

Robin Carter
Chairperson, Board of Commissioners

Janet Abrahams
President | Chief Executive Officer



HB 392

February 8, 2022

TO: Members of the Environment and Transportation Committee

FROM: Housing Authority of Baltimore City

RE: House Bill 392 – Landlord and Tenant - Failure to Repair Serious and Dangerous Defects - Tenant Remedies (Tenant Justice Act)

POSITION: **Oppose**

Chair Barve, Vice Chair Stein, and Members of the Committee, please be advised that the Housing Authority of Baltimore City (HABC) **opposes** House Bill 392.

HABC strongly opposes this proposed legislation, which seeks to reenact the existing rent escrow laws. HABC would be exposed to quite expensive and extensive lawsuits under this bill. It would allow one tenant or a tenant organization to bring suit on behalf of other tenants who are (actually, allegedly, or potentially) harmed by the conditions. This would prove especially problematic in our larger developments. Additionally, the bill would also result in staff members being found individually liable.

Rent escrow laws apply to all landlords, including HABC. A rent escrow case can be brought affirmatively or defensively. Many tenants file a defensive escrow case when we file a failure to pay rent case against them. This would be a nightmare for HABC if we file a failure to pay rent case and a rent escrow is filed on behalf of the entire development.

HABC residents frequently file rent escrow complaints first before providing HABC with notice of the defect and/or an opportunity to make repairs. Some residents don't cooperate with HABC for maintenance, and one resident's lack of cooperation may affect HABC's ability to address the issue and continue to expose HABC to further damages.

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Please note that tenants have opportunities under consumer protection laws that would cover what this law seeks to accomplish.

We respectfully request an **unfavorable** report on House Bill 392.

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