

Bill Title: House Bill 523, Baltimore City – Repossession for Failure to Pay Rent –

Registration and License Information

Committee: Judicial Proceedings Committee

Date: March 30, 2021

Position: Favorable with Amendment

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 including towing companies.

House Bill 523 requires a landlord at a failure to pay rent action to demonstrate to the District Court that the property is compliant with or exempt from local license requirements and lead-based paint abatement laws. During trial, the landlord has the burden of proving by a preponderance of the evidence, that the property is in compliance with requirements of Article 13, § 5–4 of the Baltimore City Code and Title 6, Subtitle 8, Part iii of the Environment Article of the Annotated Code of Maryland.

MMHA supports House Bill 523. We are concerned about the effective date related to the lead registration requirement. At present, the Maryland Department of the Environment (MDE) maintains a Lead Rental Registry for "affected properties" – residential rentals built before 1978 (that are not limited lead free or lead free as designated by MDE). These registered rental properties must renew annually and this information is publicly accessible. In a failure to pay rent proceeding and with the burden of proof, a provider could demonstrate that they have an affected property, it is certified and the judge can confirm. There are also "non-affected properties." These are residential rental properties built after 1977 and properties that have a passing Lead Free or limited lead-free inspection certificate. "Non-affected" properties are exempt from the Lead Rental Registry. There is no way for the District Court to validate that a rental is a "non-affected property." The Lead Rental Certification and Accreditation platform is expected to maintain both "affected" and "non-affected" properties and come online in the Fall of 2021. In the event that this database is delayed, House Bill 523 will create complications in failure to pay rent proceedings.

MMHA urges the Committee consider an effective date of January 31, 2022, contingent on the accessibility by the public of the Lead Registration Compliance and Accreditation database of the Maryland Department of the Environment.



For the foregoing reasons, MMHA respectfully requests a <u>favorable report with</u> <u>amendment on House Bill 523.</u>

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