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April 2, 2024

Testimony on House Bill 477
Landlord and Tenant - Residential Leases and Holdover Tenancies –
Local Good Cause Termination Provisions
Senate Judicial Proceedings Committee

Position: Favorable

Maryland Nonprofits is a statewide association of more than 2000 nonprofit organizations and institutions across our State. The nonprofit community serves various needs of Maryland families suffering economic and social hardships. Housing instability is a major challenge for them, and a major hurdle to their economic self-sufficiency. House Bill is very similar to Senate Bill 644, except that the House has limited the effect of any local law to landlords owning 6 or more rental units in that county. We are asking you to support House Bill 477 to authorize local governments to enact “good cause” protections against non-renewal of residential leases.

Under House Bill 477 local policymakers would be able to determine the kind of “good cause” policy that their locality needs, whether by type of building, for certain populations, or under certain circumstances such as a state of emergency. **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.**

Maryland is currently a “no cause” state – that is, a landlord can decide to non-renew without any stated cause. This means that working families and their children face the constant threat of displacement, even when they pay their rent follow all the rules. They are under constant 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. Or, they can speak up – on their own or as a group – and face a likely “non-renewal” at the end of their lease and displacement from their community.

This legislation is needed now! Maryland has seen a spike in the number of no-cause, evictions known as “Tenant Holding Over” evictions— a 117% increase in average Tenant Holding Over complaint filings each month since 2020. This mirrors a national trend in which “[n]early half of U.S. renter households reported experiencing significant pressure to move during the previous



6 months.”¹ **In addition to increasing rents and fewer market options, Maryland families face the specter of non-renewal and displacement now more than ever.**

"Good cause" eviction prevention addresses this uncertainty by providing that a landlord must disclose the reason for choosing not to renew. HB 477 provides a list of options for what "good cause," as adopted by a county, could include, such as substantial lease violations, illegal activities, removal of the property from the market, or personal use of the property by the owner. 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. To be clear, this is a list that localities are free to adopt or change to meet local housing needs.

Since 2008, just cause eviction legislation has been introduced 9 times – including multiple statewide bills, as well as 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 until 6 months after the state of emergency's end. These efforts demonstrate a sustained desire in Maryland localities for the authority to enact just cause.

At least 5 states, the District of Columbia (since 1985), and 16 localities including Philadelphia (since 2018) have adopted just cause eviction laws. New Jersey's just cause law (since 1974) demonstrates that the benefit of just cause far outweighs the hypothetical that it hurts development. ["Something in the Garden State is clearly working. According to data from the Eviction Lab, New Jersey cities such as Trenton, Paterson, Jersey City, and West New York have among the lowest eviction rates in the country. Meanwhile, construction is absolutely exploding."](#)

Additionally, looking at 4 localities in California, a [2019 Princeton/Eviction Lab](#) study finds 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."

House Bill 477 recognizes that numerous counties in Maryland want to assist renting families with stable housing so that they are able contribute long-term to the workforce and the local economy. Requiring that a landlord state a legitimate reason for an eviction through lease non-renewal eviction boosts the stability of families, neighborhoods, and communities.

We urge you to give House Bill 644 a FAVORABLE REPORT.

¹ HUD Office of Policy Development and Research, "Pressure to Move and Forced Moves Among U.S. Renter Households: Findings From New Questions in the Household Pulse Survey" (Sept. 19, 2023) (based on June-Aug. 2023 data).