



**HB 477 - Landlord and Tenant - Residential Leases and Holdover Tenancies –
Local Just Cause Termination Provisions
Hearing before the Senate Judicial Proceedings Committee, April 2, 2024 at 1:00 PM**

Position: SUPPORT (FAV)

The Pro Bono Resource Center of Maryland (“PBRC”), an independent 501(c)(3) non-profit organization, is the statewide thought leader and clearinghouse for pro bono civil legal services in Maryland. As the designated pro bono arm of the MSBA, PBRC provides training, mentorship, and pro bono service opportunities to members of the private bar and offers direct legal services to over 6,200 clients annually.

PBRC is part of Renters United Maryland and urges a favorable report 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. The bill has been significantly amended in the House to define and expand the list of what constitutes a “good cause” and to exempt owners of five or fewer units. 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.

We also urge you to support sponsor amendments that would close the Corporate Landlord Loophole – allowing corporate landlords to claim that they are exempt small landlords when they are not (p. 3, line 31) – and better define “habitual failure to pay rent” by the number of rent judgments that the tenant has rather than the ambiguous statement in the current bill (p.5, line 5).

In May 2017, with a grant from the Maryland Judiciary’s Access to Justice Department, **PBRC launched the Tenant Volunteer Lawyer of the Day (“TVLD”) Program in Baltimore City Rent Court to provide day-of-court legal representation to tenants who appear unrepresented for their proceedings.** Since then, this continually expanding Program has allowed PBRC staff and volunteer attorneys to represent thousands of tenants in both Baltimore City and Baltimore County in multiple types of legal actions that could result in eviction. An overarching goal of this Program is to promote and preserve stable housing for low-income tenants in Maryland. **PBRC supports HB 477 because it represents a vital step toward the achievement of this goal by allowing policymakers to enact local laws outlining the kind of “just cause” policy that their locality needs to protect Maryland renters who face increasingly unstable housing and fears of retaliation and displacement.**

Maryland is currently a “no cause” state, which means that a landlord can decide to non-renew a lease without any stated cause. Thus, working families and their children face the constant threat of displacement, even when they follow all the rules. They are under pressure to stay quiet and accept declining conditions, arbitrary policies, and increasing rents just to stay in their communities and keep their children in their local school.

“Just Cause” legislation addresses this uncertainty by requiring a landlord to disclose the reason for choosing not to renew a lease. HB 477 provides a list of options for what would constitute “just cause,” but leaves the

specifics up to the local jurisdictions. The allowable “just cause” provisions may include a substantial breach of lease, disorderly conduct, illegal activity, refusing to grant landlord access to the home, removal of the property from the rental market or a desire to recover the premises for family use. 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 that have enacted.**

Since 2008, Just Cause legislation has been introduced nine times – including multiple statewide bills and 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. 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, as has the state of New Jersey (since 1974). Looking at four localities in California, a 2019 Princeton/Eviction Lab study found 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 legislatures want to help rent families with stable housing so they can contribute long-term to the workforce and local economy. Requiring a landlord to state a legitimate reason for an eviction through lease non-renewal boosts the stability of families, neighborhoods, and communities. By allowing local jurisdictions to do this without fear of preemption, **HB 477 has the potential to be a game-changer in terms of community stabilization and tenants’ rights.**

In our experience working with tenants in Baltimore City and Baltimore County, we have seen far too many clients who avoid a judgment in court only to find themselves struggling to find new housing anyway because their landlord then refuses to renew their lease (possibly to get a higher rent, to avoid making requested repairs, or simply due to personality conflicts). We have worked with tenants who are elderly and have lived in the same place for decades as well as those who are young families with a desire to stay in the same neighborhood due to job and school connections. In addition to being uprooted from their community and forced into an expensive move (including having to pay a few months’ rents upfront plus a security deposit, utility deposits, etc.), many of our clients simply cannot find suitable housing that they can afford. **HB 477 would allow jurisdictions the flexibility to address these issues legislatively through local “Just Cause” legislation. As such it could potentially have a direct positive effect on many of our clients.**

For the above reasons,

PBRC urges a FAVORABLE report on HB 477.

Please contact Katherine Davis, Director of PBRC’s Courtroom Advocacy Project, with any questions.

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