

Additional Protections For Renters Support Safe, Stable Housing

Position Statement Supporting House Bill 49

Given before the Environmental and Transportation Committee

Maryland families need policies that will support safe and stable housing. House Bill 49 will require a landlord to show a valid rental license and lead inspection certificate at trial in failure to pay rent eviction cases. This bill ensures that District Court rent dockets don't protect landlords who fail to comply with municipal rental licensing laws and the Maryland Reduction of Lead Risk in Housing Law. **The Maryland Center on Economic Policy supports House Bill 49 because it would clean up our court system and provide due process for Maryland renters.**

Maryland law already requires landlords to disclose compliance with lead laws in order to file in eviction case in rent court. Additionally, the Court of Appeals found that a landlord's claim in Rent Court is contingent on the property's compliance with any applicable rental license.ⁱ However, a recent report indicated that renters are not getting a full and fair hearing when they are sued for eviction in rent court.ⁱⁱ Currently, landlords can file claims in rent court even when they are violating local and state laws by leasing units without a city/county rental license or leasing units that do not meet Maryland Department of Environment's lead risk reduction requirements.

- In 68% of reviewed eviction cases, the landlord used an invalid rental registration/license on the court complaint.ⁱⁱⁱ
- In 79% of cases, the landlord used invalid MDE registration or lead certificate information on the court complaint.
- Despite the fact that landlords were not in compliance with state and local regulations, courts entered eviction orders in more than 60% of those cases.

Judges vary widely in how they deal with invalid or fictitious information about compliance. In many cases, judges will not take evidence from renters that the landlord's registration or inspection information is invalid. In other cases, landlords are giving multiple continuances in order for the landlord to become compliant while in active litigation of the eviction case. These practices provide incentive to bad actors to take the gamble and see if they can get away with using the courts without having complied with the law. This current policy shifts the burden of proof to the tenant to raise the invalidity of these credentials. This weakens licensing and reduces the protections renters have from lead safety laws. Because renters have little time to prepare for rent court and also face barriers to obtaining certified agency records, this inadvertently favors the landlords at trial.

Several state and local laws, as well as the Maryland Court of Appeals, have sought to address the importance of health and safety in rental housing by enacting licensure and lead paint laws. By requiring landlords to prove their compliance with city/county license and lead certification requirements, HB 49 gives the court authority to carry out the important policies already in place.

It's imperative to deter bad actors and to create a meaningful incentive for landlords to comply with laws that protect the public from defective properties. **For these reasons, the Maryland Center on Economic Policy respectfully requests the Environmental and Transportation Committee to make a favorable report on House Bill 49.**

Equity Impact Analysis: House Bill 49

Bill Summary

HB 49 will require a landlord to show a valid rental license and lead inspection certificate at trial in failure to pay rent eviction cases.

Background

Landlords can file claims in rent court even when they are violating local and state laws by leasing units without city/county rental license or their units do not meet Maryland Department of Environment's lead risk reduction requirements.

Equity Implications

House Bill 49 would bring significant equity benefits;

- The bill expressly places the burden on landlords who file Failure to Pay Rent actions to “provide direct evidence” of compliance at trial.
- The bill will have a direct impact with improving housing security with Black and Latinx households. From 2018, 2019, eviction removals were 3 times higher for Black households in Baltimore City.

Impact

- The bill strengthens the public safety objectives that legislature had intended when they created the Lead Risk in Housing law and city/county rental license laws.
- The bill changes the district courts role from passive bystander to active participant in Failure to Pay Rent cases.

ⁱ McDaniel v. Baranowski, 419 Md. 560, 585 (2011) Maryland Reduction of Lead in Housing Act, Baltimore City Public Local Law.

ⁱⁱ Public Justice 2015 Study Justice Diverted

ⁱⁱⁱ Data from Baltimore City Cases reported from Public Justice Center “Justice Diverted) 2015.