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House Bill 52

Real Property – Alterations in Actions for Repossession and Establishment of Eviction Diversion Program

In House Judiciary Committee on Feb. 17, 2021

Position: FAVORABLE

I write in support of HB 52. I am a Maryland attorney and our law firm regularly represents tenants who are being threatened with eviction or have been evicted. Maryland needs a fairer "Failure to Pay Rent" ("FTPR") eviction process, one that focuses on housing stability instead of housing loss. I urge the Committee's favorable report on this bill.

HB 52 would establish a 10-day notice period before a FTPR eviction can be filed and requires landlords to attempt alternative resolutions (rental assistance, mediated payment plans) as preconditions to bringing their eviction case. Maryland is one of only a handful of states that does not require a landlord to provide written notice to a tenant before filing for eviction. It is time to put procedures in place to reduce the occurrences of housing instability that many Maryland families face.

In almost every Maryland county and in most residential leases, rent is due on the first and if it is not paid by the sixth, the landlord will file a failure to pay rent case. There is very little time for a tenant to communicate with the landlord or obtain resources to help with payment of the rent. The significant delays in the mail will only enhance the problems, as many tenants in the fall of 2020 reported that they were not receiving notices from the court about their trial dates until after the trial had already occurred.

HB 52 is also necessary because it would create a 2-part court process: (i) a status conference, before any trial date, to engage litigants in an Eviction Diversion Program (involving mediation, legal assistance, and rental assistance); and (ii) if a trial is needed, the bill gives tenants a formal time in the court process to assert their defense and request documents that will be used against them at trial. Rent court currently operates with a mass of confused tenants who often have minutes to try and work out a deal with the landlord's attorney or rent court agent (who often only comes to court armed with a spreadsheet of the amount the tenant allegedly owes). If the tenant has a defense, the court is resistant to hearing it because of the amount of cases that have to be heard that day. If a trial is set, then the court is much more likely to provide tenants the time they need to present their case – whether or not they should be permitted to stay in their

homes. Defendants in civil collection cases where the amount being sought is less than \$5,000 are currently afforded more time to present a defense than tenants facing homelessness.

Finally, HB 52 will give judges discretionary power to stay evictions in emergency circumstances. Our office has been contacted by tenants who have been evicted while they are in the hospital and elderly clients who have lived in their homes for more than 10 years. Unfortunately, there was nothing we could do for these individuals under the current state of the law. These vulnerable persons could have been helped by a judge with this discretionary power.

The astronomical number of failure to pay rent filings in Maryland is a drain on judicial resources and hurts the economy. Tenants often have to take off work to attend court, pay for childcare, and transportation costs. This is money that could have been used to pay the rent, for groceries, or put back into the economy.

As Maryland prepares for a massive wave of evictions, the processes that will be created by HB 52 are needed more than ever. I urge this committee to give HB 52 a favorable report.

Chelsea Otego

Very truly yours,

Chelsea Ortega