

March 30, 2021

The Honorable William C. Smith Jr. Senate Judicial Proceedings Committee Miller Senate Office Building, 2 East Wing 11 Bladen St., Annapolis, MD, 21401

RE: HB 523 Landlord and Tenant – Repossession for Failure to Pay Rent – Registration and License Information

Dear Chairman Smith:

The Maryland Building Industry Association, representing 1,100 member firms statewide, appreciates the opportunity to participate in the discussion surrounding HB 523 Landlord and Tenant – Repossession for Failure to Pay Rent – **Registration and License Information.** MBIA **Opposes** the Act in its current version.

This bill would require a landlord to file a written complaint in the district court of the property showing that the property is in good standing and that the tenant has refused to vacate the premises at the landlords direction. MBIA respectfully opposes this measure. The requirement that official papers be drawn up, submitted and reviewed by a district court would create a huge expense for landlords which would be passed onto tenants. During the period of review landlords will be stuck for months with tenants that are refusing to pay rent. The five-day period for review is unrealistic and in order to meet that deadline the individual districts will have to meet significant additional expenses in personnel. This additional risk must be factored into rental pricing for new tenants driving the costs of rental properties up and pricing poorer tenants out of the market.

Additionally, this measure would force landlords to keep tenants that were consistently derelict on rent if they can meet the back charges ordered by the courts. Landlord rely on consistent income in order to meet their home ownership responsibilities and this measure would give tenants and additional mechanism to evade payments and potentially saddle the landlord with unreliable payments on rent.

For these reasons, MBIA respectfully requests the Committee give this measure an unfavorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the Senate Judicial Proceedings Committee