



THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

Testimony in Support of HB 1117
Tenant Safety Act of 2024
Testimony by Delegate Vaughn Stewart
April 2, 2024 • Senate Judicial Proceedings Committee

What the Bill Does:

The Tenant Safety Act of 2024 seeks to buttress Marylanders' right to live in habitable housing. A much more expansive version of this bill passed the House last year but did not receive a vote in the Senate's Judicial Proceedings Committee. This year's bill is a product of many conversations over the interim, and is an attempt to forge consensus on this issue.

First, the bill codifies the status quo in two ways. The implied warranty of habitability is enshrined in law for the first time, turning the implied into the explicit. The bill also clarifies that tenants suing under the rent escrow law can join together under existing joinder rules, while allowing the court to order separate trials in order to prevent delay or prejudice.

Second, the bill resets the baseline expectations in a rent escrow case by creating rebuttal presumptions. A rebuttal presumption is exactly that: a default rule that can be overcome by evidence from either party. The bill establishes that the presumption in rent escrow cases is that tenants pay 50% of their prospective rent into escrow until the case is decided. The 50% number is halfway between what the tenant is arguing—that their apartment is so unlivable that they should not be expected to pay anything—and what the landlord is arguing—that the tenant should pay their full rent as they promised in their lease agreement.

Finally, the bill allows tenants to recover attorney's fees if they win. Landlords are already able to recover their litigation costs under both judicial rules and through their leases.

Why the Bill is Important:

The Tenant Safety Act seeks to promote health and safety in our neighbors' homes. We know there are at least 65,000 unhealthy housing units in Maryland. That means that hundreds of thousands of our constituents and neighbors are living with rodents, roaches, sewage, and mold, and without heat and air conditioning. But very few Marylanders ever enforce their right to a safe home. There are less than 2000 rent escrow cases filed every year, and only 6% of them result in reduced rent.¹

¹ [Dismissed: Tenants lose, landlords win in Baltimore's Rent Court](#). The Baltimore Sun.

Codifying certain implied provisions - such as the warranty of habitability or mold as a serious threat to health and safety - does not expand the law, but provides tenants with more effective tools and resources to demand safe and habitable housing from their landlords. Clarifying the processes by which a group of tenants can join together in order to collectively bring a rent escrow action against their landlord does the same. Many tenants are not aware of the existing joinder processes, and as a result, may choose to live in unsafe conditions rather than trust the court system. This especially affects the most vulnerable tenants, such as those of low-income who are predominantly people of color.

The rebuttable presumptions established by the bill also help to ensure that the process is fair. In the case of the third presumption, for example, if a tenant believes they should not be required to pay any rent into escrow due to deplorable conditions on the property, they must provide proof of these claims and show that the landlord has egregiously failed in their duty to remedy the defects. On the other hand, if a landlord believes the tenant should pay 100% of the rent, they too must show that this is a more appropriate agreement for the particular circumstances of the case. Setting a presumption in the middle, at 50% of the rent, ensures that the burden of proof in more extreme circumstances falls fairly on both parties.

Why the Committee Should Vote Favorably:

The bill underwent significant changes from last year's version in response to feedback from both landlord advocates and the Maryland Judiciary. After further conversations, we collaborated to make additional changes via sponsor amendments. These amendments include:

- **The removal of mold-related provisions from the bill.** This came at the request of both the landlord advocates and the Judiciary, as there is currently a mold standards study taking place.
- A technical tweak to the bill by **separating the warranty of habitability section from the rent escrow section**, at the request of the Judiciary.
- An amendment to allow judges to postpone proceedings--**in order to allow parties to prepare their arguments and gather evidence**--when tenants raise habitability claims, at the request of the Maryland Multi-Housing Association.
- A clarification of existing law which allows judges, when joining parties together with the same claims, to "**order separate trials or make other orders to prevent delay or prejudice.**"

The Judiciary is in support of the version of the bill in front of you today, which received a bipartisan vote in the House of Delegates.

Marylanders already have a right to live in safe and healthy housing free from egregious defects. But the right is illusory because the path to enforce it--the rent escrow process--is flawed. The Tenant Safety Act of 2024 makes it easier for tenants to hold the worst slumlords in the state accountable for their legal and moral violations. As such, it represents a step towards making safe and healthy housing fair and available to all. For this reason, **I urge a favorable report.**