

Testimony Supporting - HB 477 - Landlord and Tenant - Residential Leases and Holdover Tenancies - Local Just Cause Termination Provisions

> House Environment and Transportation Committee Hearing on February 13, 2024

> > **Position: SUPPORT (FAV)**

Dear Chair and Members of the Committee,

Baltimore Renters United (BRU) is part of Renters United Maryland, a statewide coalition of renters, organizers, and advocates, and urges you to move favorably on HB 477. HB 477 enables legislation that would give authority to Maryland counties to establish "just cause" or "good cause" limitations on lease non-renewals. That means local policymakers would be able to determine the kind of "just cause" policy their locality needs, whether by type of building, for specific populations, or under certain circumstances such as a state of emergency. Without HB 477, local efforts are stymied as Maryland families face increasingly unstable housing and fears of retaliation and displacement.

Baltimore Renters United (BRU) is an organization in Baltimore City working towards safe, stable, affordable, and fair housing. We use education and direct outreach to support ranks of tenants prepared to advance renters' rights and build tenant power free from exploitation. *What is a "just cause" policy, and why is it needed?* Maryland is currently a "no cause" state – a landlord can decide to non-renew without any stated cause. This means that working families and their children face the constant threat of displacement, even when they follow all the rules. They are under constant pressure to stay quiet and accept declining conditions, arbitrary policies, and increasing rents to remain in their communities and keep their children in their local schools. Or, they can speak up – on their own or as a group – and face a likely "non-renewal" at the end of their lease and displacement from their community.

Why this legislation now? Maryland has seen a spike in the number of no-cause evictions known as "Tenant Holding Over" evictions– a 117% increase in average Tenant Holding Over

complaint filings each month since 2020. This mirrors a national trend in which "[n]early half of U.S. renter households reported experiencing significant pressure to move during the previous six months." In addition to increasing rents and fewer market options, Maryland families face the specter of non-renewal and displacement now more than ever.

"Just cause" addresses this uncertainty by providing that a landlord must disclose the reason for choosing not to renew. HB 477 provides a list of options for what "just cause," as adopted by a county, may include, such as substantial lease violations, illegal activities, removal of the property from the market, or personal use by the owner. Requiring landlords to disclose the reason for a lease non-renewal helps ensure that no eviction occurs under a smokescreen of silence that can hide discriminatory intent. HB 477's list reflects the policies other U.S. jurisdictions have enacted. To be clear, this is a list that localities are free to adopt or change to meet local housing needs.

Why a Local Enabling bill? Since 2008, just cause eviction legislation has been introduced nine 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 the authority to enact just cause.

Maryland is out of step nationally. Washington, D.C. (since 1985) and Philadelphia (since 2018) have adopted just cause eviction policies, and the state of New Jersey, too (since 1974). Over many decades, New Jersey's policy endeavor demonstrates that the benefit of just cause far outweighs the hypothetical that it hurts development. <u>"Something in the Garden State is clearly working. According to data from the Eviction Lab, New Jersey cities such as Trenton, Paterson, Jersey City, and West New York have among the lowest eviction rates in the country. <u>Meanwhile, construction is absolutely exploding.</u>"</u>

Additionally, looking at four localities in California, a <u>2019 Princeton/Eviction Lab</u> study finds 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, the passage of just cause eviction ordinances appears to be a relatively low-cost, effective policy solution."

HB 477 recognizes that local legislatures want to assist renting families with stable housing to contribute long-term to the workforce and the local economy, and requiring that a landlord state the reason for a non-renewal eviction boosts the stability of families, neighborhoods, and communities.

The urgent implementation of just cause eviction legislation in Maryland, particularly in Baltimore City, is imperative to safeguard the fundamental rights and welfare of renters. This crucial measure is vital in preventing arbitrary evictions, bolstering stability and security, curbing homelessness and displacement, fostering essential fairness and equity, and ensuring landlords adhere to responsible practices. It is a matter of urgency that policymakers prioritize the swift passage of just cause eviction legislation to guarantee every resident of Baltimore City access to safe, stable, and affordable housing. **We urge the Committee to offer a favorable report with no weakening amendments.**

Thank you, Ashley Esposito Executive Director Baltimore Renters United ashley.esposito@bmorerentersunited.org