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## HB 181 - Failure to Pay Rent Proceedings - Prohibition on Rent Increases and Shielding of Court Records

Hearing before the Housing Environment and Transportation Committee,

February 20, 2024

## Position: FAVORABLE

The Public Justice Center (PJC) is a nonprofit public interest law firm that stands with tenants to protect and expand their rights to safe, habitable, affordable, and non-discriminatory housing and their rights to fair and equal treatment by Maryland's landlord-tenant laws, courts, and agencies. We advocate to change the law regarding evictions and to demand the development of equitable and sustainable affordable housing. **PJC seeks the Committee's Favorable report on the amended HB 181 as this allows tenants easier access to safe and stable housing and also promotes racial equity.** 

HB 181 allows the shielding of eviction records in failure to pay rent cases ("FTPR"). There were nearly 670,000 of these cases filed across Maryland in FY 2019, and around 1 in 4 of them were dismissed, usually because payment preceded the trial date of the action or the tenant won the case at trial on a motion to dismiss. For many tenants, FTPR actions are routinely filed and typically result *not* in actual eviction, but late payment made under the threat of eviction. Fewer than half of FTPR cases even result in warrant of restitution.

The routine filings nonetheless show up in public databases such as case search and are readily accessible through the courts. A tenant who successfully redeemed possession by payment is ultimately harmed by the record of the FTPR action when they are seeking new housing. SB 19 proposes to reduce the loss of housing opportunities based on failure to pay rent records. For cases that are dismissed or where judgment is entered in favor of the tenant, the bill proposes to shield the eviction record 60 days after final disposition.

For tenants whose landlord prevails in a failure to pay rent action, HB 181 bill provides for the shielding of the record if the tenant demonstrates that either: 1) the tenant exercised the right of redemption ("pay to stay") and one year has passed since the judgment was entered; or 2) the interest of justice is served by sheilding the record of the adverse judgment. Having the opportunity to shield or seal these records after one year will open the door to opportunities that were once closed to many tenants.

The effort to legislate the shielding of eviction records is a growing movement nationwide. Since 2019, Massachusetts, Colorado, Nevada, and the District of Columbia have all proposed legislation to seal eviction records. These jurisdictions have recognized that shielding records is not only a matter of protecting tenants' rights, but also an issue of racial justice – particularly for Black women, who face disproportionate levels of eviction both locally and nationwide.<sup>1</sup>

In a 2015 survey conducted by the Public Justice Center, ninety four percent (94%) of participant tenants who appeared for rent court in Baltimore City identified as African-American or Black, and eighty percent (80%) identified as women.<sup>2</sup> These numbers play out similarly with evictions in Baltimore City – a Black female-headed household is 296% more likely to be evicted there than a white male-headed household.<sup>3</sup> As stated by Matthew Desmond in a 2014 report on the state of evictions in Milwaukee, "[p]oor black men are locked up while poor black women are locked out."<sup>4</sup>

Shielding records are a powerful solution that work together to mitigate the harm unfair rental application denials and ensure that tenants are able to secure alternate housing and avoid homelessness.

**Public Justice Center supports HB 181** as it would take essential steps to protect renters' privacy, allow easier access to safe and stable housing, and promote racial justice.

Public Justice Center is a member of the Renters United Maryland coalition and asks that the Committee **issue a FAVORABLE report on HB 181.** If you have any questions, please contact Albert Turner, Esq., turnera@publicjustice.org (410) 625-9409 Ext. 250.

<sup>&</sup>lt;sup>1</sup> STOUT RISIUS ROSS, LLC, THE ECONOMIC IMPACT OF AN EVICTION RIGHT TO COUNSEL IN BALTIMORE CITY

https://bmorerentersunited.org/wp-content/uploads/2020/05/Baltimore-RTC-Report FINAL 5.8.2020.pdf; (2020).Matthew Desmond, "Poor Black Women Are Evicted at Alarming Rates, Setting Off a Chain of Hardship" (2014), https://www.macfound.org/media/files/hhm\_-poor\_black\_women\_are\_evicted\_at\_alarming\_rates.pdf; ACLU, "Clearing Eviction Housing Access the Record: How Sealing Laws Can Advance for Women of Color." https://www.aclu.org/news/racial-justice/clearing-the-record-how-eviction-sealing-laws-can-advance-housingaccess-forwomen-of-color/.

<sup>&</sup>lt;sup>2</sup> PUBLIC JUSTICE CENTER, JUSTICE DIVERTED: HOW RENTERS ARE PROCESSED IN THE BALTIMORE CITY RENT COURT (2015); https://abell.org/sites/default/files/files/cd-justicediverted216.pdf

<sup>&</sup>lt;sup>3</sup> STOUT RISIUS ROSS, LLC, THE ECONOMIC IMPACT OF AN EVICTION RIGHT TO COUNSEL IN BALTIMORE CITY

<sup>(2020), &</sup>lt;u>https://bmorerentersunited.org/wp-content/uploads/2020/05/Baltimore-RTC-Report\_FINAL\_5.8.2020.pdf</u><sup>4</sup> Matthew Desmond, "Poor Black Women Are Evicted at Alarming Rates, Setting Off a Chain of Hardship" (2014), <u>https://www.macfound.org/media/files/hhm\_poor\_black\_women\_are\_evicted\_at\_alarming\_rates.pdf</u>

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