



**Bill No:** HB 112-- Residential Property – Eviction Proceedings – Sealing of Court Records

**Committee:** Judiciary

**Date:** 2/17/2021

**Position:** Oppose

The Apartment and Office Building Association of Metropolitan Washington (AOBA) represents members that own or manage more than 23 million square feet of commercial office space and 133,000 apartment rental units in Montgomery and Prince George's Counties.

House Bill 112 requires the District Court to seal all court records relating to an eviction proceeding: (1) if the proceedings do not result in a judgement in favor of the housing provider; (2) 30 days after the final resolution of the eviction proceeding; (3) three years after the final order or judgment when the judgement is in favor of the housing provider. If the resident is a defendant in a subsequent eviction proceeding during the 3–year period, the District Court must also seal all records relating to the earlier eviction proceeding 3 years after the most recent final order or judgment.

AOBA opposes this bill because they have a duty to the community and an inability to consider a rental applicant's eviction court records could impact the community as a whole. If housing providers are unable to ascertain a complete picture of prospective residents, this may result in an increase in eviction actions. As housing providers assess rent prices, if they are constantly evicting at a higher rate, rent increases will occur across the board and they will impact even residents that pay their rent timely and abide by community rules. Additionally, housing providers should have unrestricted access to records for non-financial breach of lease evictions, emergency evictions and other evictions not related to failure to pay rent, as these things could pose a threat to the safety of the community. The industry has a responsibility to protect its residents.

Further, a negative rental history does not, in and of itself, preclude leasing of an apartment. Several AOBA members take on riskier residents and those with lower credit scores. They are often willing to work with residents to provide quality housing despite a

checked rental history. However, reviewing previous court records, particularly failure to pay rent actions, is a valuable tool for housing providers. On the other hand, a lack of a failure to pay rent court history could suggest the resident is a strong applicant. If the objective of this bill is to assist applicants, the solution is not to hide the truth from prospective residential housing providers.

Finally, Federal and Maryland credit reporting law currently authorizes the reporting, evaluating and factoring of court records for a seven-year history. AOBA members understand that people undergo hardship, and both people and situations change, however we should not seek to shorten the 7-year life span of such records to 3 years.

**For these reasons AOBA requests and unfavorable report on HB 112.**

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