

## House Bill 768

Baltimore City - Repossession for Failure to Pay Rent - Registration and License Information

Hearing before the House Environment and Transportation Committee

March 10, 2020



Position: FAVORABLE WITH AMENDMENT

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HB 768 is a much-needed measure to support City of Baltimore's enforcement of its rental licensing ordinance. This bill ensures that District Court "Rent Court" dockets provide no safe harbor for landlords who fail to comply with the City's recently expanded law. By effectively barring unlicensed, law-breaking rental operators from the court's eviction process, HB 768 eliminates financial incentives to ignore the City's public-safety mandates.

Renters United Maryland, a coalition of over 20 organizations representing renters, organizers, and advocates, supports HB 768 because it requires landlords in Baltimore City to demonstrate, by preponderance of evidence at the trial of a Failure to Pay Rent eviction action, that the rental unit is licensed. This simple measure promotes redress for substandard housing defects and strengthens due process in the District Court.

The City's rental license law (Article 13 §5-4) was revised in 2018 with the strongest prohibition against landlord's unlicensed rent collection among Maryland jurisdictions. The statute prohibits an unlicensed landlord from charging, accepting, or collecting any compensation for occupancy while the rental property lacks a license. This prohibition continues even when a landlord who finally acquires a rental license then attempts to collect the rents that were prohibited during the unlicensed rental operations. HB 768 recognizes that District Court judges should not provide any relief in Failure to Pay Rent eviction cases where the landlord is unlicensed or was unlicensed in the months for which they claim rent is due.

Importantly, HB 768 sets forth expressly in Baltimore City's public local law that a landlord may not even file a Failure to Pay Rent action without holding a valid rental license and lead inspection certificate. However, this bill's requirements for proof at trial extend only to rental licenses. The importance of lead inspection certificates cannot be understated and is not lost on any supporters of HB 768. HB 491 is a companion bill that covers lead inspection certificates. **The Committee must pass both HB 768 and HB 491 to ensure that rental operators are compliant with the local rental license ordinance and the statewide Reduction of Lead Risk in Housing Law.**

**The member organizations of Renters United Maryland urge the Committee to issue a report of FAVORABLE WITH AMENDMENT on HB 768.** Please contact Zafar Shah, shahz@publicjustice.org, (410) 625-9409 Ext. 237.

## Comparison of HB 768 and HB 491

	Jurisdiction	Trial steps	Continuance
<b>HB 768</b> (Attar)	Baltimore City (Public Local Law § 9-2 et seq.)	Requires Landlord to <b>prove by preponderance of evidence</b> that there is a valid Baltimore City rental license for the property.	None
<b>HB 491</b> (Rosenberg)	Statewide (Real Property § 8-401)	Requires Landlord to <b>provide direct evidence</b> of a 1. valid lead inspection certificate AND 2. rental license  Removes language in existing law that says validity of a lead inspection certificate is "not issue at trial"	Either party may seek up to <b>10 days'</b> continuance to bring evidence, witness

- ❖ **HB 768** strengthens Baltimore City's enforcement of its rental license ordinance.
  - As amended, HB 768 does *not* require proof of a valid lead inspection certificate at trial.
  - HB 768 revises Baltimore City's "Rent Court" law. All other jurisdictions fall under the statewide law, Real Prop. § 8-401.
  
- ❖ **HB 491** is a statewide bill that requires both lead inspection certificates and rental licenses in the landlord's burden of proof at trial.
  - *In 2017 and 2018, the House passed similar legislation.*

**Both HB 768 and HB 491 are needed to protect renters across Maryland.**

