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Disability Rights Maryland

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

Hearing before the House Environment and Transportation Committee, Feb. 13, 2024 at 1:00PM Position: SUPPORT (FAV)

Disability Rights Maryland is part of Renters United Maryland and urges you to move favorably on HB 477. HB 477 is enabling 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 that their locality needs, whether by type of building, for certain populations, or under certain circumstances such as a state of emergency. Without this enabling bill, counties are preempted from enacting legal protections for Maryland families who face increasingly unstable housing and fears of retaliation and displacement.

Disability Rights Maryland (DRM) is the federally designated Protection & Advocacy agency¹ in Maryland mandated to advance the civil rights of people with disabilities. One of DRM's goals is to end the unnecessary segregation and institutionalization of Marylanders with disabilities. To that end, DRM's Housing and Community Inclusion team works to expand housing opportunities for Marylanders with disabilities and to maintain housing stability to ensure people with disabilities can participate fully in all aspects of community life, and have equal access to opportunities. The estimated 45 million Americans with disabilities² are more likely than their non-disabled peers to experience unemployment and poverty, and nationwide, more than 4.2 million people with disabilities spend more than half of their income on rent.³ In Maryland, most of the estimated 399,500 low-income residents who spend more than half of their income on rent receive no rental assistance due to funding limitations.⁴ While housing discrimination against people with disabilities is prohibited under federal law, it remains distressingly common: in 2019, about 59% of all housing discrimination complaints brought to private Fair Housing Organizations (FHOs) and state and federal agencies were based on disability.⁵ Eviction - including non-renewal of a lease without cause - can result in homelessness or institutionalization, exacerbating an

¹ For more information on Protection & Advocacy agencies, see NATIONAL DISABILITY RIGHTS NETWORK, https://www.ndrn.org/ (last visited June 18, 2021).

 $[\]frac{1}{2}$ 13.5% of the 333.29 million individuals in the U.S. population are people with disabilities. DISABILITY IN THE U.S.

 $⁻STATISTICS \ AND \ FACTS \ (2023), \ \underline{https://www.statista.com/topics/4380/disability-in-the-us/\#topicOverview} \ (last visited \ February \ 8, \ 2024).$

³ More than 4.2 million (18% of 23.4 million low-income renters) people with disabilities nationwide pay more than half of their income on rent. CENTER ON BUDGET AND POLICY PRIORITIES, UNITED STATES FEDERAL RENTAL ASSISTANCE FACT SHEET (2022), <u>12-10-19hous-factsheet-us.pdf</u> (cbpp.org) (last visited February 8, 2024).

⁴ CENTER ON BUDGET AND POLICY PRIORITIES, MARYLAND FEDERAL RENTAL ASSISTANCE FACT SHEET (2022), https://www.cbpp.org/sites/default/files/atoms/files/12-10-19hous-factsheet-md.pdf (last visited February 8, 2024).

⁵ NATIONAL FAIR HOUSING ALLIANCE, FAIR HOUSING IN JEOPARDY: TRUMP ADMINISTRATION UNDERMINES CRITICAL TOOLS FOR ACHIEVING RACIAL EQUITY 34 (2020), https://nationalfairhousing.org/wp-content/uploads/2020/09/NFHA-2020-Fair-Housing-Trends-Report.pdf.

individual's disabilities, and worsening health outcomes.

What is "just cause" policy and why is it needed? Maryland is currently a "no cause" state – that is, a landlord can decide to non-renew a lease without "just cause." This means that renters of all types face the constant threat of displacement, even when they follow all the rules. They are under constant pressure to accept declining conditions, arbitrary policies, and increasing rents, Or, they can speak up 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 filed as "Tenant Holding Over" complaints – which have increased 117% on average 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 6 months." In addition to increasing rents and fewer market options, Maryland families face the specter of non-renewal and displacement now more than ever.

A "just cause" requirement for non-renewal addresses this uncertainty by providing that a landlord must have a legitimate reason for non-renewal, which they must disclose. 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 of the property by the owner. Requiring landlords to disclose the reason for a lease non-renewal helps ensure that no eviction takes place under a cover 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 6 months after the state of emergency's end. These efforts demonstrate a sustained desire in Maryland localities for just cause policies.

Washington, D.C. (since 1985) and Philadelphia (since 2018) have adopted just cause eviction policies, and the state of New Jersey, too (since 1974). New Jersey's policy endeavor over many decades demonstrates that the benefit of just cause far outweighs the hypothetical that it hurts development. "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. Meanwhile, construction is absolutely exploding."

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⁶ HUD Office of Policy Development and Research, "Pressure to Move and Forced Moves Among U.S. Renter Households: Findings From New Questions in the Household Pulse Survey" (Sept. 19, 2023) (based on June-Aug. 2023 data).

Additionally, looking at 4 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, passage of just cause eviction ordinances appears to be a relatively low-cost, effective policy solution."

HB 477 recognizes that local legislative bodies want to aid their renters in achieving stable housing so that they are able contribute long-term to the workforce, the local economy and the community. Requiring just cause as a precondition for an eviction can be a tailored policy that boosts the stability of families, neighborhoods, and communities.

HB 477 ensures local legislatures can pass enforceable laws whereby no one is evicted from their housing without just cause. We urge the Committee's report of Favorable on HB 477.

For more information, please contact:

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