

Testimony to the House Environment & Transportation Committee
SB 384: Landlord and Tenant – Stay of Eviction Proceeding for Rental Assistance Determination
Position: Favorable

March 29, 2022

The Honorable Kumar P. Barve, Chair
Environment and Transportation Committee
Room 251, HOB
Annapolis, MD 21401
cc: Members, 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 SB 384. The bill was heavily amended in the Senate to address the concerns of landlords and received a unanimous favorable vote in JPR. We urge this committee to vote favorably on SB 384 as amended by the Senate without weakening amendments. SB 384, like the cross-file HB 674, provides that the court should pause rent-based evictions when a good-faith rental assistance application is pending. Maryland has \$400 million in rental assistance available to prevent evictions. Every dollar of our estimated rent debt of \$392 million (Dec. 2021) can be paid by local emergency rental assistance programs (ERAPs) that have scaled up over the past year. Yet, in the second half of 2021, there were nearly 27,000 eviction cases filed for non-payment of rent per month. In that time, 705 households were evicted per month.

No one should be evicted when there is money to pay the rent – especially during a pandemic. This bill will align the pace of rental assistance with eviction processes and incentivize landlords to accept rental assistance. Even as local rental assistance programs have worked overtime to innovate solutions that make landlords whole while keeping residents housed, they were exceedingly outpaced by eviction filings. In July 2021, the ratio of FTPR eviction filings to households served by ERAPs was nearly 9:1. Even with the incredible ramp-up effort over summer and fall, plus the implementation of new notice requirements under HB18 (Oct. 2021), that ratio was still approximately 4:1.

Numerous landlords – both large corporations and smaller operators – are refusing to accept rental assistance. Some refuse it across the board. Others pick winners and losers – accepting the rental assistance for some who they like and refusing it for others. If the landlord wants to use a state-funded judicial process to collect the rent, they should be required to accept rental assistance. This bill will ensure all eligible renters have access to rental assistance and that their landlords accept those funds. Furthermore, SB 384 would remove that incentive for landlords to aggressively pursue eviction because the Court could pause the eviction while a good faith rental assistance application is pending.

For these reasons we support this measure and urge a favorable report.

Sincerely,
Isadora Stern
Policy Associate