

February 20th, 2024

The Honorable Marc Korman
Environment and Transportation Committee
House Office Building, Room 251
6 Bladen St. Annapolis, MD 21401



House Bill 181: Failure to Pay Rent Proceedings- Prohibition on Rent Increases and Sealing of Court Records: Oppose

Chair Korman and Members of the Environment and Transportation Committee,

I am writing to you today in the capacity of ICSC Maryland Government Relations Chair to respectfully oppose House Bill 34, *Failure to Pay Rent Proceedings- Prohibition on Rent Increases and Sealing of Court Records* in its current form. ICSC is the marketplaces industry association supporting more than 45,000 members. In Maryland, we support almost 1,000 members, 500,000 jobs and provide nearly \$7.1 Billion in state sales and use tax revenue.

This bill would seal court records 60 days after the final resolution of a failure to pay rent proceeding, making it near impossible to properly assess prospective tenants' credit worthiness. Our members rely on consistent rent payment to cover costs such as upkeep of the property, and take significant risk when signing a new tenant in our shopping centers. If a tenant cannot pay the decided amount outlined in a lease agreement, the legal costs and drawn-out timeline of the eviction process can critically affect our members' ability to operate their business. It is important that our members conduct due diligence on a prospective tenant before they sign an agreement, including any history of failure to pay rent, and sealing of court records would make that nearly impossible.

We respectfully urge the Committee to give this bill an unfavorable report. Thank you for your consideration, and if you have any questions regarding our stance or would like to discuss it more please reach out to Sushant Sidh at Sushant.Sidh@capitol-strategies.com.

Eric McWilliams
Chair, ICSC Maryland Government Relations Chair