

SB0560: Maryland Economic Development Corporation – Student Housing Requirements – Leases and Health or Safety Emergencies

Senate Hearing - 2/23/2022 at 1 p.m.

Synopsis: Requiring residential leases between the Maryland Economic Development Corporation and certain students living in student housing owned by the Corporation to be presented in a certain manner and include a certain notice; requiring the Corporation to give certain notice and abide by certain protocols regarding University System of Maryland students living in student housing owned by the Corporation if the University closes the institution or center the student attends due to a health or safety emergency; and applying the Act prospectively.

Written testimony by: Scott Depuy of Arnold, MD ([scott.depuy@gmail.com](mailto:scott.depuy@gmail.com); 240-447-6750)

My daughter is a junior at Towson University. She lived in an on-campus MEDCO dorm as a freshman and would have kept the same room as a sophomore if it weren't for COVID.

I'm testifying in favor of SB0560; specifically, all three of its important provisions:

1. Transparency
2. Closure of the MEDCO dorms when the university cancels in-person instruction due to a health or safety emergency
3. Lease release provisions mirroring the university

Listening to House testimony from two weeks ago, everyone seems to be in favor of the transparency provisions. However, I contend that transparency alone doesn't go far enough.

Parents and students have a common understanding of the terms "on-campus housing" and "off-campus housing". Most people don't understand the complexities of P3s and no amount of fine print or bold type will accurately convey their financial risks. MEDCO and USM market this as "on-campus

housing”, but then want it to be “off-campus” when it comes to placing the interests of bondholders before students. Being able to market this as “on-campus housing” should come with the responsibility of closing the dorms and releasing students from their leases when campus is closed for in-person instruction.

During House testimony, MEDCO’s Executive Director stated the closure provision wasn’t necessary because the State already has this power. The fact that the State didn’t exercise that power in the fall and winter of 2020 is evidence of why this bill’s closure provision is necessary. Across Towson University and the University of Maryland College Park, approximately 998 students sought relief from their lease obligations. These are MEDCO’s own statistics provided to Chair Guzzone and Chair McIntosh. This amounts to 46% of Towson leaseholders. Dozens of lawmakers and the Governor were involved for months. The Comptroller publicly scolded MEDCO’s then Executive Director. It was a global pandemic the likes of which hasn’t been seen in a hundred years. If all this wasn’t emergency enough to act at the time, nothing short of this bill’s provisions will be satisfactory to protect Maryland students and families.

Maryland law needs to ensure that its students and families are never again used as pawns in negotiations between its public and quasi-public institutions.