

Testimony to the Senate Budget & Taxation Committee

SB 560: MEDCO-Student Housing Requirements-Leases and Health or Safety Emergencies

Position: Favorable

February 23, 2022

The Honorable Senator Guy Guzzone, Chair
Senate Budget & Taxation Committee
3 West, Miller Senate Office Building
Annapolis, Maryland 21401

cc: Members, Budget & Taxation Committee

Honorable Chair Guzzone and Members of the Committee:

The Maryland Consumer Rights Coalition (MCRC) is a statewide coalition of individuals and organizations that advances economic rights and financial inclusion for Maryland consumers through research, education, direct service, and advocacy. Our 8,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

We are here today in strong support of SB 560. SB 560 increases transparency for students and their parents or guardians about MEDCO housing and creates critical parity for students in MEDCO housing with students in housing owned by the University of Maryland system (UMS). SB 560 ensures that students in MEDCO and university-owned housing will have the same lease-release protocols in case of a health or safety emergency.

SB 560 responds to MEDCO's failure in 2020 to provide reasonable lease releases to college students living in their properties as universities shut down in response to the COVID-19 pandemic.

Students were told to vacate their dorms and university apartments in response to the pandemic as universities shifted to online learning and students in residential halls were reimbursed or received no financial penalties. Students in MEDCO properties which are quasi-university housing could not cancel their leases and were told they must continue to pay their rent each month for an apartment that they no longer lived in or sub-lease the properties. The MEDCO housing is campus housing similar to other university housing except that it is owned by MEDCO not the university but was marketed as campus housing.

While the matter was ultimately resolved, it took more than four months and multiple points of pressure to get any relief from MEDCO. In the interim, in the midst of a pandemic when many families were struggling with employment and health costs, MEDCO required families to shoulder the costs for the apartments for months without a resolution.

SB 560 creates common sense guardrails for students and their families going forward should universities need to quickly transition to online learning for health or safety reasons. SB 560 provides clear notice to renters that MEDCO is the landlord of this campus housing property and also requires that MEDCO follow the same protocols as students at other campus housing owned by the university.

For all of these reasons, we support SB 560 and ask for a favorable report.

Best,

Marceline White
Executive Director