



HB 765 - Criminal Law - Fraud - Possession of Residential Real Property
Hearing before the House Judiciary Committee,
February 17, 2026, 1:00PM
Position: Unfavorable

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 5,000 clients annually.

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, now the Tenant Justice Program (TJP) 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 low-income tenants in both Baltimore City and Baltimore County in multiple types of legal actions that could result in eviction.

Our organization is a member of Renters United Maryland, which opposes HB 765. We appreciate the intent in HB 765 to hold accountable those who advertise properties online, accept thousands of dollars from families desperate for housing, sign leases with those families, and then disappear after they receive the money. We are concerned, however, that HB 765 is both too broad and vague. PBRC attorneys have encountered numerous individuals who believed in good faith that they were renting from a legitimate landlord, only to find that they have been victimized by a scammer. The scam involves someone posing as the owner of a property, drafting a lease and collecting rent as a legitimate landlord would. Once the scam is discovered, the "renter" in this situation typically has no legal defense allowing them to remain in the property and cannot recover any "rent" paid. By criminalizing the possession of a fraudulent lease or rental agreement, this bill will also subject these families to criminal charges.

In addition, we see unlicensed landlords and property flippers who try to abuse the wrongful detainer court process to effect a quick eviction of renting families who they don't want in the property. These same unscrupulous actors will now have a new tool at their disposal. They can simply accuse the renters of possessing a fraudulent lease and swear out charges with the District Court Commissioner to have the renters arrested – thereby accomplishing a de facto eviction. HB 765 does not create any affirmative defenses, restitution or protection for occupants who unknowingly move into a unit under a counterfeit lease. Therefore, low-income renters who are victims of fraudulent leases may face sudden displacement in addition to criminal charges.

We work with clients every day who are struggling to establish and maintain stability in their housing. The majority of low-income renters in the jurisdictions in which we work pay more than 30% of their income in rent. They struggle to find housing that they can afford and often truly think they are doing the right thing when they sign a lease, pay a deposit and move into a home only to find out later that their lease is fraudulent. One of the most difficult parts of a staff attorney's job is to tell a family in this situation that we cannot help them stay in their home. Under HB 765, we would also have to warn them of the possibility of prosecution.

For the above reasons,

PBRC urges an UNFAVORABLE report on HB 765.

Please contact Katie Davis, Director of PBRC's Courtroom Advocacy Project, with any questions.

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