



# Local Governments Should Have the Authority to Pass Protections for Renters

## Position Statement Supporting Senate Bill 504

*Given before the Senate Judicial Proceedings Committee*

People should not be forced out of their homes through no fault of their own, but Maryland law currently allows landlords to evict tenants or not renew a lease without providing a basic reason. This opens the door to discrimination or retaliation against tenants. **The Maryland Center on Economic Policy supports Senate Bill 504 because we envision a future where housing is a basic right.**

SB 504 seeks to enable legislation that gives local governments the power to establish "just cause" or "good cause" limitations on lease non-renewals. This bill will allow local governments to set the appropriate limits, whether by type of building, for certain populations, or under certain circumstances such as a state of emergency, on lease non-renewals evictions. Giving local policymakers this authority will align the state with best practices from around the country and seek to put limits on "no cause" decisions by landlords. Without SB 504, local efforts are stymied by legal concerns around preemption.

- Since 2008, just cause eviction legislation has been introduced eight times – including multiple statewide bills, as well as bills specific to Prince George’s County and Montgomery County. During the COVID-19 state of emergency, Howard County unsuccessfully attempted to prohibit lease non-renewals while Baltimore City passed a short-term provision to require just cause for lease non-renewals until 6 months after the state of emergency’s end. These efforts demonstrate a sustained desire in Maryland localities for just cause policies.
- Other states and jurisdictions have longstanding just cause policies, including Washington, D.C. (since 1985), Philadelphia (since 2018), and New Jersey (since 1974). Evidence from other areas demonstrates that the policy has significant benefits for families and does not impede development. A 2019 Princeton/Eviction Lab study looking at four California localities found that "just cause eviction ordinances have a significant and noticeable effect on eviction and eviction filing rates. Given the budget limitations of many states and municipalities to fund other solutions to the eviction crisis, passage of just cause eviction ordinances appears to be a relatively low-cost, effective policy solution<sup>1</sup>.

SB 504 can aid local governments in aiding their renters in achieving stable housing. Requiring just cause as a precondition for an eviction can be a tailored policy that boosts the stability of the housing market. SB 504 ensures local governments can pass enforceable laws whereby no one is arbitrarily deprived of their housing. For these reasons, **the Maryland Center on Economic Policy respectfully requests the Judicial Proceedings Committee to make a favorable report on Senate Bill 504.**

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## Equity Impact Analysis: Senate Bill 504

### *Bill Summary*

SB 504 is enabling legislation that would give clear legislating power to Maryland counties to establish “just cause” or “good cause” limitations on lease non-renewals. This bill expressly grants authority to local legislatures to decide when it is appropriate for rental agreements not to be renewed. That means local policymakers would be able to determine the kind of “just cause” policy their locality needs, whether by type of building, for certain populations, or under certain circumstances such as a state of emergency.

### *Background*

When it comes to lease non-renewals, Maryland is currently a “no cause” state – that is, a landlord can decide to non-renew without any stated cause. This means that working people and their children face the constant threat of displacement, even when they follow all the rules. They are under constant pressure to accept declining conditions and increasing rents just to stay in their communities.

SB 504 enables Maryland counties to pass local “just cause” laws that limit lease non-renewals. “Just cause” means that a landlord may choose not to renew an expiring lease only if there is an acceptable basis for that decision. SB 504 defines “just cause,” including an inclusive but non-exhaustive list of acceptable bases – such as substantial lease violations, illegal activities, removal of the property from the market, or personal use of the property by the owner. SB 504’s list reflects the policies other U.S. jurisdictions that have enacted just cause policy.

### *Equity Implications*

Since 2008, just cause eviction legislation has been introduced in eight times – including multiple statewide bills, as well as bills specific to Prince George’s County and Montgomery County. During the COVID-19 state of emergency, Howard County unsuccessfully attempted to prohibit lease non-renewals while Baltimore City passed a short-term provision to require just cause for lease non-renewals until six months after the state of emergency’s end. These efforts demonstrate a sustained desire in Maryland localities for just cause policies. People of color and single households are more likely to be renters in Maryland, thus any legislation that improves a renter’s situation will benefit them.

### *Impact*

Senate Bill 504 will likely **improve racial, gender, and economic equity** in Maryland.

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<sup>i</sup>Princeton University Effects of Just Cause Eviction Ordinances on Eviction in Four California Cities. <https://jpia.princeton.edu/news/effect-just-cause-eviction-ordinances-eviction-four-california-cities>