



HB0181 – Failure to Pay Rent Proceedings – Prohibition on Rent Increases and Shielding of Court Records

**Hearing before the Environment & Transportation and Judiciary Committees on
February 20, 2024**

Position: SUPPORT (FAV)

SUPPORT: House Bill 181 ameliorates the serious effects of court records of tenants who have faced lawsuits for failure to pay rent in Maryland. This proposed legislation represents a significant step toward fostering a fair and equitable housing environment, offering tenants a chance at a cleaner rental history, improved credit standing, and increased prospects for future housing, whether renting or moving on to homeownership.

ACDS serves as Anne Arundel County’s nonprofit housing and community development agency, helping Anne Arundel County residents and communities thrive through the provision of safe and affordable housing opportunities, programs to prevent and end homelessness, and community development initiatives. As part of fulfilling this role, ACDS works with local nonprofits and provides direct services to County residents who need help with rental assistance, rapid rehousing, mortgage assistance and homeownership issues.

A tenant’s court record showing they were sued for failure to pay rent has far-reaching consequences, often resulting in a lasting negative impact on their rental and credit history. These records, easily accessible to potential landlords and creditors, create formidable barriers for individuals seeking stable housing. Currently, a failure to pay rent filing remains on a tenant’s court record, available for all to see, regardless of the outcome of the case. Even if the tenant has won or the case was dismissed, a review of the tenant’s court involvement on the Court’s online portal will reflect the existence of the filing which, for all intents and purposes, reflects negatively on the tenant. While record expungements are available for criminal matters under increasingly broad circumstances, the circumstances under which civil matters such as failure to pay rent cases may be shielded (the practical equivalent of expungement) are extremely rare in comparison.

This bill provides an efficient way to shield cases that were dismissed or won by the tenant and removes barriers to shielding other failure to pay rent cases when the tenant has overcome their financial difficulties, allowing them to regain their financial footing with a clear record so they have a better chance of moving in a positive direction. The ability to secure stable housing is directly linked to overall well-being, educational opportunities, and economic advancement. By removing unnecessary barriers posed by lingering court records, this bill promotes housing stability and sets the stage for individuals to achieve greater financial security.

For the reasons noted above, ACDS urges the Committee to issue a FAVORABLE report on HB0181.