purpose of ensuring that rental properties are fit to live in. As a result of the majority opinion, Copycat and other landlords will have very little incentive to get licenses, which would require bringing rental properties up to code."

Renters United Maryland made significant compromises in 2022 and had reached agreement with Maryland Multi-Housing Association on the amended bill, which passed the House and Senate and is being reintroduced as it passed in 2022. These compromises include:

- Striking the requirement that the landlord show a license when filing a complaint;
- Allowing unlicensed landlords to proceed to a Tenant Holding Over or Breach of Lease trial if they show that the tenant's actions caused the landlord not to have a rental license; and
- Allow landlords to submit an electronic record or provisional license in their burden of proof.

Additionally, SB 100 does not require proof of licensure if the landlord is proceeding on a breach of lease case alleging that the tenant's behavior constitutes an imminent threat or danger to person or property.

Some landlords still oppose the bill claiming that one obstructive tenant can hold up licensing for an entire building and prevent other evictions. This is a speculative red herring.

- No large landlord has testified to specific examples of whether they acted diligently to make repairs and obtain a license but were denied because of the actions of one tenant who they could not evict.
- Landlords have many tools to evict any tenant who would hold up repairs
  including lease provisions permitting them to enter the unit to address the issue
  when the tenant is not present, or to enter even if the tenant objects when they
  have to address emergencies or if the tenant is causing the code violation.
- Code enforcement has the right to enter the unit even when the occupant objects either for emergency issues or upon issuance of a warrant that they can obtain.



#### Empowerment. Integration. Equality.

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

If landlords do not like certain aspects of local licensing laws, they should lobby to change those laws – not lobby to be able to operate illegally and still evict tenants through Maryland's courts.

Disability Rights Maryland is a member of the Renters United Maryland, a statewide coalition of renters, organizers, and advocates, and we urge the Committee's report of Favorable on SB 100.

Please do not hesitate to contact Kane Levings at kanel@disabilityrightsmd.org for any questions.

### **SB 100 - Written Testimony - SENATE.pdf** Uploaded by: Katie Davis

Position: FAV



\_\_\_\_\_\_

### SB 100: Real Property – Actions to Repossess – Proof of Rental Licensure HEARING BEFORE THE JUDICIARY PROCEDINGS COMMITTEE, JANUARY 25, 2023 POSITION: SUPPORT (FAV)

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 (TVLD) Program** in Baltimore City Rent Court to provide day-of-court legal representation to tenants who appear unrepresented for their proceedings. Since then, this continually-expanding Program has allowed PBRC staff and volunteer attorneys to represent thousands of tenants in both Baltimore City and Baltimore County in multiple types of legal actions that could result in eviction. We have witnessed first-hand the difficulties and unsafe living conditions many of these tenants face while working to stay housed.

PBRC urges a favorable report on SB 100 as it identical to SB 563, which passed the House (90-45) and Senate (47-0) in 2022 but was vetoed by Gov. Hogan. SB 100 will stop landlords who do not have an operating license from using streamlined court processes (Failure To Pay Rent, Tenant Holding Over, and Breach of Lease) to evict tenants in localities that have a licensing law. Licensing laws protect public health and safety through periodic inspections. Like any other business-owner, if a landlord wants to file suit in Maryland courts, they must be licensed in any jurisdiction that requires licensure.

Under current Maryland law, individual jurisdictions can elect to require landlords to be licensed. Licensure protects tenants by requiring inspection for unsafe conditions. Most landlords comply with these laws. However, we have represented over 1,000 clients in Baltimore City and Baltimore County, both of which have licensing laws, whose landlords are unlicensed and thus operating illegally. Often these landlords refuse to make necessary repairs and attempt to use summary eject procedures to evict tenants when they are behind on rent. Last year alone, we raised non-licensure as a defense in 541 Failure to Pay Rent cases. When unlicensed landlords use eviction court, it encourages all landlords to ignore licensing laws and increases the risk of tenants being subjected to health and safety hazards

While current law holds that illegally operating landlords cannot use the court system to evict through a failure to pay rent action, the Court created a loophole in *Velicky v. CopyCat* by allowing illegally operating landlords to obtain an eviction by bringing a Tenant Holding Over case. 476 Md. 435 (2021). On Jan. 17, 2023, the <u>Baltimore Banner</u> reported that "Tenant Holding Over filings are now about three times higher than they were before the pandemic." **Under current law, landlords in these cases may ignore basic health and safety laws and still use the taxpayer-funded court system to evict tenants.** 

As Judge Shirley Watts wrote in dissent in *Velicky,* this loophole "...presents an obvious risk of danger to tenants, as unlicensed landlords may now use tenant holding over actions ... to recover rent and possession of property and lease the property again, with little incentive to eliminate hazards on the premises and obtain licenses."

Notably, SB 100 includes compromises made last session between Maryland Renters United and the Maryland Multi-Housing Association. These compromises include:

- Striking the requirement that the landlord show a license when filing a complaint;
- Allowing unlicensed landlords to proceed to a Tenant Holding Over or Breach of Lease trial if they show that the
  tenant's act caused the landlord not to have a rental license or constitutes an imminent threat to danger to
  person or property; and
- Allowing landlords to submit an electronic record or provisional license in their burden of proof.

PBRC is a member of the Renters United Maryland, a statewide coalition of renters, organizers, and advocates. **We** support SB 100 because it will ensure that local licensing laws can adequately protect Maryland tenants from unsafe conditions in their home.

For the above reasons, PBRC urges a FAVORABLE report on SB 100.

Please contact Katie Davis, Director of PBRC's Courtroom Advocacy Project, with any questions. <a href="mailto:kdavis@probonomd.org">kdavis@probonomd.org</a> • 443-703-3049

### **SB 100\_Consumer Protection Division\_Fav\_2023.pdf**Uploaded by: Kira Wilpone-Welborn

Position: FAV

ANTHONY G. BROWN

Attorney General

CANDACE MCLAREN LANHAM
Chief of Staff

CAROLYN QUATTROCKI Deputy Attorney General

Writer's Fax No.

STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL

WILLIAM D. GRUHN

Chief

Consumer Protection Division

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

January 24, 2023

**CONSUMER PROTECTION DIVISION** 

To: The Honorable William C. Smith

Chair, Judicial Proceedings Committee

From: Kira Wilpone-Welborn, Assistant Attorney General

**Consumer Protection Division** 

Re: Senate Bill 100 – Real Property – Actions to Repossess – Proof of Rental Licensure

(SUPPORT)

The Consumer Protection Division of the Office of the Attorney General (the "Division") supports Senate Bill 100 sponsored by Senator Hettleman, which ensures that a landlord complies with legal requirements for renting a residential property before the landlord can evict a tenant through a summary ejectment action. Senate Bill 100 provides, however, for an exception to allow a landlord to proceed with a summary ejectment action without complying with licensing requirements if the landlord can demonstrate the tenant caused a licensing authority to revoke, suspend, or refuse to license the rental unit, or when a tenant presents a clear and imminent danger.

Landlord-tenant complaints are consistently among the top complaints received each year by the Division. A 2016 summer study, that included landlords, tenant advocates, Maryland's courts, government officials, and others, highlighted existing issues arising in rent court actions, including the subject matter of this bill. In several jurisdictions throughout Maryland, a landlord is required to be licensed before renting a property. However, there is no statutory requirement that the landlord provide documentary evidence to the court demonstrating compliance with this requirement before using the courts to evict a tenant. Furthermore, courts have taken a piecemeal approach to the issue. It is well-settled that a landlord that is required to be licensed, may not use the courts to evict a tenant for failure to pay rent if they are not so licensed. *See McDaniel v. Baranowski*, 419 Md. 560 (2011). However, a landlord, that is required to be licensed, may use the courts to evict a holdover tenant, at least if the landlord is not also seeking past due rent payments, without obtaining the license. *See Velicky v.Copycat*, 476 Md. 435 (2021). Senate Bill 100 would codify, and broaden, the *McDaniel* principle and overturn the *Copycat* holding. In overturning *Copycat*, however, Senate Bill 100 recognizes a need, and allows, for the *Copycat* 

200 Saint Paul Place ♦ Baltimore, Maryland, 21202-2021

The Honorable William C. Smith Senate Bill 100 January 24, 2023 Page Two

principal in the narrow circumstance where a landlord can demonstrate the tenant was responsible for the rental license to be revoked, suspended, or denied or when a tenant presents a clear and imminent danger.

Additionally, Senate Bill 100 would ensure that landlords demonstrate their compliance with applicable rental licensing requirements before using the courts to evict a tenant. Although the District Court complaint forms require landlords to certify they maintain applicable rental licenses, the Division has encountered landlords who have allowed their rental licenses to lapse but continue to file eviction actions against their tenants. Placing the burden on tenants to combat an erroneous certification at an expedited hearing without discovery is unfair to unsophisticated, and often unrepresented, tenants. Instead, landlords who are already required to be in possession of documentation and evidence of their licensure are in the best position to prove their compliance with applicable rental licensing requirements. This requirement is no more onerous than the requirement that debt collectors filing actions to collect assigned consumer debt provide certain specific documentation that is solely in their possession to support their claims. See Md. Code Ann., Cts. & Jud. Proc. §5-1203 and Maryland Rule 3-306(d). By requiring that a landlord provide evidence to the court of compliance with this licensing requirement, Senate Bill 100 would ensure that a landlord who has not met these prerequisites for renting an apartment cannot use the courts as a tool for collection and eviction. Senate Bill 100 is a reasonable measure that will help ensure that a landlord who wishes to use the courts to evict a tenant was authorized to rent that unit to the tenant in the first place.

The Division requests that the Judicial Proceedings Committee give Senate Bill 100 a favorable report.

cc: The Honorable Shelly Hettleman
Members, Judicial Proceedings Committee

### **SB #100\_Lisa A. Barkan\_FAV.pdf**Uploaded by: Lisa Barkan

Position: FAV

#### **TESTIMONY ON SB#100 - POSITION FAVORABLE**

Real Property-Actions to Repossess-Proof of Licensure

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

FROM: Lisa Barkan

My name is Lisa A. Barkan. I am a resident of District 42B. I am submitting this testimony in support of SB# 100, Real Property-Actions to Repossess-Proof of Rental Licensure

I am a longtime resident of Hampton. I am submitting this testimony in favor of SB #100 because of my personal experiences when I was a child.

My parents did not earn enough money to buy and own a home. As a result, we lived in rental properties. Unfortunately, we were evicted from two different apartments. Both times the landlord breached the rental agreement, that he wrote, to provide the apartment to members of his immediate family. To say the least, my parents were shocked.

I witnessed my parents' stress and panic when they unexpectedly were forced to vacate our home. My parents uprooted my sister and me. She and I left everything we knew: our teachers; our schools; and our friends. In addition to the stress of finding a new home, my parents had to hire an attorney and appear in court to obtain additional time to find an appropriate apartment. Living through these ordeals is forever etched in my mind.

Unlike my parents, I am quite fortunate. My husband and I can afford a home. Our daughter has always felt safe and secure in our home; she has never lived through the housing instability that I experienced.

This is why I support SB 100. Local governments have enacted licensing laws to ensure that tenants live in suitable and habitable homes. Landlords who evade these laws and knowingly lease apartments that do not meet minimum standards should not be rewarded. Instead, in order to commence proceedings to repossess property landlords should demonstrate either that they comply with their local licensing laws or are exempted from them. Accordingly, I respectfully urge this committee to return a favorable report on SB #100.

### **SB100\_CC\_Klingenmaier\_FAV.pdf**Uploaded by: Lisa Klingenmaier

Position: FAV



### Senate Bill 100 Real Property – Actions to Repossess – Proof of Rental Licensure

Senate Judicial Proceedings Committee January 25, 2023

#### Support

**Catholic Charities of Baltimore strongly supports SB 100,** which requires landlords to demonstrate to the court in eviction proceedings that they are licensed in compliance with the applicable local rental licensing requirements.

Inspired by the Gospel to love, serve and teach, Catholic Charities provides care and services to improve the lives of Marylanders in need. For 100 years, Catholic Charities has accompanied Marylanders as they age with dignity, obtain empowering careers, heal from trauma and addiction, achieve economic independence, prepare for educational success and feel welcome as immigrant neighbors. As one of the largest human service providers in Maryland, we see the traumatic impact of eviction and housing displacement every day. Homelessness and housing instability are public health crises, and the failure of Maryland's safety net systems to assist struggling low-income renters has only been exacerbated by the pandemic. COVID-19 has laid to bare longstanding inequities in our systems, including inequitable eviction processes. We strongly support SB 100, and the examples below outline how we see this legislation benefiting those we serve:

**SB 100 will reduce the incidence and burdens of homelessness.** We provide homeless services across central and western Maryland, and often those we work with tell us their households spiraled into homelessness due to an eviction they faced alone and without mediation or support. The stories we hear from our clients mirror what Census shows: in the last year, just under 150,000 Maryland households are at risk of eviction. Stable housing is a cornerstone of stable families, and this bill strengthens the fairness of the eviction process by requiring landlords to demonstrate they are compliant with local rental licensing laws in any residential eviction case.

Reenvisioning eviction proceedings in Maryland will assist in the social and economic recovery from COVID. Without stable shelter, families are more susceptible to adverse childhood experiences (ACEs), hunger, behavioral health crises, and poor health - including increased risk of contracting COVID. These past two years in our head start programs our caseworkers have talked to hundreds of parents that have told us they are at risk of eviction and looking for assistance. The pandemic has demonstrated the gaping holes in our safety net programs, especially for people of color. Evictions and homelessness have a disparate impact on black and brown communities. Requiring landlords to be properly licensed promotes safe housing, protects families, and ultimately is a step in the effort to dismantle the inequities born of structural racism and oppression in our legal and social safety-net systems.

Changing our eviction process is sound fiscal policy. Evictions further entrench families into homelessness, poverty, and adverse childhood experiences, which are extraordinarily expensive to address. Maryland should be working to prevent loss of housing, especially among households with children. Safe and reliable housing provides the stability needed to secure and maintain employment, promote good health, invest in educational opportunities and ultimately saves the state resources that otherwise go to maintain shelters and state-funded safety net programs. We know our individuals and families thrive in economically secure households with stable housing, and thriving families means a thriving economy.

On behalf of the individuals and families we work with, Catholic Charities of Baltimore appreciates your consideration, and urges the committee to issue a favorable report for SB 100.

Submitted By: Lisa Klingenmaier, Assistant Director of Advocacy

<sup>&</sup>lt;sup>1</sup> US Census. 2022. Census Household Pulse Survey Data. https://www.census.gov/data\/tables/2021/demo/hhp/hhp41.html

### SB 100 ACDS Testimony in Support - Rental Licenses Uploaded by: Lisa Sarro

Position: FAV



#### SB 100 - Real Property – Actions to Repossess – Proof of Rental Licensure

#### Hearing before the Senate Judicial Proceedings Committee on January 25, 2023

**Position: SUPPORT (FAV)** 

Senate Bill 100 will **ensure that local rental licensing laws in Maryland retain their use as a powerful public safety tool by requiring landlord compliance with city and county licensing laws as a prerequisite to using Maryland's courts to evict tenants.** SB 100 is identical to last year's HB 703/SB 563, which passed the House (90-45) and Senate (47-0), but was vetoed by Governor Hogan without time for a veto override. Arundel Community Development Services, Inc. (ACDS) supports Senate Bill 100 and urges a favorable report from the Committee.

ACDS serves as Anne Arundel County's nonprofit housing and community development agency, helping Anne Arundel County residents and communities thrive through the provision of safe and affordable housing opportunities, programs to prevent and end homelessness, and community development initiatives. In fulfilling this role, ACDS administers grants to nonprofit partners, directly develops and implements programming, and advises the County on housing and community development legislation and policy initiatives related to affordable, safe and habitable housing for County residents.

Currently, if a local jurisdiction requires that a residential rental property have a rental license, then that property must in fact be licensed in order for a landlord to make use of the Failure to Pay Rent court process. This requirement is a result of a 2011 Court of Appeals decision called *McDaniel v. Baranowski.* (419 Md. 560, 19 A.3d 927). In that case, the Court held that if a landlord lacks a rental license for a property that is required by law to be licensed, then that landlord does not have "claimant status" for bringing a Failure to Pay Rent action in court. In other words, if a landlord lacks a license when a license is required by local law, the landlord does not have standing to file a court action for Failure to Pay Rent.

Immediately after the Court of Appeals decided *McDaniel*, the Court's standard form Complaint for Failure to Pay Rent was modified to reflect the Court's conclusion. The standard court form for Failure to Pay Rent currently includes a section where **the** landlord must indicate whether the property is required to be licensed, and if so, the landlord must provide a rental license number as a required element of the Complaint. However, while current law clearly prevents illegally operating landlords from using the courts to evict in Failure to Pay Rent cases, landlords are able to circumvent the licensing requirement by instead filing Tenant Holding Over and Breach of Lease cases.

Under current law, landlords may disregard County licensing laws designed to protect tenant health and safety so long as the landlord files a Tenant Holding Over or Breach of Lease case instead of a Failure to Pay Rent case, even if they have failed to comply with their local licensing laws. An action for Failure to Pay Rent filed by unlicensed landlord will be summarily dismissed, generally as a preliminary matter when the case is called. However, an action by the same unlicensed landlord against the same tenant for Tenant Holding Over or Breach of Lease will go forward, completely unaffected by the fact that the property is being rented illegally. This loophole has not gone unnoticed. Tenant Holding Over filings, especially, are increasingly being used in lieu of Failure to Pay rent actions. The courts report an increase of 116% in Tenant Holding Over actions from FY 2018 to FY 22.

It is important to note that SB 100 does not create any new rental licensing requirements. Rather, SB 100 simply applies the Court's sound reasoning from the *Baranowski* case to Tenant Holding Over and Breach of Lease cases. Landlords are already required obtain a rental license in those jurisdictions where licenses are required and, of course, most landlords do exactly that. This bill simply ensures that there are consequences for those few landlords who don't follow the law, *regardless of the type of eviction case they file.* 

For the reasons noted above, ACDS urges the Committee to issue a FAVORABLE report on SB 100.

# **SB0100\_Louise Weissman\_FAV.pdf**Uploaded by: Louise Weissman

Position: FAV

Date of Hearing: January 25, 2023

Louise Weissman Greenbelt, 20770

#### **TESTIMONY ON SB0100 - POSITION: FAVORABLE**

Real Property – Actions to Repossess – Proof of Rental Licensure

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

FROM: Louise Weissman

My name is Louise Weissman. I am a resident of Greenbelt in District 22. I am submitting this testimony in support of SB100, Real Property – Actions to Repossess – Proof of Rental Licensure.

I am a 31 year resident of Prince George's County. I am a member of Oseh Shalom in Laurel, MD, and participate in the Prince George's County Housing Justice Coalition. Several of the coalition partners participate in Renters United Maryland (RUM). I am writing about SB100 because I care about stopping illegally operating landlords who use the expedited eviction process that enables them to violate local rental licensing and inspection laws. Incidentally, I'm a retiree that lives in a rental unit, myself.

Jewish sacred texts recognize having safe, stable housing is key to a healthy society. We also know that safe, stable housing is key to reducing racial inequities. Our texts are full of conversation, laws, and traditions about the obligations of landlords and tenants. We are instructed to build homes that are safe, and to make sure that people can remain in their homes as long as they choose.

I grew up in rental apartments with my family for 17 years, for 6 years in one apartment in Boston, and then I I years in a townhouse in the suburbs. For a variety of reasons, my parents didn't own a home until my last year of highschool, but they always made sure my sister and I grew up in a loving and healthy environment. My folks didn't worry about unreasonably escalating rent, surprise fees, or poor maintenance. They provided us with stability, a decent education in one school system in neighborhoods where everyone knew everyone, and adults watched out for neighborhood kids. I am conscious of my privilege, but I believe everyone deserves to be able to raise their families in decent, affordable housing, with safe environments.

For too long, Maryland has had an affordable housing crisis. The pandemic exacerbated that. While many were helped with emergency actions taken by the government, the pandemic continues, the protections have expired, and many are still confronting increased economic

hardship and skyrocketing rents, without the added confidence that would come with an eviction prevention policy.

Last year former Governor Hogan vetoed SB563, which would uphold rental licensing programs and prevent illegally operating landlords from using the expedited eviction process. No one should condone the need to repeat this conversation again, especially given the impact the lack of protections have on Maryland renters, particularly those in marginalized communities.

I respectfully urge this committee to return a favorable report on SB100.

# CASA\_FAV\_SB100.pdf Uploaded by: Martin Michaels Position: FAV



## SB100 - Real Property – Actions to Repossess – Proof of Rental Licensure

## **Judicial Proceedings Committee**

**Position: SUPPORT (FAV)** 

January 24, 2023

Honorable Chair Smith and Members of the Committee:

We are writing to express our strong support for SB100. CASA is the largest membership-based immigrant rights organization in the mid-Atlantic region, with more than 90,000 members in Maryland. Our mission is to create a more just society by building power and improving the quality of life in working-class and immigrant communities. We envision a future where our members stand in their own power, our families live free from discrimination and fear, and our diverse communities thrive as we work with our partners to achieve full human rights for all.

For nearly forty years, CASA has employed grassroots community organizing to bring our communities closer together and fight for justice, while simultaneously providing much-needed services to these communities, helping to ensure that low-income immigrants are able to live rich and full lives.

SB100 is identical to SB 563, which passed the House (90-45) and Senate (47-0) in 2022 but was vetoed by Gov. Hogan. SB100 would stop landlords who do not have an operating license from using streamlined court processes (Failure To Pay Rent, Tenant Holding Over, and Breach of Lease) from evicting tenants in localities that have a licensing law. Licensing laws protect public health and safety through periodic inspections. Like any other business, if a landlord wants to file suit in Maryland courts, they must be licensed in any jurisdiction that requires licensure.

After the Supreme Court of Maryland's decision in Velicky v. Copycat Holdings, LLC, 476 Md. 435 (2021), landlords do not need a license to evict on a Tenant Holding Over (THO) action, regardless of the landlord's real motive. This loophole allows them to evade the licensing requirements set out by McDaniel v. Baranowski, 419 Md. 560 (2011), simply by filing a Tenant Holding Over action instead of a Failure to Pay Rent (FTPR) action.

Licensing requirements are important because they encourage landlords to comply with health and safety requirements before any court has to get involved. Allowing landlords without a license to evict tenants has two important negative effects.

First, it incentivizes landlords to give short-term (month-to-month) contracts and continue operating without a license. If they need a license to evict for other reasons, but

not THOs, they will just continue evading the licensing requirements for the next tenant, leaving properties in unsafe or hazardous conditions and swindling the governments out of revenues necessary for code enforcement.

Second, it rewards bad landlords and punishes good tenants. Not all jurisdictions allow a tenant to research the landlord's licensure status. Under the current law, a landlord can fail to get a license and fly under the radar collecting rent only until the tenant complains about a code violation in good faith. At that point, a landlord may have been illegally collecting rent for years, and still be allowed to evict the good-faith tenant without a penalty. Thus, the law currently discourages tenants from taking action against unsafe conditions. Tenants who come forward and report their unlicensed landlord for dangerous conditions risk a retaliatory eviction. Although retaliation is illegal, this defense is extremely difficult to prove, the damages are small, the protection is time-limited, and is rarely approved by judges.

Licensing is a means to an end – the insurance of good quality rental housing in the jurisdictions that use licensing. Allowing a certain subset of landlords to evade this requirement in order to evict deprives our members of the opportunity to attain that goal. The law should make licensing requirements consistent across all landlords and across all forms of eviction, whether FTPR or THO or Breach of Lease. Doing so will incentivize landlords to keep their properties up to code and their records up to date. This is the minimum we should expect from business operations in Maryland, especially where it concerns the health and safety of millions of Marylanders, including our members.

CASA is a member of the Renters United Maryland, a statewide coalition of renters, organizers, and advocates, and we urge the Committee's report of Favorable on SB100.

Best Regards,

Jonathan Riedel, Esq. Supervising Attorney CASA

# SB 100 Public Justice Ctr FAV.pdf Uploaded by: Matt Hill Position: FAV



C. Matthew Hill

Attorney
Public Justice Center
201 North Charles Street, Suite 1200
Baltimore, Maryland 21201
410-625-9409, ext. 229
hillm@publicjustice.org

SB 100 - Real Property – Actions to Repossess – Proof of Rental Licensure

Hearing before the Senate Judicial Proceedings Committee on January 25, 2023

**Position: SUPPORT (FAV)** 

Public Justice Center (PJC) is a nonprofit public interest law firm that assists over 800 renters each year. We stand with tenants to protect and expand their rights to safe, habitable, affordable, and non-discriminatory housing. PJC seeks a favorable report on SB 100. SB 100 is identical to SB 563, which passed the Senate (47-0) in 2022 but was vetoed by Gov. Hogan. In jurisdictions that have a landlord licensing law, SB 100 would stop landlords who do not have an operating license from using streamlined court processes (Failure To Pay Rent, Tenant Holding Over, and Breach of Lease) to evict tenants. Licensing laws protect public health and safety through periodic inspections. Like any other business, if a landlord wants to file suit in Maryland courts, they must be licensed in any jurisdiction that requires licensure.

Licensing laws in six (6) counties and other municipalities require landlords to pass a periodic a health and safety inspection. The vast majority of landlords comply with these laws and should have no concern with this bill. However, we have witnessed many clients or constituents whose predatory landlords refuse to make repairs, fail to obtain a license, extract as much rent as possible, and when the tenant complains, move to evict them through one of Maryland's streamlined eviction processes. When unlicensed landlords successfully use eviction court, it encourages all landlords to ignore licensing laws and increases the risk of tenants being subjected to health and safety hazards.

While current law stops illegally operating landlords from obtaining a judgment for eviction for failure to pay rent, the Court created a loophole in *Velicky v. CopyCat* by allowing illegally operating landlords to obtain an eviction in Tenant Holding Over cases. 476 Md. 435 (2021). On Jan. 17, 2023, The *Baltimore Banner* reported in the attached article that "Tenant Holding Over fillings are now about three times higher than they were before the pandemic." Under current law, landlords in these cases may ignore basic health and safety laws and still use the taxpayer-funded court system to evict tenants.

Judge Shirley Watts understood this dynamic, and wrote in dissent in *Velicky*: "Allowing [the landlord] to evict [tenants] in a tenant holding over action under RP § 8-402 without a license essentially renders the licensing requirement of Baltimore City Code ... meaningless and defeats its purpose of ensuring that rental properties are fit to live in. As a result of the majority opinion, Copycat and other landlords will have very little incentive to get licenses, which would require bringing rental properties up to code."

Renters United Maryland made significant compromises in 2022 and had reached agreement with the Maryland Multi-Housing Association (MMHA) on the amended bill, which is being reintroduced as it passed the House and Senate in 2022. These compromises include:

- Striking the requirement that the landlord show a license when filing a complaint;
- Allowing unlicensed landlords to proceed to a Tenant Holding Over or Breach of Lease trial if they show that the tenant's act caused the landlord not to have a rental license;
- Allowing landlords to submit an electronic record or provisional license.

Additionally SB 100 does not require proof of licensure if the landlord is proceeding on a breach of lease case alleging that the tenant's behavior constitutes an imminent danger.

MMHA is now asking for three (3) additional amendments that only further weaken the bill and which Public Justice Center and Renters United Maryland strongly oppose:

- 1. MMHA's first amendment states that the landlord must only produce evidence of licensure at trial, not at the filing of the complaint. This is unnecessary because SB 100 does not require the landlord to produce the actual license until trial. SB 100's operative language is that the landlord must "plead and demonstrate" licensure. This phrase is borrowed from *McDaniel v. Baranowski*, 419 Md. 560 (2011) and means that the landlord must affirm upon filing the complaint that they are licensed and provide a license number— as they're required to do right now in rent cases under *McDaniel*.
- 2. MMHA's second amendment would allow the landlord to challenge the County's licensing determination in Court while the County is not present. This is not feasible. How will the Court make such a determination without the local licensing agency present? Will these eviction cases now include mini-trials about the status of a County's licensing determination? If the landlord believes that a County's administrative error led to the licensing failure, the landlord can obtain a postponement, straighten out the error, and return to Court with a license. We see this happen frequently now in rent court. MMHA's use of the Assanah Carroll, 480 Md. 394 (2022) is misguided. In Assanah Carroll, the Maryland Supreme Court found that that an unlicensed landlord cannot use the court system to collect rent due for the rental period (month) in which the landlord was unlicensed. It doesn't have anything to do with SB 100, which says only that the landlord can't use the court for eviction when they are unlicensed. If anything

Assanah-Carroll should reinforce the importance of landlords resolving any issues they have with their local jurisdiction's licensing process in order to obtain and stay licensed.

- 3. MMHA third amendment is unworkable licenses are issued to buildings, not units in many jurisdictions. MMHA poses a hypothetical in a multi-unit building where Tenant A is holding up licensure while the landlord is trying to evict the tenant in Unit C. So MMHA proposes to redefine licensing to be done according to unit, not building yet this is fundamentally incompatible with many local licensing schemes.
  - a. MMHA's hypotheticals focus on aspects of their local licensing laws that they would like to change. MMHA should fix those aspects of the local licensing laws (they had 9 months to do so since this bill passed the General Assembly in 2022), not advocate for a landlord to be able to evict a tenant while the landlord is operating illegally.
  - b. MMHA's proposed amendment is unworkable. Licensure in many jurisdictions is done by building not by unit. Baltimore City's Department of Housing and Community Development has stated that it would be impossible to say which units are licensed and which ones are not because that is inconsistent with its licensing scheme that is by building, not unit. What if the landlord fails inspection due to issues in multiple units? What if not every unit was inspected? What if there are building-wide issues like rodents or an elevator outage? Or problems with not having the appropriate lead certificate for multiple units? Who will judge whether a license applies to one unit and not another when licensure is only done by building by a local agency?
  - c. There are already exceptions in the bill to allow the landlord to evict any tenant who holds up the licensure process. The landlord can move forward under current exceptions to evict any tenant who is causing the failure to obtain a license regardless of the landlord's licensure status. And a landlord may move forward with eviction regardless of licensure for tenants whose conduct constitutes an imminent risk of harm to person or property (page 4, lines 10-32)
  - d. Landlords also have lease provisions and code enforcement tools to remove problematic tenants who may be holding up licensure. Landlords have exceptions in their leases to make repairs or obtain inspections in certain cases regardless of the tenant's consent. And code inspectors may enter properties without consent in the case of an emergency or violation of the law.

Landlords should seek a postponement in the eviction case and address any problem with their licensure through local agencies rather than trying to move forward with the eviction in court when they are not operating legally in their jurisdiction.

Public Justice Center is a member of the Renters United Maryland, a statewide coalition of renters, organizers, and advocates, and we urge the Committee's report of Favorable on SB 100.

Community issues > Housing

# Eviction numbers are climbing back toward prepandemic highs in parts of Maryland

By Ryan Little and Sophie Kasakove

Published on: January 17, 2023 6:00 AM EST | **Updated on:** January 17, 2023 9:48 AM EST















Tenants, advocates and lawmakers gathered outside the Maryland State House on Thursday Jan. 12, 2023 to call on lawmakers to pass several policies that would protect tenants from eviction or poor living conditions (Callan Tansill-Suddath)

Our nonprofit news organization is made possible by <u>subscribers</u> and <u>donors</u> who value storytelling that impacts and uplifts communities. Thank you for supporting our journalism.

After falling to an unprecedented low during the pandemic, eviction numbers are creeping back toward 2019 rates in Maryland, according to data from the Maryland Judiciary and the Baltimore City Sheriff's Office.

Over the course of nearly three years, thousands of evictions were prevented across Maryland by a combination of federal and local eviction moratoriums put in place during the pandemic, federal rental assistance funds, and court backlogs.

With eviction bans having long expired, <u>rental assistance running low</u>, courts back up and running at full speed, and <u>rents sky-high</u>, 2022 saw a rapid uptick in evictions statewide — especially in the summer.

Between August and September 2022, 13 jurisdictions, including Baltimore, recorded an eviction tally in at least one month that exceeded the number of evictions for that month in 2019, the last year before the COVID-19 pandemic was declared.

#### Maryland evictions drastically increased during the summer months, moving closer to prepandemic levels

Evictions in the third quarter of 2022 were about 30% lower than during the same period in 2019, but about two and three times higher than during the third quarter in 2021 and 2020, respectively.

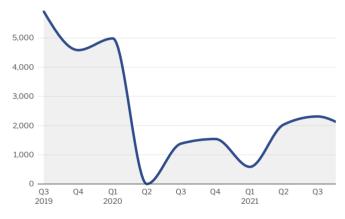


Chart: Ryan Little · Source: Maryland Judiciary Case Activity

Beaute

THE BALTIMORE BANNER

There remain minimal guardrails to protect against a continued return to a pre-pandemic "normal" that advocates, officials and tenants across the state have long argued shouldn't be treated as normal at all. In the last six months of 2019, 10,486 people were evicted in Maryland, including 2,920 in Baltimore City.

The latest numbers "just confirm what we've been seeing on the ground," said Matt Hill, an attorney with the Public Justice Center who represents tenants facing eviction. "Courts are packed and people are desperate to hold onto their homes and experiencing continuing instability in the economy from the pandemic and skyrocketing rent increases."

In the city of Baltimore, evictions this past September and November surpassed the 2019 tallies in those months, according to data provided by the Baltimore City Sheriff's Office. The number was far lower in December 2022 because many evictions were postponed that month as sheriff's deputies were retrained on new eviction policies

implemented by newly installed Baltimore Sheriff Sam Cogen. The Democrat <u>ran on a platform</u> to "humanize" the city's eviction process by providing tenants with adequate notice of court and removal dates and confirming that a building was licensed as a rental property before enforcing an eviction there, among other changes.

Aaron Greenfield, director of government affairs for the Maryland Multi-Housing Association, argued that evictions remained significantly below 2019 numbers for much of 2022.

"We'll judge the data objectively, but I'm not sure that there's a story here that evictions are increasing. In fact, the data suggests just the opposite," said Greenfield. "Should there be an increase in evictions, then I think we all need to sit down and figure that out, but that's not what the data suggests to me."

Eviction numbers overall statewide still lag behind 2019 numbers, but quarterly counts have tripled since 2020: 4,107 people were evicted during the summer of 2022, 30% less than for that period in 2019, but about three times more than in the same three-month period in 2020 and about double the amount of summer 2021.

"We are starting to get concerned that while the case filings remain low, the number of evictions is approaching prepandemic levels," Reena Shah, executive director for Maryland Access to Justice Commission, wrote in an email. "That trend is likely to continue, especially as we anticipate that all rental assistance funding will be depleted in a couple of months and people's ability to access rental assistance to pay the rent and keep themselves housed will be threatened."

## Û

#### Sign Up for Alerts

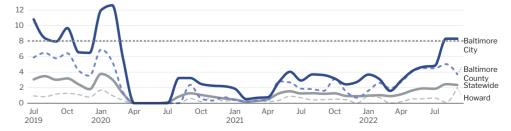
Get notified of need-to-know info from The Banner

Sign up now >

Evictions have increased rapidly in Baltimore City, where rates once closely mirrored Baltimore County's. In August and September, about eight people were evicted each month for every 10,000 residents. The statewide rate was a little more than two people, and Baltimore County's was around four.

#### Once closely mirroring per-person rates in Baltimore County, Baltimore City evictions have increased

More than twice the rate of people were forcibly removed in the city compared to the county in August and September 2022. About 8 people we compared to 4 in Baltimore and 3 statewide.



For cible removals are visualized per 10,000 residents.

 ${\it Chart: Ryan \, Little \, \cdot \, Source: \, Maryland \, Judiciary \, Case \, Activity \, Reports}$ 

## Housing groups call on legislators to protect tenants

As state legislators enter the second week of the Maryland General Assembly session, housing groups are calling on them to put in place measures to keep those numbers from rising even higher.

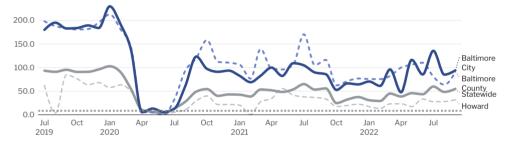
Outside the State House on Thursday, tenants and advocates gathered to call on lawmakers to vote in favor of a handful of bills that would protect renters from eviction. One bill to be introduced would enable localities to pass laws requiring landlords to have just cause not to renew a lease. Another would stop landlords who don't have an operating license from evicting tenants in jurisdictions that have a licensing law.

And the group called on Gov.-elect Wes Moore to invest \$175 million in the fiscal year 2024 budget to sustain emergency rental assistance as federal funds run out. In December, a coalition of dozens of advocacy groups and local officials — including Baltimore Mayor Brandon Scott, and the county executives of Anne Arundel, Howard, Montgomery and Baltimore counties — <u>made the request</u> in a letter to outgoing Gov. Larry Hogan. As emergency rental assistance funds have dried up in recent months, many jurisdictions across the state have paused intake or limited assistance only to tenants facing imminent eviction.

The most recent eviction numbers show that while they've increased, filings remain below pre-pandemic rates, reflecting both the availability of rental assistance and a reform adopted statewide in 2021 that requires landlords to provide tenants with 10 days' notice before they file for an eviction with the courts.

#### Failure to Pay Rent filings are still about half of their pre-pandemic highs

The decreased filings likely reflect the availability of rental assistance and a 2021 law that forced landlords to provide tenants 10 days notice before



Failure to Pay Rent filings are visualized per 10,000 residents.

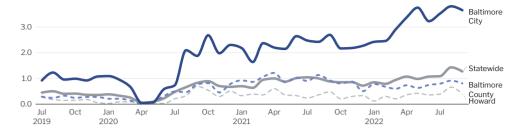
Chart: Ryan Little • Source: Maryland Judiciary Case Activity Reports

Filings were higher throughout 2022 for tenant-holding-over cases — which a landlord can file when a tenant stays in their unit beyond the terms of their lease — than in 2019.

The filing rate for these cases has steadily increased since 2020, when failure-to-pay rent cases were restricted by federal and state eviction moratoriums. By the time the courts began processing failure-to-pay cases again, some landlords realized that pursuing a tenant-holding-over case was a quicker legal process. In September, there were 786 of these cases filed in Baltimore city.

# Tenant Holding Over filings are now about three times higher than they were before the pandemic

When courts began processing failure-to-pay cases again, some landlords realized that pursuing a tenant-holding-over case — which a landlord can file when a tenant stays in their unit beyond the terms of their lease — was a quicker legal process.



Tenant Holding Over filings are visualized per 10,000 residents.

Chart: Ryan Little • Source: Maryland Judiciary Case Activity Reports

**B** THE BALTIMORE BANNER

Advocates are hopeful that a statewide "access to counsel" provision will help more renters gain legal representation to fight evictions. While the law passed and took effect in 2021, funding was not released until this past summer.

General Assembly reporter Callan Tansill-Suddath contributed reporting to this article.

ryan.little@thebaltimorebanner.com

sophie.kasakove@thebaltimorebanner.com

## More from The Banner

Despite historic investment in rental assistance, Baltimore-area renters still falling through the cracks



What you get for \$329K-\$419K in Baltimore



Can this developer bring crowds back to Inner Harbor?



Newsletters Support Us Podcast Alerts Events Calendar Inauguration Games

Olszewski proposes \$16M affordable housing trust fund to acquire, convey derelict land





Company

Newsroom Policies & Code of Ethics

Culture & Careers

Our Impact

Community Engagement

Support Us

Subscribe

Terms & Services

Privacy Policy

Terms of Service

Terms of Sale

Cookie Policy

RSS Terms of Service

Submissions & Discussion Policy

Contact Us

Contact the Newsroom & Tips

Advertise with Us

Group & Enterprise Sales

www.thebaltimorebanner.com © 2022 The Baltimore Banner. All Rights Reserved. Use of this site constitutes acceptance of our <u>Terms of Service</u> and Privacy Policies | CA Notice at Collection and Privacy Notice | Do Not Sell My Personal Information | Ad Choices

The Baltimore Banner may receive compensation for some links to products and services on this website. Offers may be subject to change without

The Baltimore Banner is a trademark registered in the U.S. for The Venetoulis Institute for Local Journalism, a 501(c)(3) nonprofit organization. Learn more about supporting local journalism.











# **SB 100 Unlicensed Landlords RA Testimony.pdf** Uploaded by: Matthew Losak

Position: FAV



# SB 100 - Real Property – Actions to Repossess – Proof of Rental Licensure Hearing before the Senate Judicial Proceedings Committee on January 25, 2023 Position: SUPPORT (FAV)

Founded in 2010, the Renters Alliance is the first and only regional nonprofit dedicated exclusively to renter outreach, education, organizing and advocacy. We are Maryland's leading renters' rights organization, and the leading co-founders of Renters United

Maryland.

SB 100 is identical to SB 563, which passed the Senate (47-0) in 2022 but was vetoed by Gov. Hogan. In localities that have a landlord licensing law, SB 100 would stop landlords who do not have an operating license from using streamlined court processes (Failure To Pay Rent, Tenant Holding Over, and Breach of Lease) to evict tenants. Licensing laws protect public health and safety through periodic inspections. Like any other business, if a landlord wants to file suit in Maryland courts, they must be licensed in any jurisdiction that requires licensure.

Licensing laws in six (6) counties and other municipalities require landlords to pass a periodic a health and safety inspection. The vast majority of landlords comply with these laws. However, we have witnessed many clients or constituents whose predatory landlords refuse to make repairs, refuse to obtain a license, extract as much rent as possible, and when the tenant complains, move to evict them through one of Maryland's streamlined eviction processes. When unlicensed landlords successfully use eviction court, it encourages all landlords to ignore licensing laws and increases the risk of tenants being subjected to health and safety hazards.

While current law stops illegally operating landlords from obtaining a judgment for eviction for failure to pay rent, the Court created a loophole in *Velicky v. CopyCat* by allowing illegally operating landlords to obtain an eviction in Tenant Holding Over cases. 476 Md. 435 (2021). On Jan. 17, 2023, the <u>Baltimore Banner reported</u> that "<u>Tenant</u>

Holding Over filings are now about three times higher than they were before the pandemic." Under current law, landlords in these cases may ignore basic health and safety laws and still use the taxpayer-funded court system to evict tenants.

Judge Shirley Watts understood this dynamic, and wrote in dissent in *Velicky*: "Allowing [the landlord] to evict [tenants] in a tenant holding over action under RP § 8-402 without a license essentially renders the licensing requirement of Baltimore City Code ... meaningless and defeats its purpose of ensuring that rental properties are fit to live in. As a result of the majority opinion, Copycat and other landlords will have very little incentive to get licenses, which would require bringing rental properties up to code."

Renters United Maryland made significant compromises in 2022 and had reached agreement with Maryland Multi-Housing Association on the amended bill, which passed the House and Senate and is being reintroduced as it passed in 2022. These compromises include:

- Striking the requirement that the landlord show a license when filing a complaint;
- Allowing unlicensed landlords to proceed to a Tenant Holding Over or Breach of Lease trial if they show that the tenant's actions caused the landlord not to have a rental license; and
- Allow landlords to submit an electronic record or provisional license in their burden of proof.

Additionally, SB 100 does not require proof of licensure if the landlord is proceeding on a breach of lease case alleging that the tenant's behavior constitutes an imminent threat or danger to person or property.

Some landlords still oppose the bill claiming that one obstructive tenant can hold up licensing for an entire building and prevent other evictions. This is a speculative red herring.

- No large landlord has testified to specific examples of whether they acted diligently to make repairs and obtain a license but were denied because of the actions of one tenant who they could not evict.
- Landlords have many tools to evict any tenant who would hold up repairs
  including lease provisions permitting them to enter the unit to address the issue
  when the tenant is not present, or to enter even if the tenant objects when they
  have to address emergencies or if the tenant is causing the code violation.
- Code enforcement has the right to enter the unit even when the occupant objects either for emergency issues or upon issuance of a warrant that they can obtain.

If landlords do not like certain aspects of local licensing laws, they should lobby to change those laws – not lobby to be able to operate illegally and still evict tenants through Maryland's courts.

The Renters Alliance is a member of the Renters United Maryland, a statewide coalition of renters, organizers, and advocates, and **we urge the Committee's report of Favorable on SB 100.** 

# **Economic Action Maryland\_SB100\_FAV.pdf**Uploaded by: Michael Donnelly

Position: FAV

## **Economic Action Maryland**

### SB 100 - Real Property – Actions to Repossess – Proof of Rental Licensure

## Hearing before the Senate Judicial Proceedings Committee on January 25, 2023

**Position: SUPPORT (FAV)** 

The Honorable William C. Smith, Jr., Chair Senate Judicial Proceedings Committee 2 East Wing, Miller Senate Office Building 11 Bladen St., Annapolis, MD 21401

Honorable Chair Smith and members of the Committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a statewide non-profit movement of individuals and organizations that advances economic inclusion and financial justice through research, advocacy, consumer education, and direct service. Our 8,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

We are writing in support of Senate Bill 100.

SB 100 is identical to SB 563, which passed the Senate (47-0) in 2022 but was vetoed by Gov. Hogan. In localities that have a landlord licensing law, SB 100 would stop landlords who do not have an operating license from using streamlined court processes (Failure To Pay Rent, Tenant Holding Over, and Breach of Lease) to evict tenants. Licensing laws protect public health and safety through periodic inspections. Like any other business, if a landlord wants to file suit in Maryland courts, they must be licensed in any jurisdiction that requires licensure.

Licensing laws in six (6) counties and other municipalities require landlords to pass a periodic a health and safety inspection. The vast majority of landlords comply with these laws. However, we have witnessed many clients or constituents whose predatory landlords refuse to make repairs, refuse to obtain a license, extract as much rent as possible, and when the tenant complains, move to evict them through one of Maryland's streamlined eviction processes. When unlicensed landlords successfully use eviction court, it encourages all landlords to ignore licensing laws and increases the risk of tenants being subjected to health and safety hazards.

While current law stops illegally operating landlords from obtaining a judgment for eviction for failure to pay rent, the Court created a loophole in *Velicky v. CopyCat* by allowing illegally operating landlords to obtain an eviction in Tenant Holding Over cases.

476 Md. 435 (2021). On Jan. 17, 2023, the <u>Baltimore Banner reported</u> that "<u>Tenant Holding Over filings are now about three times higher than they were before the pandemic." Under current law, landlords in these cases may ignore basic health and safety laws and still use the taxpayer-funded court system to evict tenants.</u>

Judge Shirley Watts understood this dynamic, and wrote in dissent in *Velicky*: "Allowing [the landlord] to evict [tenants] in a tenant holding over action under RP § 8-402 without a license essentially renders the licensing requirement of Baltimore City Code ... meaningless and defeats its purpose of ensuring that rental properties are fit to live in. As a result of the majority opinion, Copycat and other landlords will have very little incentive to get licenses, which would require bringing rental properties up to code."

Renters United Maryland made significant compromises in 2022 and had reached agreement with Maryland Multi-Housing Association on the amended bill, which passed the House and Senate and is being reintroduced as it passed in 2022. These compromises include:

- Striking the requirement that the landlord show a license when filing a complaint;
- Allowing unlicensed landlords to proceed to a Tenant Holding Over or Breach of Lease trial if they show that the tenant's actions caused the landlord not to have a rental license; and
- Allow landlords to submit an electronic record or provisional license in their burden of proof.

Additionally, SB 100 does not require proof of licensure if the landlord is proceeding on a breach of lease case alleging that the tenant's behavior constitutes an imminent threat or danger to person or property.

Some landlords still oppose the bill claiming that one obstructive tenant can hold up licensing for an entire building and prevent other evictions. This is a speculative red herring.

- No large landlord has testified to specific examples of whether they acted diligently to make repairs and obtain a license but were denied because of the actions of one tenant who they could not evict.
- Landlords have many tools to evict any tenant who would hold up repairs
  including lease provisions permitting them to enter the unit to address the issue
  when the tenant is not present, or to enter even if the tenant objects when they
  have to address emergencies or if the tenant is causing the code violation.
- Code enforcement has the right to enter the unit even when the occupant objects either for emergency issues or upon issuance of a warrant that they can obtain.

If landlords do not like certain aspects of local licensing laws, they should lobby to change those laws – not lobby to be able to operate illegally and still evict tenants through Maryland's courts.

Economic Action Maryland is a member of the Renters United Maryland, a statewide coalition of renters, organizers, and advocates, and we urge the Committee's report of Favorable on SB 100.

Best,
Michael Donnelly
Tenant Advocacy Coordinator
Economic Action Maryland
2209 Maryland Ave, Baltimore, MD 21218

# **MEnglish SB100 Favorable.pdf**Uploaded by: Michael English Position: FAV

SB 100 - Real Property – Actions to Repossess – Proof of Rental Licensure Hearing before the Senate Judicial Proceedings Committee on January 25, 2023

Position: SUPPORT (FAV)

Hello,

My name is MIchael English, and, while I am a member of several organizations that are part of Renters United Maryland (RUM), I am writing to you today in my personal capacity.

SB 100 is identical to SB 563, which passed the Senate (47-0) in 2022 but was vetoed by Gov. Hogan last session. With him out of office, we have no excuses not to try again. In localities that have a landlord licensing law, SB 100 would stop landlords who do not have an operating license from using streamlined court processes (Failure To Pay Rent, Tenant Holding Over, and Breach of Lease) to evict tenants. Licensing laws protect public health and safety through periodic inspections. Like any other business, if a landlord wants to file suit in Maryland courts, they must be licensed in any jurisdiction that requires licensure. Licensing laws in six (6) counties and other municipalities require landlords to pass a periodic a health and safety inspection. The vast majority of landlords comply with these laws. However, we have witnessed many clients or constituents whose predatory landlords refuse to make repairs, refuse to obtain a license, extract as much rent as possible, and when the tenant complains, move to evict them through one of Maryland's streamlined eviction processes. When unlicensed landlords successfully use eviction court, it encourages all landlords to ignore licensing laws and increases the risk of tenants being subjected to health and safety hazards. While current law stops illegally operating landlords from obtaining a judgment for eviction for failure to pay rent, the Court created a loophole in Velicky v. CopyCat by allowing illegally operating landlords to obtain an eviction in Tenant Holding Over cases. 476 Md. 435 (2021). On Jan. 17, 2023, the Baltimore Banner reported that "Tenant Holding Over filings are now about three times higher than they were before the pandemic." Under current law, landlords in these cases may ignore basic health and safety laws and still use the taxpayer-funded court system to evict tenants. Judge Shirley Watts understood this dynamic, and wrote in dissent in Velicky: "Allowing [the landlord] to evict [tenants] in a tenant holding over action under RP § 8-402 without a license essentially renders the licensing requirement of Baltimore City Code ... meaningless and defeats its purpose of ensuring that rental properties are fit to live in. As a result of the majority opinion, Copycat and other landlords will have very little incentive to get licenses, which would require bringing rental properties up to code."

Renters United Maryland made significant compromises in 2022 and had reached agreement with Maryland Multi-Housing Association on the amended bill, which passed the House and Senate and is being reintroduced as it passed in 2022. These compromises include:

Striking the requirement that the landlord show a license when filing a complaint;

Allowing unlicensed landlords to proceed to a Tenant Holding Over or Breach of Lease trial if they show that the tenant's actions caused the landlord not to have a rental license; and

Allow landlords to submit an electronic record or provisional license in their burden of proof.

Additionally, SB 100 does not require proof of licensure if the landlord is proceeding on a breach of lease case alleging that the tenant's behavior constitutes an imminent threat or danger to person or property.

Some landlords still oppose the bill claiming that one obstructive tenant can hold up licensing for an entire building and prevent other evictions. This is a speculative red herring.

No large landlord has testified to specific examples of whether they acted diligently to make repairs and obtain a license but were denied because of the actions of one tenant who they could not evict.

Landlords have many tools to evict any tenant who would hold up repairs including lease provisions permitting them to enter the unit to address the issue when the tenant is not present, or to enter even if the tenant objects when they have to address emergencies or if the tenant is causing the code violation.

Code enforcement has the right to enter the unit even when the occupant objects either for emergency issues or upon issuance of a warrant that they can obtain. If landlords do not like certain aspects of local licensing laws, they should lobby to change those laws — not lobby to be able to operate illegally and still evict tenants through Maryland's courts.

I am a proud member of Renters United Maryland, a statewide coalition of renters, organizers, and advocates, and I urge the Committee's report of Favorable on SB 100.

# MD Catholic Conference\_FAV\_SB0100.pdf Uploaded by: MJ Kraska

Position: FAV



#### January 25, 2023

# SB 100 Real Property – Actions to Repossess – Proof of Rental Licensure

#### **Senate Judicial Proceedings Committee**

**Position: Support** 

The Catholic Conference is the public policy representative of the three (arch)dioceses serving Maryland, which together encompass over one million Marylanders. Statewide, their parishes, schools, hospitals, and numerous charities combine to form our state's second largest social service provider network, behind only our state government.

Senate Bill 100 would stop landlords who do not have an operating license from using streamlined court processes (Failure to Pay Rent, Tenant Holding Over, and Breach of Lease) from evicting tenants in localities that have a licensing law. Licensing laws protect public health and safety through periodic inspections. Like any other business, if a landlord wants to file suit in Maryland courts, they must be licensed in any jurisdiction that requires licensure.

Licensing laws in six (6) counties and other municipalities require landlords to pass a periodic a health and safety inspection. The vast majority of landlords comply with these laws. However, many tenants whose predatory landlords refuse to make repairs, refuse to obtain a license, extract as much rent as possible, and when the tenant complains, move to evict them through one of Maryland's streamlined eviction processes. When unlicensed landlords successfully use eviction court, it encourages all landlords to ignore licensing laws and increases the risk of tenants being subjected to health and safety hazards.

While current law stops illegally operating landlords from obtaining a judgment for eviction for failure to pay rent, the Court created a loophole in *Velicky v. CopyCat* by allowing illegally operating landlords to obtain an eviction in Tenant Holding Over cases. 476 Md. 435 (2021). The number of Tenant Holding Over cases filed has risen dramatically during the pandemic – a 116% increase from FY 2018 to FY 22. Under current law, landlords in these cases may ignore basic health and safety laws and still use the taxpayer-funded court system to evict tenants.

The foundation of Catholic Social Teaching is the recognition of the life and dignity of the human person. The Church has traditionally viewed housing, not as a commodity, but as a basic human right. This conviction is grounded in our view of the human person and the responsibility of society to protect the life and dignity of every person by providing the conditions where human life and human dignity are not undermined but enhanced. As Pope John Paul II stated, "A house is much more than a roof over one's head." It is "a place where a person creates and lives out his or her life."

The Conference appreciates your consideration and respectfully urges a **favorable** report for Senate Bill 100.

# **CASH\_ SB 100 Real Property – Actions to Repossess**Uploaded by: Robin McKinney

Position: FAV



# SB 100- Real Property – Actions to Repossess – Proof of Rental Licensure Senate Judicial Proceedings Committee January 25, 2023 SUPPORT

Chairman Smith, Vice-Chair and members of the committee, thank you for the opportunity to submit testimony in support of Senate Bill 100. This bill aims to disincentive landlords' non-compliance with local rental license laws.

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.

SB 100 is identical to SB 563, which passed the House (90-45) and Senate (47-0) in 2022 but was vetoed by Gov. Hogan. SB 100 would stop landlords who do not have an operating license from using streamlined court processes (Failure To Pay Rent, Tenant Holding Over, and Breach of Lease) from evicting tenants in localities that have a licensing law. Licensing laws protect public health and safety through periodic inspections. Like any other business, if a landlord wants to file suit in Maryland courts, they must be licensed in any jurisdiction that requires licensure.

Licensing laws in six (6) counties and other municipalities require landlords to pass a periodic a health and safety inspection. The vast majority of landlords comply with these laws. However, we have witnessed many clients or constituents whose predatory landlords refuse to make repairs, refuse to obtain a license, extract as much rent as possible, and when the tenant complains, move to evict them through one of Maryland's streamlined eviction processes. When unlicensed landlords successfully use eviction court, it encourages all landlords to ignore licensing laws and increases the risk of tenants being subjected to health and safety hazards.

While current law stops illegally operating landlords from obtaining a judgment for eviction for failure to pay rent, the Court created a loophole in Velicky v. CopyCat by allowing illegally operating landlords to obtain an eviction in Tenant Holding Over cases. 476 Md. 435 (2021). The number of Tenant Holding Over cases filed has risen dramatically during the pandemic – a 116% increase from FY 2018 to FY 22. Under current law, landlords in these cases may ignore basic health and safety laws and still use the taxpayer-funded court system to evict tenants.

Judge Shirley Watts understood this dynamic, and wrote in dissent in Velicky: "Allowing [the landlord] to evict [tenants] in a tenant holding over action under RP § 8-402 without a license essentially renders the licensing requirement of Baltimore City Code ... meaningless and defeats its purpose of ensuring that rental properties are fit to live in. As a result of the majority opinion, Copycat and other landlords



will have very little incentive to get licenses, which would require bringing rental properties up to code."

Renters United Maryland made significant compromises in 2022 and had reached agreement with Maryland Multi-Housing Association on the amended bill, which passed the House and Senate and is being reintroduced as it passed in 2022. These compromises include:

- Strike the requirement that the landlord show a license when filing a complaint;
- Allow unlicensed landlords to proceed to a Tenant Holding Over or Breach of Lease trial if they show that the tenant's act caused the landlord not to have a rental license; and
- Allow landlords to submit an electronic record or provisional license in their burden of proof.

Additionally, SB 100 does not require proof of licensure if the landlord is proceeding on a breach of lease case alleging that the tenant's behavior constitutes an imminent threat of danger to person or property.

Some landlords still oppose the bill claiming that one obstructive tenant can hold up licensing for an entire building and prevent other evictions. This is a red herring.

- No large landlord has testified to specific examples of whether they acted diligently to make repairs and obtain a license but were denied because of the actions of one tenant who they could not evict.
- Landlords have many tools to evict any tenant who would hold up repairs including lease provisions permitting them to enter the unit to address the issue when the tenant is not present, or to enter even if the tenant objects when they have to address emergencies or if the tenant is causing the code violation.
- Code enforcement has the right to enter the unit even when the occupant objects either for emergency issues or upon issuance of a warrant that they can obtain.

CASH Campaign of Maryland is a member of Renters United Maryland, a statewide coalition of renters, organizers, and advocates, and we urge the Committee's report of Favorable on SB 100.

# SB100\_Hettleman\_FAV.pdf Uploaded by: Shelly Hettleman Position: FAV

## SHELLY HETTLEMAN

Legislative District 11
Baltimore County

Judicial Proceedings Committee

Joint Committee on Children, Youth, and Families

Joint Committee on the Chesapeake and Atlantic Coastal Bays Critical Area



James Senate Office Building 11 Bladen Street, Room 203 Annapolis, Maryland 21401 410-841-3131 · 301-858-3131 800-492-7122 Ext. 3131 Shelly.Hettleman@senate.state.md.us

# The Senate of Maryland Annapolis, Maryland 21401

# TESTIMONY OF SENATOR SHELLY HETTLEMAN SB100 REAL PROPERTY - ACTIONS TO REPOSSESS - JUDGEMENT FOR TENANTS AND PROOF OF RENTAL LICENSURE

SB 100 requires that, in a local jurisdiction that requires residential rental licenses, before a landlord or their agent may use the court system to file for an eviction for Failure to Pay Rent, Breach of Lease (excepting there being a "clear and imminent danger") or Tenant Holding Over, the landlord must possess a valid license. **The principle and value put forth in this bill is that one should not be able to use the legal system for enforcement if one is not acting legally and is not complying with applicable local real estate licensing laws.** 

In 2011, in the *McDaniel v. Baranowski* case, the Court of Appeals held that in a Failure to Pay Rent case, the landlord must first be licensed in order to evict a tenant. In December, 2021, however, the Court of Appeals, in *Velicky v. Copycat LLC*, strayed from their logic in *McDaniel* and asserted that a landlord did not have to be licensed to pursue a Tenant Holding Over action against a tenant, thereby making a mockery of our local jurisdictions' real estate licensing laws. There are valid and important public policy rationales that local jurisdictions require licenses: to ensure that properties are safe and habitable. And the court's decision in this case will enable bad actors to use this loophole to repossess property, collect rent, and to ignore their obligations under local licensing requirements.

Housing health and safety codes exist to set the floor for those standards. Rental licenses exist to ensure safety and habitability of rental properties. To have a rental license, properties must be registered as rental properties, successfully complete an inspection, comply with lead paint laws, and have no unabated violations. Six counties and 15 municipalities in Maryland require a rental license before the property may be rented. A rental license is the most important opportunity a local government has to ensure that rental properties are safe and habitable and to require repairs if they are not.

In her dissenting opinion in the *Velicky* case, Judge Shirley Watts stated, "This loophole presents an obvious risk of danger to tenants, as unlicensed landlords may now use tenant holding over actions ... to recover rent and possession of property and lease the property again, with little incentive to eliminate hazards on the premises and obtain licenses." SB 100 closes this loophole.

Moreover, since the beginning of 2022, evictions in our State have been skyrocketing toward pre-pandemic numbers. While many state and federal resources prevented the evictions of Maryland residents during the pandemic, this emergency assistance is running out. Eviction bans have expired, rental assistance is running low, courts are up and running at full capacity, and rent is higher than ever before.

<sup>&</sup>lt;sup>1</sup> Maryland Judiciary Case Activity Reports

According to the latest Maryland Judiciary Case Activity Reports, the eviction rate in Baltimore County is two times the state average; Baltimore City's rate is four times the state average. State tenant holding over filings are three times higher than pre-pandemic levels. SB 100 helps to prevent these numbers from rising even higher.

Most landlords comply with local licensing requirements, and they have nothing to fear from SB 100. Their business practices will not change under this bill.

One of government's core duties is to protect citizens and this bill will help to ensure that (1) tenants are protected from bad actors who refuse to comply with local licensing laws and (2) measures are in place to protect citizens and families in this statewide and nationwide housing crisis.

# **SB#0100\_Sherry Glazer\_FAV.pdf**Uploaded by: Sherry Glazer

Position: FAV

**HEARING DATE:** January 25, 2023

Sherry Glazer

Bethesda, MD 20815

#### **TESTIMONY ON SB# 0100 - POSITION: FAVORABLE**

Real Property - Actions to Repossess - Proof of Rental Licensure

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

FROM: Sherry Glazer

My name is Sherry Glazer. I am a resident of District 16 and I am submitting this testimony in support of SB#0100, Real Property-Actions to Repossess-Proof of Rental Licensur

I am a retired lawyer living in Montgomery County, Maryland and currently serve as a Public- at Large- Member of the County Commission on Landlord-Tenant Affairs. Through this experience and past professional work, I am familiar with the County's licensing laws covering rental properties. The licensing laws require landlords to apply for a rental license, and submit their buildings to periodic health and safety inspections. If a rental premises is unlicensed and there are no inspections the risk, of course, is greater that tenants and guests at the property (workers, guests of tenants, etc.) may be subjected to health and safety hazards.

Allowing unlicensed landlords to use eviction court encourages landlords to ignore licensing laws, thereby increasing the risk for hazardous conditions. It is apparent that unlicensed landlords, on occasion, do use the courts to evict tenants. The proposed bill would close an existing loophole under Maryland case law, which permits unlicensed landlords to evict tenants in certain types of cases, known as "Tenant Holding Over" cases. *See, Levicky v. CopyCat.* The number of "Tenant Holding Over" cases filed following the *Levicky* decision has increased significantly – 116% from FY 2018 to FY 2022. SB#0100 would remedy this situation by requiring landlords filing for eviction (with a few exceptions) to demonstrate compliance with local licensing laws.

Responsible landlords in Maryland agree that code violations at properties should be addressed, and that the loophole discussed above must be closed. Indeed, SB#0100 was written in agreement with a major stakeholder – the Maryland Multi-Housing Association – when it was initially introduced as SB#563 in 2022. The bill was passed by the General Assembly during that session, but vetoed by then Governor Hogan, with no time for an override.

I respectfully urge this committee to return a favorable report on SB# 0100.

# Knoche-Testimony-SB100.pdf Uploaded by: Thomas Knoche Position: FAV

## SBI00\_Thomas Knoche\_FAV

Hearing Date: I/25/2023

Thomas Knoche, Board Member, Broadview Apartments, LLC

116 West University Parkway, Baltimore, MD 21210

# **TESTIMONY ON SBIOO - POSITION: FAVORABLE**

Real Property - Actions to Repossess - Proof of Rental Licensure

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

FROM: Thomas Knoche

My name is Thomas Knoche. I am part of the Broadview Apartments, LLC family ownership group. Broadview Apartments is in the 43rd District. I am submitting this testimony in support of SB0100, Real Property – Actions to Repossess – Proof of Rental Licensure.

The Broadview Apartments, LLC owns 454 units of rental housing at the NE corner of University Parkway and W. 39th Street in Baltimore City, where approximately 1300 people are housed. I believe that all tenants should have decent, well-maintained housing in return for their rent.

I encourage the Maryland legislature to adopt SB0100 to protect tenants from illegally operating landlords that use eviction court to avoid eliminating code violations. All landlords should be licensed, and no tenant should be allowed to take occupancy of rental housing owned or operated by unlicensed landlords. No landlord is above the law, and all landlords should be treated equally under the law. Illegally operating landlords should not be able to operate, much less use the court's streamlined eviction processes. This undermines licensing laws meant to require inspections and protect public health and safety.

Licensing and regular inspections are necessary to ensure that rental housing meets code, is safe, and is clean and sanitary. Any loopholes that allow landlords to avoid inspections must be closed. This bill closes one significant loophole that allows unlicensed landlords to use eviction court to recover possession of property and lease it again without code compliance.

Post-pandemic shifts in the rental housing market have exacerbated the need for affordable housing. Many more tenants now experience hardship, paying more than the federal standard of 30% of income in rent. They have every right – at a bare minimum – to expect their landlord to be licensed, and for their housing to be fully functional and safe.

I respectfully urge this committee to return a favorable report on SBI00.

# **GHHI SB100 Written Testimony.pdf**Uploaded by: Wesley Stewart Position: FAV

2714 Hudson Street
Baltimore, MD 21224-4716
P: 410-534-6447
F: 410-534-6475
www.ghhi.org

January 24, 2023

Senator William C. Smith, Jr.
Senate Judicial Proceedings Committee
2 East
Miller Senate Office Building
Annapolis, Maryland 21401

Re: SB100 - REAL PROPERTY - ACTIONS TO REPOSSESS - PROOF OF RENTAL LICENSURE - FAVORABLE

Dear Chairman Smith and Members of the Committee:

The Green & Healthy Homes Initiative (GHHI) writes in support of SB100. GHHI has a long-standing history of advocating for families and children on the important issue of lead poisoning prevention. GHHI provides multiple direct prevention services in Maryland including: lead hazards reduction remediation, tenant's rights assistance, legal representation to tenants in rent court for the repair of lead hazards, and compliance assistance for rental property owners.

In 2004, HB1245 – The Clean Hands Bill was passed to require that rental property owners who were collecting rent through the Failure to Pay Rent Complaint process in District Court had to demonstrate that they were in compliance with Maryland's rental registration and lead inspection certification requirements. The law was passed to improve compliance rates of affected rental properties following a University of Maryland Law School report that analyzed 1,000 pre-1950, occupied rental properties that were the subject of current Failure to Pay Rent Complaints in Baltimore City District Court and found that 77% were not in compliance with the state's Maryland Reduction of Lead Risk in Housing Law. That law has been effective in helping improve compliance rates, but there were specific deficiencies in the Failure Pay Rent law related to rent court processes that were primarily corrected by HB174 in the 2022 Maryland General Assembly session. SB100 will address other improvements that can be made in rental property licensing compliance and in particular for Tenant Holding Over and Breach of Lease cases.

### **Problem That Needs to be Addressed**

In order to improve rental property owner licensing compliance rates and to insure that rental property owners are proactive to rent housing that meets local housing standards and obtain a lead inspection certificate prior to a tenant's occupancy, we need to strengthen the District Court's role in helping to make sure that rental property owners who use the state sanctioned Tenant Holding Over, Breach of Lease and Failure to Pay Rent court process are legally renting their properties by obtaining the proper licenses. During GHHI's years of legal representation of tenants in District Court in Baltimore City and across the state, it is not uncommon to represent tenants who reside in affected properties and are facing District Court eviction proceedings but:



GHHI Written Testimony - Senate Bill 100 January 24, 2023 Page Two

- The property is not licensed with the local jurisdiction where required;
- The affected property lacks a valid lead inspection certificate as required by the local rental property licensing provisions.

## **Solution the Bill Provides**

SB100 fixes the problems described by:

1. Requiring that owners provide proof of compliance and licensure documentation with the local rental licensing requirements to the District Court when pursuing Tenant Holding Over, Breach of Lease and Failure to Pay Rent actions.

In 2015, a *Justice Diverted* report by The Public Justice Center and Maryland Legal Aid Bureau captured the struggles of many tenants in rent court, which found nearly 60% of Baltimore renters who appeared in these cases could have raised legal defenses based on defects in their home that were a threat to life, health, or safety, but only 8% succeeded. Due to these studies and other identified issues, a 2016 Rent Court Summer Study Group of various stakeholders was convened to take a deeper look into the issues. GHHI participated in this Workgroup which was an expansion of the monthly Baltimore City Work Group focused on similar issues. SB100 addresses some of the concerns raised by represented groups at the prior Summer Study Group, which focused on codifying actual practice and improving the court's ability to verify landlord licensing and lead inspection certification compliance.

We support SB100 to continue to improve rental property owner licensing compliance rates and produce lead safer rental housing for tenants. The Maryland Reduction of Lead Risk in Housing Law has helped produce a 99% decline in childhood lead poisoning, but there remain non-compliant properties that contain serious lead hazards. Rental property owners who are not licensed and are not responsible in maintaining proper lead inspection certificates for their affected properties should not be allowed to use our courts.

SB100 strengthens the landlord licensing and rent court process so that it is fair to all parties and so that tenants can expect that their rental home is licensed and will be inspected to meet local licensing requirements. We ask you for a Favorable Report on SB100.

Respectfully Yours,

Ruth Ann Norton President and CEO

# Kathleen Byrne email - rental licensing.pdf Uploaded by: Aaron Greenfield

Position: FWA

# Kathy K. Howard

From:

Byrne, Kathleen (DHCD) <kathleen.byrne@baltimorecity.gov>

Sent:

Monday, March 14, 2022 5:41 PM

To:

Kathy K. Howard

Hessler, Jason (DHCD)

Cc: Subject:

RE: Need help Verifying a statement

### Kathy,

See responses below in red. All of the scenarios you identified below a landlord should be prepared to present to the Court in any action filed where the status of their rental license is at issue. We are working on a new licensing system that hopefully will be more user friendly on both ends, but even in the new system a rental license will not issue if the property has an outstanding notice of violation.

Katy Byrne

Kathleen E. Byrne

Assistant Commissioner for Litigation and SIU
Baltimore City Dept. of Housing & Community Development
Code Enforcement - Legal Section
417 E. Fayette Street, Suite 355

Baltimore, Maryland 21202

P: 410-396-4140 F: 410-385-8689

E: kathleen.byrne@baltimorecity.gov



# BALTIMORE CITY DEPARTMENT OF HOUSING &

Confidentiality Notice: This email, including any attachment(s), is intended for receipt and use by the named addressee(s), and may contain legally privileged or other confidential and privileged information. If you are not an intended recipient of this email, you are hereby notified that any unauthorized use or distribution of this email or its contents is strictly prohibited, and you are requested to delete this communication and its attachments without making copies thereof and to contact the sender of this email immediately. Nothing contained in the body or header of this email is intended as a signature or is intended to bind the addressor or any person represented by the addressor to the terms of any agreement that may be the subject of this email or its attachments, except where such intent is expressly indicated.

From: Kathy K. Howard < khoward@regionalmgmt.com>

Sent: Monday, March 14, 2022 5:28 PM

To: Byrne, Kathleen (DHCD) <kathleen.byrne@baltimorecity.gov>

Subject: Need help Verifying a statement

Importance: High

CAUTION: This email originated from outside of Baltimore City IT Network Systems.

Reminder: <u>DO NOT</u> click links or open attachments unless you recognize the sender and know that the content is safe. Report any suspicious activities using the Report Phishing Email Button, or by emailing to Phishing@baltimorecity.gov

#### I am correct that

- 1. That if a tenant has caused an issue that is a code violation that that does not immunize the landlord from being unlicensed because of a code violation Yes any open notice of violation will prevent a rental license from being issued.
- 2. If one unit in a multi-Family building has an unresolved code compliance issue that the entire building I deemed unlicensed Yes because the license is issued for the entire block/lot no matter the number of units in the multi-family building, a violation in one unit of a 20 unit apartment building will hold up the issuance of the license for the entire property.
- 3. That even if the landlord is attempting to regain possession of the property from a tenant causing a code compliance problem the unit and the building are not in compliance until the tenant is gone or cooperates with the LL to ameliorate the matter. Yes until the notice is abated, i.e. an inspector verifies the violation is gone, the notice will remain outstanding and on the property.

# MMHA - 2023 - SB 100 - rental license.pdf Uploaded by: Aaron Greenfield

Position: FWA



Bill Title: Senate Bill 100, Real Property – Actions to Repossess – Proof of Rental

Licensure

**Committee: Judicial Proceedings Committee** 

**Date:** January 25, 2023

**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 including towing companies.

This bill requires a landlord (in a jurisdiction that requires licensure) to plead and demonstrate when filing a written complaint to repossess residential property that the property is either (1) licensed in compliance with applicable local rental licensing requirements or (2) exempt from applicable local rental licensing requirements. These requirements are generally applicable upon the filing of a failure to pay rent, tenant holding over, or breach of lease action (subject to limited exception, including in circumstances involving a clear and imminent danger). At trial, the landlord must demonstrate to the satisfaction of the court that the property is licensed or exempt. A landlord may provide electronic proof of licensure to satisfy the requirement

MMHA supports the intent of this bill. However, MMHA has the following concerns and suggested amendments to resolve the issues.

- 1. <u>Time of Filing</u>: The bill requires the housing provider to demonstrate on two separate occasions whether the property is licensed or exempt in the local jurisdiction. The housing provider must do so "<u>ON THE FILING OF A WRITTEN COMPLAINT TO REPOSSESS RESIDENTIAL PROPERTY"</u> (see Page 4, lines, 21-29) and "<u>AT TRIAL"</u>. (See page 4, line 32 through and including page 5, lines 1-2). The housing provider's burden should not be before the clerk of the court upon the filing of a complaint but rather at trial (page 4, line 32-33). MMHA requests striking page 4, lines 21-29.
- 2. <u>Local Government Lapses</u>: In Assanah-Carroll v. Law Offices of Edward J. Maher PC, Misc. No. 11, Sept. Term, 2021 (filed July 28, 2022), the Court of Appeals held that, "Where a municipality or county enacts a rental license law which conditions the performance of a residential lease upon the issuance of a rental license, and a landlord fails to possess a valid license for a period of the tenant's occupancy, a landlord may not utilize the courts, whether through a common law breach of contract action, or a statutory action arising under Title 8 of the



Maryland Code's Real Property Article to recover unpaid rent that is attributable to the unlicensed period. Further, the Court held that the aforementioned prohibition does not apply in cases where a landlord can demonstrate that the tenant's wrongful actions caused the licensing authority to suspend, revoke, or refuse to grant or renew the rental license. **The Court did not clarify the issue of a license lapsing due to the actions of local government, which MMHA's members have experienced in other jurisdictions.** In jurisdictions with rental licensing, the recent holding now inextricably links the ability of a local government to effectively implement and facilitate its rental licensing program with the ability of property owners within that jurisdiction to undertake actions to collect rent.

On page 4, in line 12, after "TENANT" insert "OR THE COUNTY, MUNICIPALITY OR ANY OTHER JURISDICTION".

3. Local Rental Licensing Systems: Jurisdictions throughout the State with rental licensing systems - Anne Arundel County, Baltimore City, Howard County Prince George's and Montgomery Counties - provide one license for all units in a multi-family dwelling property. See attached email from Kathleen Byrne from Department of Housing and Community Development in Baltimore City. Under this bill and as applied in these jurisdictions, if one license has 20 units and one unit is in violation, that housing provider would be prevented from filing and pursuing judgment in a failure to pay rent, breach of lease or tenant holding over against any other unit that is compliant. This is extremely problematic for housing providers. This good faith language seeks to resolve the gap between the intent of the bill and the rigid rental licensing systems at the local level.

On page 5, after line 4, insert:

"(3) IN JURISDICTIONS WHERE MULTIPLE RENTAL UNITS ARE LICENSED UNDER ONE LICENSE, ONLY THE UNIT OR UNITS THAT ARE DENIED, SUSPENDED OR REVOKED UNDER THE REQUIREMENTS ESTABLISHED IN THE LOCAL JURISDICTION SHALL BE DEEMED UNLICENSED FOR THE PURPOSES OF THIS SECTION.

For the foregoing reasons, MMHA respectfully requests a <u>favorable report with</u> amendments on Senate Bill 100.

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

# **SB100 RMI Testimony.pdf**Uploaded by: Katherine Howard Position: FWA

# REGIONAL MANAGEMENT

#### **SENATE BILL 100**

INC.

# Real Property-Actions to Repossess- Proof of Rental Licensure REGIONAL MANAGEMENT, INC. TESTIMONY- FAVORABLE WITH AMENDMENT

January 25, 2023

Regional Management, Inc. (RMI) is a property management company which for over 60 years, has managed over 5,000 multifamily and townhome rental units. RMI is licensed in Baltimore City and in Baltimore County where it is required.

While RMI is generally in favor of the provisions of SB 100, we have made it clear, both last Session and now, that language MUST be added to this Legislation to protect compliant Landlords from the "gotcha" problems associated with local government rental licensing matters, particularly in Baltimore City.

RMI, a founding member of the Maryland Multi Housing Association, is fully supportive of its proposed Amendments which address the regulatory issues that unnecessarily penalize law-abiding landlords and expose them to unmitigated regulatory and litigation abuse.

The following are actual Licensing issues that RMI has encountered in the last 2 years in Baltimore City:

### 1. "One Bad Apple"

It is typical for local rental licenses to be administered through a real estate parcel system known as the "Block and Lot" system. For example, one such parcel managed by RMI at the College Gardens Townhomes is, Block 2530C, Lot 005C. (See Exhibit 1, Plat map attached) There are 83 rental Townhomes located on this parcel under ONE license for the entire parcel. On October 13, 2022 one of those townhomes (Exhibit 1, 4202 Parkton Street, outlined in red) was cited by a DHCD Inspector for violations. The violations were addressed by November 12, 2022 and requests to have an abatement inspection by the Inspector began. I am happy to report that TODAY, January 24, 2023, fully 3 months after the violation notice was issued, a DHCD Inspector is scheduled to return to the unit for an abatement inspection!

In the meantime, what happened with the rest of the parcel?

- The license for the ENTIRE parcel was unable to be renewed (see Exhibit 1, attachment DHCD license non-renewal notification)
- If any of the other 82 Townhome units failed to pay rent, RMI is prevented from pursuing court action to collect that unpaid rent, and
- Any applicant with a Section 8 voucher is not allowed to rent an affordable Townhome unit in this parcel until the abatement inspection is completed and the license is released.

## 2. "Hello, is anybody listening?"

Baltimore City instituted an on-line registration and licensing system in 2019, and recently revamped its systems. There is an annual registration fee due for all licensed parcels, although a parcel's Rental License may span over several years if there are no violations within the parcel. In addition, the law requires that the property owner upload copies of a parcel's Lead Paint Certification and Inspector's report at that time. Due dates for these annual fees vary over the course of the calendar year.

On August 31, 2022 RMI timely paid its 2021 annual Registration Fees for 224 parcels. On September 9, 2022 the City cashed the check. (See Exhibit 2, Check attached)

As of November 18, 2022, the online Payment Pages for these parcels showed that only 92 of these registrations were recorded as paid, while the other 132 parcels appeared to be unpaid, and thus out of compliance with the law. An email notified DHCD's Supervisor for the Licensing unit regarding these matters. (See Exhibit 2, email Nov. 18, 2022 and Payment page) In addition, two other parcels where Lead Paint Certifications and Inspector's reports were uploaded, appear to have been lost or missing in the system despite RMI having a Receipt proving that they had been uploaded. (See Exhibit 2, email of Nov. 18, 2022, and receipts for Goodnow Rd and Raintree Way.)

How does this untimely record keeping negatively affect these parcels?

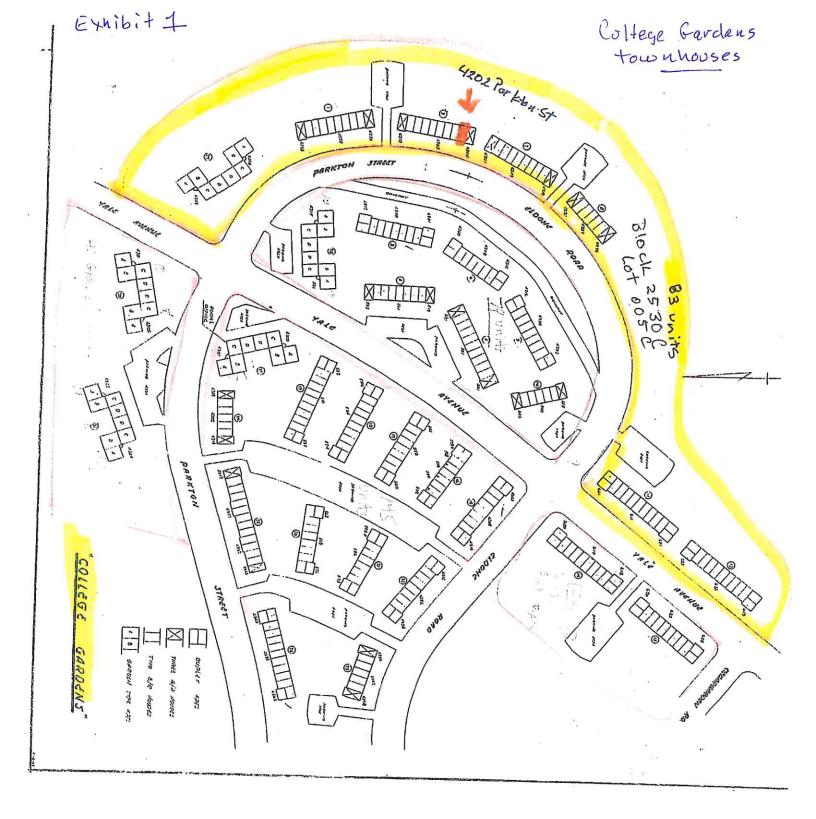
- Despite RMI's timely payment the fees, DHCD's tardy record keeping makes the 132 parcels LOOK UNLICENSED to the public, which has negative ramifications for RMI's ability to enforce its right to collect rent in court.
- The lack of the documentation of Lead Certification and Inspection status not only negatively affects the validity of a parcel's licensure and affecting RMI's ability to go to court to collect rent, it exposes RMI to potential civil and criminal litigation for being non-compliant rental property
- Registration Fees for the current year will not be able to be paid by RMI where the
  previous year's fees are not recorded as paid, thus again making RMI's parcels LOOK
  Unlicensed and non-compliant.

### 3. "You Need to Try Harder"

Some proponents of SB 100 say there is no need for MMHA's amendments to this bill because property owners can simply complain to regulatory agencies to correct their issues. RMI adamantly disagrees. RMI has been diligent in its responsibilities to comply with the law and understands that there have been hurdles that regulators and property owners alike have dealt with during and since the Pandemic, but neither RMI, nor this Legislature can simply uproot the current Parcel-Block and Lot registration and licensing system.

Make the system fair and workable for all by adding MMHA's amendment, and giving SB 100, a FAVORABLE AS AMENDED report.

Katherine Kelly Howard, Esq. General Counsel, RMI 410 539 2370





# DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT



Home > Property/Alarm Registration > License Search

### Property License and Registration Search

The link below will allow you to search license and property registration records by address, block/lot, or by zip code. The address and block/lot search are based on the official tax address of the property. The official tax address may be different from the address posted on the building.

		se Number	Dir	Street I	Name		************		
By Add	dress		~						
By Blo	ck/Lot 25	:k 30c	Lot 005	Sc .					
By Zip	Code								
Search									
Record Cou	nt:1								
Reg#	Date Insp	License Pr	int Lic	ensed	License Expiration Date	Valid Reg Year	Address	Zip	Block Lot
9 096655	02/23/2021	10/07/2021		Υ	2/23/2024	2021		21229	2530C-005C

# Click Here if you can not find your record

For additional information, questions or concerns please contact the Property Registration and Licensing Office by email or by calling 410-396-3575. If you would like to report an unlicensed or unregistered property, please contact the Code Enforcement Legal Section by email.



Mayor Brandon M. Scott - Alice Kennedy, Commissioner

Save Draft and Exit

# Confirm your submission

Please ensure you've filled everything completely and accurately, then click "Confirm and Submit" below.

### Contact Information

Edit ... (/submit/62705/applicant)

Sandy Masincupp

Email address

smasincupp@regionalmgmt.com

Phone Number

410-539-2370

Mailing Address

11 E Fayette Street , Baltimore, Md 21202

### Locations

1 location total

Edit ... (/submit/62705/location?edit=1)

### PRIMARY LOCATION

601 YALE AVE — (e43 Yale Baltimore, MD 21229-4544) 4200 - 4242 Pack

Hav	e a	proi	ect	#?
				•••

Step 3 of 9 ·

Save Draft and Exit

Application Inf	formation
-----------------	-----------

Hover over the question mark bubble for additional information

Is this a rental property? \*

Yes

Applicant Type \*

Owner

Ownership Type \* @

Corporation

Property Type \*

Multi-Family Dwelling

Confirm Owner Phone Number \*

410-539-2370

Did the ownership information on the previous page prepopulate with the CORRECT OWNER NAME? \*

Yes

Is there a Property Manager or Managing Operator associated with this property? \*

Yes-

A Rental License for this property will not be issued due to an outstanding violation notice. Please contact your area inspector to schedule a reinspection.

Property Registration and Rental Licensing

113076

(Renewal)

Your Submission

Attachments

Guests (0)

# O Registration Fee

Confirmation of Registration

Open Notice

# Registration Fee

• Due Now. Please make a payment in order to continue.

Do you have a question? Did something go wrong? Send us a message by Clicking Here! (https://baltimoremddhcd.viewpointcloud.com/categories/1080/record-types/6433)

Please use the online payment portal to process your payment.

If you need to pay by check please **make check out to Director of Finance** and include your registration number on your check and mail to:

Property Registration Office 417 E Fayette St Rm. 100 Baltimore, MD 21202

Property Registration and Rental Licensing

**Dwelling Unit Count Fee** 

\$2,905.00

Total Fee Amount

\$2,905.00

# Property Registration and Rental Licensing

# 113076

(Renewal)

Your Submission

Attachments

Guests (0)

• Registration Fee

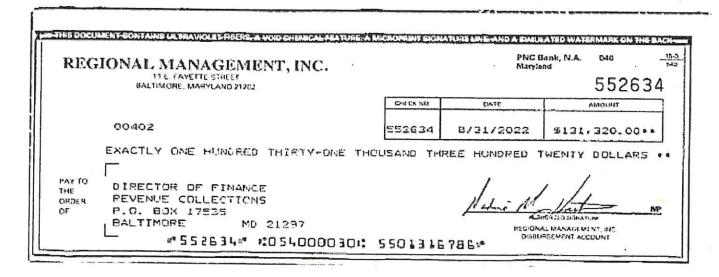
Confirmation of Registration

Open Notice

Exhibit 2

# View Image: Check Management

# **IMAGE FRONT**



#### **IMAGE BACK**

The process fundame where have a special force and principle and advantage of the process and principle and advantage of the process of the p	Commany: FBR GE Commany: City of Ba Bate: 9/2/2022 Bank Name: M and T Account: 11111111	CHECK HEACH PAGE OF STATE OF S
THE REPORT OF	dime.	

## ITEM DETAILS

ACCOUNT NUMBER

5501316786

ACCOUNT NAME

Regional Disbursement Acct

552634

SERIAL NUMBER
DESCRIPTION

\$131,320.00

ISSUE DATE

**AMOUNT** 

08/31/2022

PAID DATE

09/07/2022

ADDL DATA

# Sandra Masincupp

From:

Sandra Masincupp

Sent:

Friday, November 18, 2022 2:28 PM

To:

'Greer, Seth (DHCD)'; Kathy K. Howard

Subject:

**Rental Registrations** 

Attachments:

doc20221118140840.pdf; Check.pdf; 4900- Goodnow Road.pdf; 5000-04 &

5001-05 Raintree.pdf

Tracking:

Recipient

Delivery

Read

'Greer, Seth (DHCD)'

Kathy K. Howard

Delivered: 11/18/2022 2:28 PM Read: 11/18/2022 2:49 PM

Dear Mr. Green

Ms Howard asked that I forward this to you in hopes we could get this taken care of. On August 31, 2022 we had sent in our Rental Registrations for 2021 as we were scheduled to do

so along with our check for payment for those registrations by Hand delivery. On September 2, 2022 the check was cashed for those registrations, canceled check is attached. I have enclosed a copy of our payment pages showing that 132 unpaid and 92 paid registrations. I have been checking this site daily to see if they have been done and as of today 11/18/2022 we are still showing those not paid.

We are now less than 2 weeks away from starting to pay our 2022 Rental Registrations and we are concerned that the payments have not yet been applied to our 2021 Rental Registrations.

Also we had 4900 Goodnow Road Registration # 110717 we sent in the Lead cert on September 12, 2022 and the inspection in on September 6, 2022. When I ask for the license to be sent they are asking for us to send the Lead cert and our inspections and they were already uploaded and attached to that address. I have attached a screen print of those also. Along with reg # 110613, 5000-5004 & 5001-5005 Raintree Way we are waiting on that License also.

If you could please guide us in the direction that we can get this resolved we would greatly appreciate it.

If you should have any questions please feel free to contact me by email or the number below.

Thank you in advance for your cooperation in this matter.

Sincerely,

Sandy Masincupp Legal Dept for Regional Management, Inc. 11 E Fayette Street Baltimore, Maryland 21202

■ Dashboard	☑ Messages	② Profile	Applications (/dashboard/records)
(/dashboard)	(/dashboard/messages)	(/dashboard/profile)	
Projects (/dashboard/projects)	Permits & Docs (/dashboard/docs)	☐ Payments (/dashboard/payments)	☐ Inspections (/dashboard/inspections)

# **Payments**

Payment	Record ID	Location	Status
Registration Fee	Property Registration and Rental Licensing 110717	4900 GOODNOW RD Baltimore, MD 21206-6001	Balance Due
Registration Fee	Property Registration and Rental Licensing 115756	5521 FRANKFORD AVE Baltimore, MD 21206-0000	Balance Due
Registration Fee	Property Registration and Rental Licensing 115548	5623 LOTHIAN RD Baltimore, MD 21212-4008	Balance Due
Registration Fee	Property Registration and Rental Licensing 115250	4937 TODD AVE Baltimore, MD 21206-4601	Balance Due
Registration Fee	Property Registration and Rental Licensing 114487	5519 LOTHIAN RD Baltimore, MD 21212-4018	Paid
Registration Fee	Property Registration and Rental Licensing 114474	5613 SINCLAIR LN Baltimore, MD 21206-4526	Balance Due
Registration Fee	Property Registration and Rental Licensing 114462	5539 LOTHIAN RD Baltimore, MD 21212-4006	Paid
Registration Fee	Property Registration and Rental Licensing 114453	5918 SAINT REGIS RD Baltimore, MD 21206-4042	Paid
Registration Fee	Property Registration and Rental Licensing 114446	3037 MALLVIEW RD Baltimore, MD 21230-3319	Balance Due
Registration Fee	Property Registration and Rental Licensing 114442	3036 MALLVIEW RD Baltimore, MD 21230-3330	Balance Due

# Property Registration and Rental Licensing 110717

4900-1018todenous a 5000-5002, Goodners Road

Your Submission

**Attachments** 

Guests (0)

Registration Fee

Rental License

Registration Confirmation

# **Attachments**

Attachment

File

Passing Inspection Report(s) Required |

All applications for Rental Licenses must include a copy of the most recently passed inspection report for the required number of units, in the event there is more than one unit.

No file uploaded

Upload

Please refer to the MFD chart

(https://dhcd.baltimorecity.gov/sites

default/files/MFD%20UNITS%201

D%20INSPECT%20REV%207-61

22.pdf) as necessary

Copy of HUD1 or Settlement Sheet

IF YOU MADE ANY CHANGE TO THE OWNER NAME YOU MUST ATTACH No file uploaded

THE HUD1 or Settlement Sheet

Upload

4900 Goodnow Road.pdf

Inspections

4900 Goodnow Road.pdf

Uploaded on Sep 6, 2022 at 12:19 pm

Action -

Goodnow Hill Global Cert.pdf

Global certificate for 4900-4910 & 5000-5022 Goodnow Road

Goodnow Hill Global Cert.pdf Uploaded on Sep 12, 2022 at 1:34 pm

Action -

Property Registration and Rental Licensing

110613

5106-50040 5001-5005 Rankherling

Your Submission

#### **Attachments**

Guests (0)

- Registration Fee
- Registration Confirmation

# Attachments

**Attachment** 

File

Passing Inspection Report(s) | Required |

All applications for Rental Licenses must include a copy of the most recently passed inspection report for the required number of units, in the event there is more than one unit.

No file uploaded

Upload

Please refer to the MFD chart

(https://dhcd.baltimorecity.gov/sites

default/files/MFD%20UNITS%201

D%20INSPECT%20REV%207-61

22.pdf) as necessary

Copy of HUD1 or Settlement Sheet

IF YOU MADE ANY CHANGE TO THE OWNER NAME YOU MUST ATTACH No file uploaded

THE HUD1 or Settlement Sheet

Upload

Regional Mgmt reg pymts.pdf

PYMT

Regional Mgmt reg pymts.pdf

Uploaded on Sep 1, 2022 at 3:14 pm

Action -

5000 RAINTREE2.pdf

5000-5004 & 5001-5005 Raintree

5000 RAINTREE2.pdf

Uploaded on Sep 15, 2022 at 3:41 pm

Action -

# **SB 100-AOBA--FWA.pdf**Uploaded by: Ryan Washington Position: FWA



Bill No: SB 100 — Real Property – Actions to Repossess – Proof of

**Rental Licensure** 

Committee: Judicial Proceedings Committee

Date: 1/25/2023

Position: Favorable with Amendments

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.

Senate Bill 100 would require a housing provider to demonstrate that properties are licensed in accordance with applicable local laws at the time of filing a failure to pay rent, breach of lease, or tenant holdover case. The bill does not apply to an action where the housing provider displays that the actions of the resident cause the licensing authority to suspend, revoke or refuse to grant or renew the license. At trial, the housing provider must demonstrate to the satisfaction of the court that the property listed in the written complaint is licensed. Electronic proof of licensure is acceptable for housing providers to submit during filing.

AOBA understands the intent of the legislation and offers amendments to clarify provisions in the bill. During the time of filling, the bill mandates that a housing provider demonstrate if the property is licensed or exempt in the local jurisdiction twice during the court process. First, at the time of filing a written complaint and the second time at trial. AOBA supports amendments to only require housing providers to demonstrate compliance at the time of trial and submits amendments to **strike Page 4, lines 21-29**.

Jurisdictions, including Montgomery and Prince George's Counties, operate with rental licensing systems which provide one license for all units in a multifamily dwelling property. If one license has 50 units and one unit is in violation, the housing provider cannot file or pursue a statutory judgment against a resident under the requirements of this bill. AOBA supports language that creates flexibility for housing providers operating

in local jurisdictions with a rigid rental licensing program that only utilizes one license for multiple units.

On page 5, after line 4, insert:

"(3) IN JURISDICTIONS WHERE MULTIPLE RENTAL UNITS ARE LICENSED UNDER ONE LICENSE, ONLY THE UNIT OR UNITS THAT ARE DENIED, SUSPENDED OR REVOKED UNDER THE REQUIREMENTS ESTABLISHED IN THE LOCAL JURISDICTION SHALL BE DEEMED UNLICENSED FOR THE PURPOSES OF THIS SECTION.

The bill also creates concerns for AOBA members, specifically, the license lapsing due to actions of local jurisdictions with its own rental licensing laws. In the Assanah-Carroll v. Law Offices of Edward J. Maher PC, the court ruled that housing providers, who fail to possess a valid license at the time of a resident's occupancy, cannot utilize courts to collect unpaid rent during the period the property was unlicensed. This ruling creates concerns as jurisdictions with their own rental licensing laws may unintentionally prevent housing providers from taking action to collect on rent. AOBA offers amendment to clarify the issue of a housing providers' license lapsing as a result of the actions of a local government.

On page 4, in line 12, after "TENANT" insert "OR THE COUNTY, MUNICIPALITY OR ANY OTHER JURISDICTION".

For these reasons, **AOBA respectfully urges a favorable report with amendments to SB 100**. For further information, please contact Ryan Washington, AOBA Manager of Government Affairs, at 202-770-7713 or rwashington@aoba-metro.org.