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Environment and Transportation Committee

> Subcommittees Environment

Land Use and Ethics



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## THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

# Testimony in Support of HB392 Tenant Justice Act of 2022

Testimony by Delegate Vaughn Stewart
February 8th, 2022 • Environment and Transportation Committee

#### What the Bill Does

Maryland state law affords renters the right to a home that meets basic structural, health, and safety standards. But because tenants face barriers to enforcing that right, many Maryland families live in putrid conditions, forced to inhale mold, dodge rats, and generally trudge on without structurally sound shelter or even operationable appliances.

Under current law, Maryland's rent escrow provision allows a tenant to legally place rent payments into an escrow account when a landlord fails to make essential repairs. But there are two fundamental problems. First, filing a rent escrow action is burdensome. As a result, there are far more tenants living in unlivable conditions than there are tenants filing rent escrow actions. Second, rent escrow actions revolve entirely around the contract between an individual tenant and landlord, which means that even if a tenant prevails, the remedy is generally confined to only that tenant.

HB392 fixes both of these problems in two ways. First, the bill allows groups of tenants to file a rent escrow action collectively. Second, the bill allows a single tenant to seek remedies on behalf of a group of tenants with similar issues.

#### Why the Bill Is Important

HB392 has two primary benefits. First, it allows tenants to enforce their right to a safe and habitable place to live. Allowing a tenant to sue on behalf of their neighbors solves a collective action

problem created by the time-consuming and intimidating nature of filing a lawsuit. In particular, low-income tenants, who are predominantly people of color, are fearful of the unknown–many choose to live in miserable conditions rather than trusting the court system.

Other options for guaranteeing safe housing fail to do so. Rental housing inspection programs in the state are either underfunded or nonexistent; any inspections that do occur are usually complaint-driven. And while tenants can theoretically pursue injunctive relief through a class action, in practice, courts are rarely willing to certify classes of tenants. Recent Supreme Court rulings have made the commonality and typicality requirements of class certification more onerous, and smaller groups of tenants (less than 20) will necessarily fail to meet the numerosity requirement.

Second, this bill provides for a more efficient administration of justice for both tenants and landlords. Forcing each tenant to file a series of piecemeal lawsuits about the same problems in the same building is a waste of time for the parties and a waste of resources for our overburdened judicial system. A method of group lawsuits about common complaints will give all parties the best opportunity for a quick resolution without incurring unnecessary attorneys' fees.

### Why the Committee Should Vote Favorably

Maryland states that renters a right to safe and livable housing, yet the law does little to make that right a reality. When tenants are indeed living in squalid conditions of the landlord's making, this bill would hasten their path toward living in dignity. And even when the facts are on the landlord's side, this bill would hasten the path to an efficient resolution for the parties and the court system.

I urge a favorable report.