DELEGATE MARY A. LEHMAN Legislative District 21 Prince George's and Anne Arundel Counties

Environment and Transportation Committee



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THE MARYLAND HOUSE OF DELEGATES

Annapolis, Maryland 21401

HB36 – ACTIONS TO REPOSSESS – PROOF OF RENTAL LICENSURE

SUPPORT

GOOD AFTERNOON CHAIR CLIPPENGER, VICE CHAIR MOON, AND ESTEEMED COMMITTEE MEMBERS. I AM ASKING YOUR FAVORABLE REPORT FOR HB36, A BILL THAT REQUIRES A LANDLORD TO DEMONSTRATE THAT HE OR SHE IS IN COMPLIANCE WITH LOCAL RENTAL LICENSING LAWS IN ORDER TO PROCEED WITH A MOTION TO EVICT, BREACH OF LEASE OR TENANT HOLDING OVER.

SINCE THE BEGINNING OF 2022, EVICTIONS IN OUR STATE HAVE BEEN SKYROCKETING TOWARD PRE-PANDEMIC NUMBERS.^[1] WHILE MANY STATE RESOURCES PREVENTED THE EVICTIONS OF MARYLAND RESIDENTS DURING THE PANDEMIC, THIS EMERGENCY ASSISTANCE HAS MOSTLY RUN OUT. EVICTION MORATORIUMS HAVE EXPIRED, RENTAL ASSISTANCE IS RUNNING LOW, COURTS ARE UP AND RUNNING AT FULL CAPACITY, AND RENT IS HIGHER THAN EVER BEFORE. THERE IS NO QUESTION THAT TENANT HOLDING OVER IS BEING USED MORE FREQUENTLY AS A MEANS FOR LANDLORDS TO EVICT TENANTS.

MOST LANDLORDS COMPLY WITH LOCAL LICENSING REQUIREMENTS, AND THEY HAVE NOTHING TO FEAR FROM HB36. 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 NATIONAL HOUSING CRISIS.

WHAT DOES THE BILL DO?

1. A LANDLORD WHO FILES AN EVICTION CASE BASED ON A TENANT'S FAILURE TO PAY RENT CANNOT DO SO WITHOUT DEMONSTRATING THAT THE PROPERTY IS IN COMPLIANCE WITH THE COUNTY OR MUNICIPAL LICENSING REQUIREMENTS OF THE JURISDICTION WHERE THE PROPERTY IS LOCATED. **Commented [DMLS#1]:** Replace with updated names

- 2. ESTABLISHES THAT DURING THE TRIAL, THE LANDLORD HAS THE BURDEN OF PROVING, TO THE SATISFACTION OF THE COURT, THAT THE RENTAL PROPERTY IS LICENSED IN COMPLIANCE WITH, OR EXEMPT FROM, ANY APPLICABLE RENTAL PROPERTY REQUIREMENTS.
- 3. THE LANDLORD MAY PRESENT ELECTRONIC COPIES OF THE LICENSE TO SATISFY THE BURDEN OF PROOF.
- 4. THE COURT IS PREVENTED FROM ENTERING A JUDGMENT IN FAVOR OF A LANDLORD WHO FAILS TO DEMONSTRATE THAT THE LICENSING REQUIREMENTS HAVE BEEN MET.

WHY THIS BILL IS NEEDED: RESIDENTIAL RENTAL PROPERTY LICENSES PROVIDE A LEVEL OF ASSURANCE THAT A PROPERTY IS BOTH SAFE AND HABITABLE. THE SIX LARGEST COUNTIES IN MARYLAND HAVE RESIDENTIAL RENTAL LICENSE LAWS AS DO ABOUT 20 MUNICIPALITIES INCLUDING SOME SUCH AS CUMBERLAND THAT ARE LOCATED WITHIN COUNTIES THAT DO NOT REQUIRE LICENSES.

THE OVERALL PREMISE OF THE BILL IS SIMPLE BUT POWERFUL:

- 1. LANDLORDS WHO FAIL TO COMPLY WITH LOCAL RENTAL LICENSING REQUIREMENTS ON THE FRONT END CANNOT EVICT TENANTS *WHO THEY HAVE NO LEGAL RIGHT TO BE RENTING TO IN THE FIRST PLACE*, OR BREACH OF LEASE OR TENANT HOLDING OVER.
- 2. THE BILL PROVIDES FOR A REMEDY TO THOSE LANDLORDS: GO TO THE JURISDICTION WHERE THE PROPERTY IS LOCATED AND OBTAIN A RENTAL LICENSE. THEN AND ONLY THEN CAN THE LANDLORD MOVE FORWARD WITH AN EVICTION CASE.

I URGE A FAVORABLE REPORT.

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