



## House Bill 1117 - Landlord and Tenant – Failure to Repair Serious and Dangerous Defects Tenant Remedies (Tenant Safety Act) Feb. 27, 2024 FAVORABLE

My name is Kristerefer Burnett and I am the Baltimore City Councilmember for District 8. I wholly support HB 1117, the Tenant Safety Act, to help tenants hold landlords accountable for refusing to fix severe conditions of disrepair that threaten their life, health, or safety.

In 2022, my office established the first ever Baltimore City Mold Task Force (BCMTF). The BCMTF's membership is that of housing attorneys, physicians, mold remediation experts, public health experts, community & housing advocates, policy makers, and more in an attempt to address the negative health outcomes that long term exposure of moisture and mold conditions cause. We started this taskforce as a direct response to the horrendous conditions that we found tenants across Baltimore City were forced to live in. What we found was that more often than not, rent escrow cases were being denied and landlords were given a "pass" if they only addressed the repair but had no obligation to remediate the mold.

Additionally, our experience in navigating the rent escrow process was not only incredibly challenging for tenants but as my staff attempted to walk them through the process and support their efforts, more often than not, Judges dismissed valid requests for rent escrow, leaving tenants in chronic unhealthy environements but also left me and my staff to have to pivot to find other means, often relocation and breaching of leases, to assist our constituents. This is less than ideal, especially given the affordable housing crisis we are faced with. Families who rent should not have to compromise health and safety because we as a society have deemed that those are luxuries and not human rights.

In Maryland today there are many more renting families suffering with uninhabitable living conditions than the number who file a court complaint seeking "rent escrow" – where the rent is placed into escrow with the court until repairs are made. Some tenants do not file a rent escrow complaint by themselves out of fear of landlord retaliation or because they have no legal counsel to guide them through the process. Some do not have all of the rent that the landlord claims is past-due. Others have no confidence that the court will provide them any relief or require the landlords to make repairs.

Tenants are not wrong in these assessments. A 2016 investigative report by the Baltimore Sun found that the rent escrow system is broken: Even when renting families do overcome the initial obstacles to filing for rent escrow, the Court reduces the rent and provides immediate relief to renters in only 6% of cases.

As a result, Maryland is on pace to see only 1,959 "rent escrow" complaints filed by tenants against landlords in 2023, yet there are over 66,500 severely or moderately inadequate rental housing units In Maryland. Many landlords are not being held accountable for repairing major conditions of disrepair that impact not only renting families but entire communities that suffer from the resulting blight.

The Tenant Safety Act will do 5 things to make rent escrow work and hold landlords accountable:

- Join Similar Rent Escrow Cases Together. Make it easier for tenants with the same repair issues and same landlord to join in a single rent escrow case under the Court's existing rules on "joinder." There is strength in numbers when neighbors can work together to hold their landlord accountable.
- **Reset Expectations.** If a landlord refuses to make repairs, then normally a tenant should pay into escrow a reduced rent (by 50% in most cases) going forward until repairs are made. This will help tenants who do not have the full amount that the landlord claims is past-due to still hold the landlord accountable. This will also incentivize landlords to quickly make repairs to avoid losing rent. At the end of the case, the Court will decide how much is due to each party.
- **Warranty of Habitability.** For claims of past-due rent, clarify that tenants should not have to pay the full amount of rent if the landlord refused to make repairs by codifying the "warranty of habitability" that already exists in Maryland law.
- **Mold.** Clarify that when a tenant can show that mold is a severe threat to life, health, or safety, the tenant should be able to file for rent escrow.
- Level the Playing Field with Attorney's Fees. Allow a tenant to recover attorney's fees and costs if they win the case. Most landlords already have a lease provision for attorney's fees if they win. With this addition to rent escrow law, more attorneys will take rent escrow cases for tenants and help level the playing field.

As a fellow legislator, **I am urging a favorable report on HB 1117**. Should you have any further questions or concerns, please do not hesitate to reach out to me or my Direct of Policy, Kimberly Sauer at kimberly.sauer@baltimorecity.gov.

Respectfully,

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