

February 17, 2021

The Honorable Luke H. Clippinger
House Judiciary Committee
House Office Building, Room 101
6 Bladen St., Annapolis, MD 21401

RE: HB 112 Failure to Pay Rent Proceedings – Sealing of Court Records

Dear Chairman Clippinger:

The Maryland Building Industry Association, representing 1,100 member firms statewide, appreciates the opportunity to participate in the discussion surrounding **HB 112 Residential Property – Eviction Proceedings – Sealing of Court Records**. MBIA **Opposes** the Act in its current version.

This bill would seal court records related to a failure to pay rent proceeding and allow district court to seal records relating to an eviction proceeding. MBIA respectfully opposes this measure. Landlords take a risk every time that they bring on a tenant. They own the underlying property and are dependent on the income from tenants to cover the cost. If a tenant fails to pay it can take an extended period of time to evict them and that time and the associated legal costs are expensive to landlords. In order to take on tenants landlords need to be able to evaluate their tenant history in order to decide if the risk of taking on a particular tenant is justified.

Additionally, eviction proceedings are expensive and time consuming to both tenants and landlords. In order for a landlord to evaluate the risk and potential cost of taking on a tenant they must be aware of previous eviction proceedings. Sealing court records from these proceedings denies landlords the capacity to evaluate their own risk. This creates an incentive to raise rents on all prospective tenants in order to cover the increased risk of a potential eviction proceeding.

For these reasons, MBIA respectfully requests the Committee give this measure an unfavorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: House Judiciary Committees