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SB 773 - Homeowners Associations – Restriction on Long-Term Rentals – Prohibition Hearing before the Senate Judicial Proceedings Committee, Feb. 20, 2024 Position: SUPPORT (FAV)

Public Justice Center urges you to move favorable on SB 773. The Public Justice Center (PJC) is a nonprofit public interest law firm that stands with tenants to protect and expand their rights to safe, habitable, affordable, and non-discriminatory housing. The PJC represents or advises over 800 renters and their families each year.

Renters in Maryland are in desperate need of additional housing opportunities. As the Moore Administration has pointed out, Maryland is experiencing a severe shortage of housing units. For working class families, the need is even more acute. The state lacks <u>146,085 units of affordable rental housing for families earning 50% or less of the state median income (appx, \$60,000).</u> At Public Justice Center, we see the impact of this shortage daily. Our clients often cannot find affordable, habitable replacement housing – now more than ever. This lack of housing mobility forces them to remain in uninhabitable units, lose out on job opportunities that require a move, or even become homeless when they are evicted and cannot find a new place. In my 15 years as a housing attorney, this is the worst rental market I have ever seen for renters seeking affordable, sustainable housing.

Homeowner's Associations (HOA's) exacerbate the shortage of units by restricting long-term rentals in livable communities. These restrictions have a disparate impact on protected classes under state and federal fair housing law: <u>Persons with disabilities</u>, <u>Black and Latine households</u>, and families who rely on a housing choice voucher to pay part of the rent are disproportionately renters in the state of Maryland. By denying or severely limiting access to housing to all long-term renters without a substantial business justification, HOA policies may violate fair housing law through this disparate impact. Often HOA restrictions may be located in <u>"Communities of Opportunity."</u> and by restricting access to renters who are disproportionately from protected classes, such restrictions exclude protected classes from those neighborhoods and perpetuate segregation.

Of note, nothing in the bill modifies the ability of HOAs to restrict short-term rentals such as AirBnBs.

In summary, Maryland cannot right the racial wrongs and lift children out of poverty without eliminating discriminatory provisions such as HOA restrictions on long term rentals.

Public Justice Center urges the Committee's report of Favorable on SB 773.