

Testimony to the House Environment and Transportation Committee HB134: Failure to Pay Rent Proceedings - Prohibition on Rent Increases and Sealing of Court Records Position: Favorable With Amendments

January 18, 2022

The Honorable Kumar Barve, Chair
House Environment and Transportation Committee
House Office Building, Room 251
Annapolis, Maryland 21401
cc: Members, House Environment and Transportation Committee

Honorable Chair Barve 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 writing today in support of HB134.

HB134 would allow for the sealing of eviction records in failure to pay rent cases. For many tenants, having an eviction on their record – even if the case was ultimately dismissed or the court ruled in the tenant's favor - will adversely affect their ability to rent another property or access affordable housing opportunities in the future. The prevalence of nonpayment of rent filings in Maryland, which are often used as a debt collection tool in Maryland, makes the threat of losing out on housing opportunities based on failure to pay rent filings very real for many tenants.

Moreover, House Bill 134 provides an essential relief for Marylanders impacted by the COVID-19 Pandemic. While the CDC's COVID-19 eviction moratorium provided some relief for Maryland families, more protections are needed to ensure that Marylanders experiencing the continual waves of the pandemic are able to maintain and access new housing.

MCRC's Tenant Advocacy program empowers tenants to advocate for themselves by providing information about housing rights and responsibilities, legal information, mediation, and referrals to other nonprofits and legal services. The requests we have received for assistance with eviction have increased by 36% over 2020. COVID-19 has exponentially increased the housing insecurity impacting Maryland tenants.



In 2021, our Tenant Advocacy program received 1271 complaints from Maryland residents statewide. Of those 1271, 800 were related to eviction. The bill would ensure that if a case filed against a tenant where the tenant prevailed or a dismissal was entered, or if the tenant exercised the right of redemption ("pay to stay"), then the record will not be held against a tenant in their efforts to find housing in the future. This is change to the eviction process is long overdue, as most families affected by eviction and the lack of affordable housing are non-white households. Only 17% of our 512 tenants who needed assistance with eviction in 2020 were white.

In a 2020 Baltimore City eviction study it was found that the number of Black eviction removals is 3 times higher (195% more) than white evictions and 46% more female headed households were removed from their homes as compared to male headed households. Shielding and sealing records are a powerful solution that work together to mitigate the harm of evictions and ensure that tenants are able to secure alternate housing and avoid homelessness.

MCRC supports HB134 with one critical amendment to remove language excluding subsidized tenants. The bill, as currently written, would exclude tenants who reside in federally assisted housing from the opportunities presented by the bill. This exclusion does not have a basis in federal law governing mandatory admission denials, which typically are based in a tenant's criminal background rather than a tenant's history of rental payments. 5 While a federally assisted housing project may consider a tenant's prior rental payment history 6, it has no obligation to do so. This makes the process of reviewing eviction records for prospective tenants in federally assisted housing unnecessary to proceed with approval. Indeed, such reviews of records place even more significant barriers on families attempting to enter or remain in federally-subsidized programs, who are already qualified for these programs based on their status as families with extremely low income.

Maryland should join the nationwide movement pushing for the shielding and sealing of eviction records. Since 2021 Nevada, Oregon, and Minnesota allow courts to expunge eviction records on a case-by-case basis. California automatically seals records and The District of Columbia passed a sealing law as a pandemic-era measure and is now considering making it permanent.² Maryland should join these jurisdictions in recognizing that sealing and shielding records is not only a matter of protecting tenants' rights, but also an issue of racial justice.

For all these reasons, we support HB134 with the included amendment and ask for a favorable report.

Best,

Isadora Stern Policy Associate

¹ https://evictions.study/maryland/report/baltimore.html

² https://theappeal.org/the-lab/report/erasing-the-scarlet-e-of-eviction-records/