

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

House Bill 315
Economic Matters

(Delegate Stewart)

Judicial Proceedings

**Landlord and Tenant - Discrimination in Housing for Income-Based Housing
Subsidies and Positive Rental History Reporting**

This bill generally prohibits, except as authorized under federal law, a landlord of residential rental property that uses financial information (including credit history) as part of a prospective tenant’s rental application from refusing to rent to a prospective tenant who pays rent with the assistance of an income-based housing subsidy on the basis of the prospective tenant’s income, credit score, lack of credit score, or adverse credit history, as specified. The bill establishes such an action as a discriminatory housing practice, subject to enforcement by the Maryland Commission on Civil Rights (MCCR). A landlord that receives funding from a governmental entity, a quasi-governmental entity, or a nonprofit organization that requires income qualification for tenants in income-restricted rental units may collect financial information from a prospective tenant if the collection of such information is a condition of the funding. The bill also includes provisions regarding (1) authorized verification of sufficient income to pay the portion of rent not covered by an income-based housing subsidy; (2) circumstances under which a refusal to rent to a prospective tenant who pays rent with the assistance of such a subsidy is permissible; and (3) a tenant’s option for positive rental payment history reporting and related requirements of landlords.

Fiscal Summary

State Effect: MCCR and the Department of Housing and Community Development can implement the bill using existing budgeted resources. The bill does not otherwise materially affect State operations or finances, as it is assumed that the bill does not significantly impact the workloads of the Judiciary and the Office of Administrative Hearings (OAH).

Local Effect: The bill is not anticipated to materially affect local government operations or finances.

Small Business Effect: Minimal.

Analysis

Bill Summary: “Income-based housing subsidy” means recurring monetary assistance to a landlord from a governmental entity or nonprofit organization that is intended to defray, in whole or in part, a tenant’s rent obligation. This includes low-income housing assistance certificates and vouchers issued under the United States Housing Act of 1937.

The bill’s prohibition regarding the use of adverse credit history is applicable to any such history that arose during a period when the prospective tenant did not have an income-based housing subsidy, if the period during which the tenant did not have the subsidy is confirmed by (1) the applicant; (2) voucher paperwork; (3) documents provided by a public housing authority; or (4) a public housing authority in response to a request by the landlord. A landlord may not, however, require that a public housing authority verify applicable dates for the subsidy for purposes of assessing the tenant’s credit history.

A landlord of residential rental property may require verification that a tenant has sufficient income to pay the portion of rent and utilities not covered by the income-based housing subsidy using an income to tenant’s portion of rent ratio that is substantially equivalent to the ratio used by the landlord for nonsubsidized tenants. In addition, a landlord of residential rental property may refuse to rent to a prospective tenant who pays rent with the assistance of an income-based housing subsidy on the basis of any commercially reasonable and nondiscriminatory use of a reference from a previous or current landlord of the tenant or the tenant’s history of violating a lease, failing to pay utilities, creating a nuisance, or damaging property.

Positive Rental Payment History Reporting

In General: A landlord that owns six or more residential rental units in the State and that offers a residential dwelling unit for rent must include in a written lease the option to have the tenant’s positive rental payment history reported to at least one consumer reporting agency. For a lease entered into on or after October 1, 2026, the offer of positive rental payment history reporting must be made at the time of the lease agreement and at least once annually thereafter. For leases entered into before October 1, 2026, the offer of positive rental payment history reporting must be made not later than January 1, 2027, and at least once annually thereafter. A landlord must deliver the offer of positive rental payment history reporting to the tenant by (1) first class mail with a certificate of

mailing; (2) a delivery service providing delivery tracking and confirmation; or (3) electronic delivery, if the tenant has elected to receive notices from the landlord in this manner.

The offer of positive rental payment history reporting must be in the form specified in regulations adopted by the Secretary of Housing and Community Development and contain specified information, including:

- a statement that reporting of the tenant's positive rental history is optional;
- the name of each consumer reporting agency to which positive rental payment history will be reported;
- the amount of any related fee;
- a statement that the tenant may opt into positive rental payment history reporting at any time following the initial offer by the landlord;
- instructions on how to opt out of positive rental payment history reporting; and
- a signature block that the tenant must date and sign in order to accept the offer of positive rental payment history reporting.

If the offer of positive rental payment history reporting is made by first-class mail, the landlord must provide the tenant with a self-addressed, stamped envelope to return the written election of the reporting. A tenant may submit the tenant's completed written election at any time after the tenant receives the offer of the reporting from the landlord. A tenant may request additional copies of the written election of the reporting from the landlord at any time, and a landlord must comply with such requests.

Fees: If a tenant elects to have positive rental payment history reported to a consumer reporting agency, the landlord may require that the tenant pay a fee not to exceed the lesser of the actual cost to the landlord to provide the service or \$10 per month. The payment or nonpayment of a fee may not be reported to a consumer reporting agency. A fee collected is not rent and may not be credited towards full or partial satisfaction of rent or any other obligation under the lease. If a tenant fails to pay any fee required by the landlord for reporting purposes for 30 days or more, (1) the landlord may stop reporting the tenant's rental payments and (2) the tenant may not elect positive rental payment history reporting for a period of at least six months after the date on which the fee first became due.

Termination of Reporting: A landlord must stop reporting positive rental payment history on written request by a tenant. A tenant who elects to have reporting stopped may not elect positive rental payment history reporting again for a period of at least six months after the date of the tenant's written request to have reporting stopped.

Definitions: “Positive rental payment history” means information regarding a tenant’s complete and timely payments of rent. It does not include an instance in which a tenant did not completely or timely make a rental payment.

Current Law: In general, State law prohibits housing discrimination because of race, sex, color, religion, national origin, marital status, familial status, sexual orientation, gender identity, *source* of income, disability, or military status. Discriminatory housing practices include (1) the refusal to rent, sell, or otherwise make available a dwelling; (2) discrimination with regard to terms or conditions of sale or rentals of dwellings; and (3) discrimination with regard to the making or purchasing of loans or providing other financial assistance. Prohibited practices also include retaliation, coercion, intimidation, or threats because a person exercises the rights and protections granted by State law to prevent discrimination.

Chapters 116 and 117 of 2020 established the prohibition of discrimination on the basis of a person’s *source* of income. “Source of income” is any lawful source of money paid directly or indirectly to or on behalf of a renter or buyer of housing, including income from (1) any lawful profession, occupation, or job; (2) any government or private assistance, grant, loan, or rental assistance program, including low-income housing assistance certificates and vouchers; (3) any gift, inheritance, pension, annuity, alimony, child support, or other consideration or benefit; and (4) any sale or pledge of property or an interest in property. Prohibitions against discrimination based on *source* of income do not:

- prohibit a person from determining the ability of a potential buyer or renter to pay a purchase price or pay rent by verifying in a commercially reasonable and nondiscriminatory manner the source and amount of income or creditworthiness of the potential buyer or renter;
- prevent a person from refusing to consider income derived from criminal activity; or
- prohibit a person from determining, in accordance with applicable federal and State laws, the ability of a potential buyer to repay a mortgage loan.

A person claiming to have been injured by a discriminatory housing practice may file a complaint with MCCR. Statutory provisions specify the process and requirements for complaints of housing discrimination, including the responsibilities of MCCR in investigating a claim and attempting conciliation and the circumstances under which a complainant, respondent, or aggrieved person must have an opportunity for an administrative hearing conducted by OAH or may elect to file a civil action in circuit court. If an administrative law judge (ALJ) finds that the respondent has engaged in a discriminatory housing practice, the ALJ may order appropriate relief, including actual damages and injunctive or other relief, and may assess a civil penalty against the

respondent. A court may award actual or punitive damages, grant injunctive relief, and allow reasonable attorney's fees and costs.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 335 (Senator Love, *et al.*) - Judicial Proceedings.

Information Source(s): Maryland Commission on Civil Rights; Judiciary (Administrative Office of the Courts); Department of Housing and Community Development; Department of Legislative Services

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