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Health and Government Operations Committee

Chair

Government Operations and Health Facilities Subcommittee

House Chair Joint Committee on Administrative, Executive, and Legislative Review



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Testimony of Delegate Samuel I. Rosenberg Before the House Environment and Transportation Committee in Support of

House Bill 499

Rental Housing Restitution Fund – Establishment

Mister Chairman and Members of the Committee:

Money coming to the State from legal settlements should be used to prevent the wrong that prompted legal action.

House Bill 1425 of the 2000 session established the Cigarette Restitution Fund ("CRF") from the Master Tobacco Settlement of 1998. To reduce the harm caused by tobacco products, the CRF is "focused [on] tobacco-use prevention and cessation programs, cancer prevention, education, and screening programs, cancer research programs, and a strong statewide network of cancer and tobacco local community health coalitions."

The General Assembly again applied that principle when it created the Opioid Restitution Fund two years ago by enacting House Bill 1274.

Currently, the Attorney General's Consumer Protection Division, Housing Unit has an ongoing litigation and enforcement action against

¹ Cigarette Restitution Fund Program, Maryland Dept. of Health and Mental Hygiene, http://crf.maryland.gov/

Westminster Management in many jurisdictions throughout Maryland. The eventual outcome could generate a significant amount of money for the State.

House Bill 499 would establish the Rental Housing Restitution Fund. The fund would consist of money received by the Division of Consumer Protection from any settlement, agreement with, or judgment against a party stemming from an investigation or enforcement of the State's Consumer Protection Act for an "unfair, abusive or deceptive trade practice for rental residential property."

The fund could only be used for rental and legal assistance to tenants facing eviction from a residential rental property. The fund would be administered by the Attorney General.

The expenditures of this fund are meant to be supplemental and not to otherwise usurp the funding that would otherwise be spent on rental or legal assistance in the absence of this fund's existence.

In the coming months, Maryland will see an extraordinary wave of evictions once the courts are again open for such hearings. We must do all we can to ensure that those who need State assistance during this most strenuous time are taken care of. Those who have violated our state's laws should help foot the bill.

I urge the Committee to act favorably on House Bill 499.

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