



**HB 765 - Criminal Law - Counterfeiting and Possession of Counterfeit Lease – Penalty
Hearing of the House Judiciary Committee on February 17, 2026**

Position: UNFAVORABLE

Dear Chair Bartlett, Vice Chair Davis, and Committee Members:

Thank you for the opportunity to testify. Chesapeake Physicians for Social Responsibility (CPSR) strongly opposed HB765. As physicians we know how harmful evictions are to our patients' health and why better solutions should be sought. For that reason, we are members of Renters United of Maryland. We urge an unfavorable vote HB 765. We appreciate the intent in HB 765 to hold accountable the fake landlords 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 agree that the General Assembly should take further action to hold the social media companies that enable this fraud accountable.

Chesapeake Physicians for Social Responsibility is the statewide affiliate of Physicians for Social Responsibility. With our 880 supporters, our mission is to address the greatest public health threats of all: nuclear war and climate change, but we are also committed locally to addressing environmental injustice and health disparities and the social determinants of health which include housing. [Housing is health!](#) Evictions and homelessness represent the worst outcome of housing insecurity, which includes high housing costs in proportion to income, poor housing quality, unstable neighborhood, overcrowding. Just one small example of the harms done by eviction are the long term [mental health harms](#) to young adults exposed to eviction. Harms done to younger children are well documented. Allowing a renter who is caught in a scam to be evicted without ability to distinguish that they are a victim and not a true squatter turns justice on its head. The impact on families compounds the injustice.

We are concerned, however, that HB 765 will be abused by bad actors to swear out charges against unsuspecting families. Unlicensed landlords and property flippers already abuse the Wrongful Detainer court process to affect 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: 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, diversion, or protections for occupants

who unknowingly move into a unit under what they later learn is a counterfeit lease. The bill criminalizes the “possession” of a fraudulent lease or rental agreement, which could include the occupant-victim of a scam operation. Victims of a rental fraud will risk being treated as trespassers or civil defendants in other proceedings even when they acted in good faith. The bill does not provide restitution procedures, emergency relocation assistance, or a right to delay removal for tenants who learn their lease is counterfeit; therefore, low-income renters who are victims of fraudulent leases may still face sudden displacement and financial loss.

Introducing criminal penalties for possession of counterfeited lease or rental agreements can have adverse effects on low-income renters and families. Criminal liability under this bill turns on whether a person “knowingly” creates or possesses a counterfeit lease “with intent to defraud.” Low-income renters often obtain housing through intermediaries—friends, “agents,” social media contacts, or community members—and are handed documents they did not draft and cannot easily verify. They may pay deposits in cash or via apps without receipts, communicate by text, and never meet the true property owner. When law enforcement later encounters a questionable lease, the only person physically holding the “counterfeit” document is often the tenant, not the individual who created it. In that situation, the State may be tempted to infer knowledge and intent from possession and circumstances alone. For tenants with limited English proficiency, limited literacy, or limited familiarity with formal leasing practices, the risk is that their confusion and poverty are misinterpreted as “suspicious” rather than as evidence of exploitation.

HB 765 is unnecessary to criminalize squatting and rental fraud.

HB 765 is also overly broad because it does not define the terms “lease” or “rental agreement” and could be interpreted to cover any rental of any consumer good including a car rental or movie rental.

It is important that we end our long history of over-criminalization where there is a clear disparate impact on Black and brown communities. We urge the Committee to reconsider further expanding the criminal code with undefined terms. Most of the other documents in this provision of the criminal code are negotiable instruments or recorded deeds. A lease or rental agreement is neither and should be analyzed more thoroughly before criminalizing possession of such a document.

Chesapeake Physicians for Social Responsibility asks that the Committee issue an **UNFAVORABLE** report on HB 765.

Gwen L. DuBois MD, MPH

President

[Chesapeake Physicians for Social Responsibility](#)