

SB474 Testimony.pdf

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Position: FAV

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Testimony for Senate Bill 474
Real Property - Sale of Mobile Home Parks - Notice Requirements
Judicial Proceedings Committee
February 9, 2021

Chairman Smith and Members of the Committee:

Thank you for the opportunity to present Senate Bill 474: Real Property – Sale of Mobile Home Parks – Notice Requirements. This bill extends the time frame that a mobile home park owner must provide notice of the sale of a park.

Current law requires that a mobile home park owner provide notice of the sale of a mobile home park to each resident by hand delivery or certified mail, as well as the Department of Housing and Community Development, within 5 days after entering into the contract. The owner must post notice of the sale in a public area of the park, as well.

Since establishing the 5 day requirement, we have learned that 5 days is not sufficient to notify residents of the sale of a park and any potential rent increases. Senate Bill 474 extends the notice requirement to 30 days before the date of the sale. This bill passed the House unanimously last year, however did not have a hearing in the Senate before the early adjournment.

Senate Bill 474 will protect Maryland's vulnerable populations that live in mobile housing, including those disproportionately affected by the COVID-19 Pandemic. Thank you for your consideration and I respectfully ask for a favorable report of Senate Bill 474.

Best regards,

A handwritten signature in black ink, reading 'Addie C. Eckardt'.

Senator Addie C. Eckardt

SB 474 Testimony.pdf

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**MARYLAND
LEGAL AID**

Advancing
**Human Rights and
Justice for All**

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February 5, 2021

The Honorable William C. Smith, Jr.
Chairman of the Judicial Proceedings Committee
Miller Senate Office Building
Annapolis, Maryland 21401

**RE: Maryland Legal Aid's Written Testimony in Support of SB474 – Sale of
Mobile Home Parks – Notice Requirement**

Dear Mr. Chairman and Members of Committee:

Thank you for the opportunity to testify in support of this important bill. Maryland Legal Aid (MLA) is a non-profit law firm that provides free legal services to the State's low-income and vulnerable residents. MLA handles civil legal cases involving a wide range of issues, including family law, housing, public benefits, consumer law (e.g., bankruptcy and debt collection), and criminal record expungements to remove barriers to employment, housing, and other essential needs. Maryland Legal Aid supports SB 474 and asks that this committee give it a favorable report.

This letter serves as notice that Harrison Mont, Esq. will testify in support of Senate Bill 474 on behalf of Maryland Legal Aid at Senator Eckardt's request. This bill seeks to protect and promote housing stability for Maryland families by requiring mobile home park owners who enter into a contract of sale to transfer the mobile home park to a new owner notify residents and the Department of Housing and Community Development not less than 30 days before the date of sale by hand delivery or certified mail and posting in a public area of the mobile home park.

Real Property Section 8A-202(h) was enacted in 2018 partly as a reaction to the Cedarhurst mobile home park community's sale in Salisbury, Maryland, to a Florida-based company. Immediately after the sale and with little to no notice, the new owner raised rents by 60% or more.¹ These residents suddenly faced the prospects of selling their home, paying costs upwards of \$10,000 to move their

¹ See, e.g., Jeremy Cox, "'Still Holding Out': Rent hike vexes mobile home park residents," *The Daily Times*, Jan. 22, 2018 (<https://www.delmarvanow.com/story/news/2018/01/22/salisbury-mobile-home-park-residents-fight-new-owners-58-rent-hike/1023841001/>); Taylor Lumpkin, "Mobile Home Bill Passes After Recent Rent Increase Hurts Local Mobile Home Park," 47ABC, Apr. 11, 2018 (<https://www.wmdt.com/2018/04/mobile-home-bill-passes-after-recent-rent-increase-hurts-local-mobile-home-park/>).

home, or eviction and potential loss of their home for failure to pay rent. The statute requires, among other things, that notice of a rent increase be provided to tenants with a lease term of one year or more at least sixty days before the end of the lease term. However, the statute as it exists today, as amended by the legislature in 2018, only requires notification to residents and the Department of Housing and Community Development within five days after the owner enters into a contract for the sale of the park.

Maryland Legal Aid supports the current bill but urges an amendment requiring notice not less than 30 days before the date of sale or within five days of the owner contracting to sell the park, whichever is earlier. In doing so, the Maryland General Assembly will help ensure residents have a meaningful opportunity to obtain legal advice about what the sale might mean for them before it happens. It would also help protect the human right to safe and secure housing as outlined in the International Covenant on Economic, Social, and Cultural Rights and related guidance by ensuring adequate safeguards to avoid the need for forced eviction.²

Mobile home park residents tend to be low-income and are often seniors on a fixed income. The sale of the park where their homes are located to a new owner who intends to increase residents' rents can inflict great hardship on these economically vulnerable community members. Strengthening our laws to provide residents with adequate notice of an impending sale of their mobile home park will better enable them to assess their options promptly and help reduce the likelihood of eviction and sudden homelessness.

Maryland Legal Aid's responsibility is to serve low-income Marylanders' legal needs, but MLA's mission is to advance Human Rights and Justice for All. Adequate housing was recognized as part of the right to an adequate standard of living in the 1948 Universal Declaration of Human Rights and the 1966 International Covenant on Economic, Social, and Cultural Rights. SB 474, with the above-noted amendment, will help ensure Maryland protects some of its most economically vulnerable citizens per these human rights laws.

Thank you for considering this written testimony. Maryland Legal Aid urges a favorable report on SB 474 with the above-noted amendment.

/s/ Harrison Mont
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² See, e.g., Office of the United Nations High Commissioner for Human Rights, Fact Sheet No. 21/Rev. 1 (November 2009): The Right to Adequate Housing, pp. 4-6: "Safeguards in the case of evictions ... include: ... adequate and reasonable notice." (https://www.ohchr.org/Documents/Publications/FS21_rev_1_Housing_en.pdf).

MMHA - SB 474 - Favorable.pdf

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Position: FAV



Bill Title: Senate Bill 474, Real Property - Sales of Mobile Home Parks - Notice Requirements

Committee: Environment and Transportation

Date: February 9, 2020

Position: Support

This testimony is offered on behalf of the Maryland Multi-Housing Association (MMHA). MMHA is a professional trade association established in 1996, whose members consist of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities. Our members house over 538,000 residents of the State of Maryland. MMHA also represents over 250 associate member companies who supply goods and services to the multi-housing industry.

In 2018, the General Assembly passed legislation requiring notice to residents in a mobile park community when the owner enters into a contract of sale. Specifically, the law now requires a mobile home park owner, within five days after entering into the contract, to provide notice of the sale to each resident by hand delivery or certified mail, return receipt requested, and the Department of Housing and Community Development (DHCD) by certified mail, return receipt requested and post notice of the sale in a public area of the mobile home park. The law also requires an owner of a mobile home park to provide notice of any proposed rent increase no later than 60 days before the expiration of the existing lease agreement.

Senate Bill 474 amends the current statute by requiring that notice must be provided not less than 30 days before the date of sale rather than within 5 days after entering into a contract. Since executed contracts occasionally never actually close, this legislation will permit the parties the opportunity to conduct due diligence before the transaction closes and without the current owner alarming the residents. Senate Bill 474 is fair to the mobile home park owner and preserves notice to the residents.

For these reasons, we respectfully request a **favorable report** on Senate Bill 474.

Aaron J. Greenfield, MMHA Director of Government Affairs, 410.446.1992