SB0770-JPR-FAV.pdf Uploaded by: Brandon Scott Position: FAV



BRANDON M. SCOTT MAYOR

Office of Government Relations 88 State Circle Annapolis, Maryland 21401

SB 770

February 28, 2023

TO: Members of the Senate Judicial Proceedings Committee

FROM: Mayor Brandon M. Scott, City of Baltimore

RE: Senate Bill 0770 – Landlord and Tenant - Holding Over - Landlord Restrictions and Tenant Remedies

POSITION: Support

Chair Smith, Vice-Chair Waldstreicher, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 770.

SB 770 would amend the Courts and Judicial Proceedings article to allow for emergency civil injunctive relief in District Court of Baltimore City Public Local Law § 9-15, which prohibits illegal eviction (and constructive eviction) of tenants. The proposal would also harmonize the public local law with the state law prohibiting unlawful evictions (Section 8-216 of the Real Property article.) This would provide for a more effective remedy for tenants.

Illegal eviction in Baltimore City is currently a criminal misdemeanor punishable by a \$500 fine and up to 10 days in jail. When a tenant is locked out of their apartment, or their utilities are turned off, the tenant usually wants emergency relief (to obtain new keys to get back into their apartment, to get the electricity or water turned back on, to get their personal property returned, etc.) None of these are a potential remedy in a criminal case. Additionally, criminal cases are set out at a minimum of six weeks from the date of filing, and by the time the case comes in trial, the tenant is often without recourse. Almost all criminal cases filed under the current law end up being dismissed or with not guilty verdicts. The cases are extremely difficult to prove because there is no police investigation, and there are usually no witnesses. In the few cases where a guilty verdict is obtained, the result is a small fine and probation.

Currently, injunctive relief is not authorized by the illegal eviction statute, and tenants are often left with only a breach of contract remedy, which doesn't adequately address the harms caused by suddenly losing your home. Adding an injunctive relief provision in District Court would create a remedy that could more effectively address the harms that the public local law is designed to prevent. Many situations that end in illegal actual or constructive evictions already have cases pending in Rent Court, cases which are exclusively heard in District Court. Permitting the injunctions to be heard in District Court therefore makes practical sense, as the District Court judges are familiar with the issues in the Rent Court docket, and related case files are easily obtained from the clerk's office.

By creating an injunctive remedy for tenants, and by harmonizing the City's public local law with the State lockout statute, we would create additional, more effective protections and remedies for tenants, and clearer provisions on the obligations and duties of landlords.

For these reasons, the BCA respectfully request a <u>favorable</u> report on SB 0770 which would protect the health and safety of renters in Baltimore City.

Annapolis – phone: 410.269.0207 • fax: 410.269.6785 Baltimore – phone: 410.396.3497 • fax: 410.396.5136 https://mogr.baltimorecity.gov/

SB770 Testimony.pdf Uploaded by: Jill Carter Position: FAV



Miller Senate Office Building 11 Bladen Street, Room 422 Annapolis, Maryland 21401 410-841-3697 · 301-858-3697 800-492-7122 *Ext.* 3697

THE SENATE OF MARYLAND Annapolis, Maryland 21401

Testimony of Senator Jill P. Carter

In Favor of SB770- Landlord and Tenant – Holding Over – Landlord Restrictions and Tenant Remedies

Before the Judicial Proceedings Committee on February 28, 2023

Chair Smith, Vice-Chair Waldstreicher, and Members of the Committee:

- SB 770 would amend the Courts and Judicial Proceedings article to allow for emergency civil injunctive relief in District Court of Baltimore City Public Local Law § 9-15, which prohibits illegal eviction (and constructive eviction) of tenants.
- The proposal would also harmonize the public local law with the state law prohibiting unlawful evictions (Section 8-216 of the Real Property article.) This would provide for a more effective remedy for tenants.
- Illegal eviction in Baltimore City is currently a criminal misdemeanor punishable by a \$500 fine and up to 10 days in jail. When tenants are locked out of their apartment, or their utilities are turned off, the tenants usually want emergency relief (to obtain new keys to get back into their apartment, to

get the electricity or water turned back on, to get their personal property returned, etc.). None of these is a potential remedy in a criminal case.

- Additionally, criminal cases are set out at a minimum of six weeks from the date of filing, and by the time the case comes in trial, the tenant is often without recourse. Almost all criminal cases filed under the current law end up being dismissed or with not guilty verdicts.
- The cases are extremely difficult to prove because there is no police investigation, and there are usually no witnesses. In the few cases where a guilty verdict is obtained, the result is a small fine and probation.
- Currently, injunctive relief is not authorized by the illegal eviction statute, and tenants are often left with only a breach of contract remedy, which doesn't adequately address the harms caused by the sudden loss of their home. Adding an injunctive relief provision in District Court would create a remedy that would more effectively address the harms that the public local law is designed to prevent.
- Many situations that end in illegal (actual or constructive) evictions already have cases pending in Rent Court, cases which are exclusively heard in District Court. Permitting the injunctions to be heard in District Court therefore makes practical sense, as the District Court judges are familiar with the issues in the Rent Court docket, and related case files are easily obtained from the clerk's office.

• By creating an injunctive remedy for tenants, and by harmonizing the City's public local law with the State lockout statute, we would create additional, more effective protections and remedies for tenants, and clearer provisions on the obligations and duties of landlords.

I therefore ask for a favorable report on SB770.

Sincerely,

Gill P. Carter

Jill P. Carter, Esq.

SB 770 Final written testimony.pdf Uploaded by: Kelly Donoho Position: FAV





SB0770 - Landlord and Tenant - Holding Over - Landlord Restrictions and Tenant Remedies Hearing before the Senate Judicial Proceedings Committee, Feb. 28, 2023 Position: FAVORABLE

Maryland Legal Aid (MLA) submits its written and oral testimony on SB0770 at the request of Senator Anthony Muse.

MLA is a non-profit law firm that provides free legal services to the State's low-income and vulnerable residents. Our 12 offices serve residents in each of Maryland's 24 jurisdictions and handle a range of civil legal matters, including housing, family law, public benefits, bankruptcy and other debt collection matters, and criminal record expungements. MLA urges the Committee's favorable report on SB0770, which would grant the District Court exclusive original jurisdiction over petitions for injunctive relief or damages under Real Property § 8-216 or a local law governing evictions.¹

Under current law prohibiting non-judicial evictions, Real Property § 8-216, tenants may pursue actual damages in the event a landlord unlawfully attempts to retake possession of property by locking out the tenant or willfully turning off the tenant's utility services without a court order. However, current law does not provide a tenant the means to seek an injunction to prevent a landlord from taking such actions or to restore the tenant's possession timely.

District Court currently lacks injunctive power for illegal lock-outs

SB0770 provides a much-needed injunctive remedy in the District Court, which has original exclusive jurisdiction over most landlord-tenant actions. The only relevant injunctive relief available to tenants currently exists under the rent escrow law. The rent escrow law provides tenants a process to obtain court-ordered repairs of serious risks to health and safety, such as lack of power, heat, or running water. However, because that process is conditioned on the tenant paying rent into a court account, it is not an appropriate remedy. No one would pay rent for a property from which they have been forced to evacuate. This bill would right that illogical wrong by allowing tenants to seek an injunction not only if a landlord fails to repair defects causing the





¹ Senate Bill 770 would also amend Article 4 of the Public Local Laws of Baltimore City to mirror the changes to Real Property § 8-216.

lack of power, heat, or running water, but also if a landlord purposely deprives a tenant of power, heat, or running water.

Furthermore, SB0770 adds to § 8-216 the specific remedy for restoring the tenant's possession after they have been locked out or constructively evicted. This additional remedy serves the spirit of the present statutory framework and will bolster proper enforcement of Real Property § 8-216, thereby effectuating the legislative purpose behind prohibiting non-judicial evictions.

Application of SB0770 to our clients' cases

Abruptly denying a person of housing by changing the locks or cutting off electricity can be extremely dangerous, especially to vulnerable individuals and children, so Maryland law provides landlords with a clear, formal judicial process for evicting tenants and expressly prohibits self-help evictions. Although Real Property § 8-216 allows the recovery of damages against landlords who circumvent the law, without injunctive relief, it cannot effectively prevent the harm that it seeks to curtail.

For example, MLA represented a client in Kent County who received a legally defective thirtyday notice to vacate from her landlord, purportedly effective July 31. Our client did not vacate, and on August 1, her electricity was disconnected without warning. Her landlord did not file a lawsuit against her or a seek judicial remedy before taking this action.

We advised our client to contact the Kent County Sheriff's Office to see if they would intervene because the law reserves the power to forcefully evict someone to the sheriff's department. However, they stated that they would not get involved. Our office then sent our client's landlord a demand letter, explaining that his actions were in violation of Real Property § 8-216, and that if he did not restore her electricity, she would file for damages against him. He did not restore our client's power or respond to our letter. Next, we filed a small claims damages suit against him, with trial set almost three months later.

In the meantime, due to the lack of power and running water, our client's food went bad. She could not look after her five-year-old grandson. Her cats perished from the heat and lack of food. She had to move into a motel without compensation. At that juncture, the landlord changed the locks, and our client could not access her personal belongings, thereby impeding her search for new housing and interfering with her employment.

Ultimately, we were successful at trial, but our client was awarded only a fraction of her total damages. This bill would have provided our client the ability to file for injunctive relief as soon as her power was disconnected. A judge would have had statutory power to order the landlord to restore her utilities – before the lack of power forced her out of the home and caused increasingly severe harm.

MLA represents numerous clients who face similar circumstances and would greatly benefit from this bill. This bill gives Real Property § 8-216 the teeth it needs, not only to address damages after the fact but also to prevent those damages from ever occurring. Injunctive relief is the most effective remedy to hold landlords accountable for illegal evictions and avoid the societal harms that occur from forced homelessness and housing instability. This bill will directly impact many MLA clients and their communities through improving enforcement against non-judicial "self-help" evictions and forced homelessness.

For these reasons, **Maryland Legal Aid urges the Committee's favorable report on SB0770**. If you have any questions, please contact:

Kelly Mullen Donoho Staff Attorney Maryland Legal Aid – Upper Eastern Shore Office (410) 443-0594 kmullendonoho@mdlab.org

Gregory Countess, Esq. Director of Advocacy for Housing and Community Economic Development <u>gcountess@mdlab.org</u> (410) 951-7687

HB684-SB770-Just Cause-1199 SEIU.pdf Uploaded by: Loraine Arikat

Position: FAV



Testimony in support of HB 684 / SB 770 Landlord and Tenant - Residential Leases and Holdover Tenancies -Local Just Cause Termination Provisions Position: FAVORABLE

To Chair Barve and members of the Environment and Transportation Committee; Chair Smith and members of the Judicial Proceedings Committee:

My name Ricarra Jones and I am the Political Director with 1199SEIU United Healthcare Workers East. We are the largest healthcare workers union in the nation, representing over 10,000 members in Maryland & Washington DC alone. Our union supports HB 684/SB 770 to enable local jurisdictions to choose what just cause laws work locally. We urge the Committee to issue a favorable report.

Housing insecurity is a public health issue. Our members work in hospitals, federally qualified health centers, and long-term care facilities across the state. They are certified nursing assistants, dietary aides, housekeepers, janitors, and technicians taking care of our most vulnerable patients. However, we have had some members struggle with homelessness, eviction, and financial insecurity to make ends meet. Essential healthcare workers are underpaid and overworked all to try to keep a roof over their head.

Just cause legislation is effective in preventing eviction according to data from the Eviction Lab. After passing in New Jersey in 1974, NJ cities such as Trenton, Paterson, Jersey City, and West New York have among the lowest eviction rates in the country all while construction and development boom in those cities. It shows that common sense legislation that protects tenants does not hurt development.

Mandating landlords to provide "good" cause for non-renewal protects families across Maryland from disruptive and traumatic evictions. Encouraging counties to enforce just cause laws as precondition for eviction strengthens families, neighborhoods, and our communities. For those reason, 1199 SEIU respectfully asks for a favorable report on HB 684/ SB 770.

In Unity,

Ricarra Jones

Political Director of 1199 SEIU United Healthcare Workers East

Ricarra.jones@1199.org

SB 770 Public Justice Ctr FWA.pdf Uploaded by: Matt Hill

Position: FWA



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 770 - Landlord and Tenant – Holding Over – Landlord Restrictions and Tenant

Hearing before the Judicial Proceedings Committee on March 1, 2023

Position: Favorable with Amendments

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 supports SB 770, which would give tenants the right to seek injunctive relief in the District Court when they have been illegally evicted. At PJC, we have seen far too many families illegally evicted. Landlords often illegally evict tenants as an act of retaliation, i.e., because the tenant has complained about serious conditions of disrepair at the property or started a tenants' association. At other times, our clients are trying to catch up on the rent, but the landlord does not want to wait for the legal eviction process to run its course.

When the Court and the Sheriff are not involved in an eviction, the potential for a violent confrontation between the landlord and the tenant increases significantly. This means that a landlord can wait until a tenant has temporarily left the house to go to work or the grocery store and then change the locks without court process. Tenants return home to find themselves locked out, homeless, and deprived of their personal belongings. The ensuing confrontation between landlord and tenant often becomes violent. Laws prohibiting illegal eviction aim to prevent such violence by giving tenants a legal means to seek redress.

Current law prohibits illegal eviction but does not provide tenants with an adequate means of seeking immediate repossession of their home. The only statewide avenue currently available to a family seeking immediate repossession of their home is to file a complaint seeking a temporary restraining order and preliminary injunction with the Circuit Court. This is a resource-intensive process that is difficult to navigate for a *pro se* tenant. Further, the Circuit Court is often reluctant to become involved in what it may see as a landlord-tenant matter more suited to the District Court. Yet, the District Court does not have the power or authority to grant a tenant injunctive relief, i.e., to restore the tenant to their home. SB 770 remedies that issue by providing the District Court the authority to order that the tenant be restored to their home.

Public Justice Center requests one amendment: That the District Court hold a hearing in the case within 7 days of the filing of a complaint seeking injunctive relief. Without this amendment, it is likely that a complaint may not be heard for months after filing. Each day that passes after a tenant has been illegally evicted and deprived of their personal belongings is an extreme hardship. Laws prohibiting illegal evictions do not serve the function of preventing violent confrontation if tenants are not able to seek swift relief. For this reason, the <u>American Bar Association</u> has recommended that all states adopt fast, reliable procedures tenants can use to regain possession when an illegal lockout occurs:

All states should have strong substantive remedies such as these to deter lockouts and enable tenants who experience lockouts to recover just compensation. But equally important are fast and reliable procedures tenants can use to regain possession when an illegal lockout occurs. A tenant who is unlawfully excluded from her home cannot afford to endure a long wait for a court hearing. Some states have quick and practical remedies for tenants who experience such unlawful lockouts, such as statutory emergency hearings which pro se tenants may initiate by filing a court form.16 Making illegal lockouts a crime minimizes this problem by enabling tenants to call law enforcement and regain access with police assistance. But in other states, the only way to secure an emergency hearing is through invoking a court's ordinary procedures for preliminary injunctions or temporary restraining orders. This is seldom a practical solution for tenants without legal representation.

Accordingly, we suggest the following amendment:

Page 3 after line 23 insert: "(e) WHEN A TENANT FILES A COMPLAINT SEEKING INJUNCTIVE RELIEF TO ENFORCE THIS SECTION, THE DISTRICT COURT SHALL HOLD A HEARING WITHIN SEVEN (7) DAYS OF THE FILING OF THE COMPLAINT" and similar amendment language for the Baltimore City public local law.

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 with Amendments on SB 770.**

MMHA_UNFAV_SB770.pdf Uploaded by: Lauren Graziano

Position: UNF



Date: February 28, 2023

Committee: Judicial Proceedings

Bill: Senate Bill 770-Landlord and Tenant - Holding Over - Landlord Restrictions and Tenant Remedies

Position: Unfavorable

This testimony is offered on behalf of the Maryland Multi-Housing Association (MMHA). MMHA is a professional trade association established in 1996, whose membership consists of owners and managers of more than 207,246 rental housing homes in more than 937 apartment communities. Our members house over 667,000 residents of the State of Maryland throughout the entire State of Maryland. MMHA membership also includes more than 216 associate members that supply goods and services to the multi-housing industry. More information is available at https://www.mmhaonline.org/

This Baltimore City Administration bill unnecessarily amends State law and the public local laws of Baltimore City to allow a resident to seek injunctive relief against a property owner. Senate Bill 770 (SB 770) is unnecessary because Baltimore City Code of Public Local Laws Subtitle 9-15 already allows Baltimore City to levy criminal penalties against property owners who commit any number of prohibited acts, including willful diminution of services.

Pursuant to the Baltimore City Code, claims for injunctive relief under this provision are heard by the criminal division of the court. In a meeting with Baltimore City DHCD, MMHA was informed that there are between 200-300 claims for injunctive relief brought each year, 95% of which are dismissed. This bill maintains a potential criminal penalty for landlords yet amends state law to give the District Court original civil jurisdiction over tenant actions for injunctive relief.

It is also unclear how this would be implemented, and many court administration questions remain unanswered. For example, would these cases be placed on the housing court docket? Would claims for injunctive relief be merged with other existing housing court cases (such as failure to pay rent or breach of lease) or as a separate matter? Would these cases be heard on a general civil court docket? Without answers to these questions, it is unclear on how the bill would impact judicial efficacy and other types of cases in District Court. There is little utility in placing more demand on an already exceptionally delayed housing court system, for actions that are dismissed 95% of the time.

For the aforementioned reasons, MMHA respectfully requests an unfavorable report on SB 770.

For more information, please contact Lauren C. Graziano, Senior Government Affairs Manager, 518.522.3529