

House Bill 392 -- Landlord and Tenant - Failure to Repair Serious and Dangerous Defects – Tenant Remedies (Tenant Justice Act) House Environment and Transportation Committee February 8, 2022 Oppose

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, opposes House Bill 392 -- Landlord and Tenant - Failure to Repair Serious and Dangerous Defects - Tenant Remedies (Tenant Justice Act).

House Bill 392 authorizes a single tenant to seek remedies on behalf of a group of tenants or a tenants' organization for a landlord's failure to repair serious and dangerous defects on the leased premises, authorizes a tenant to bring a civil action for damages if a landlord fails to repair defects within a certain time period, and requires the award of attorney's fees to a tenant who prevails in an action.

MCCC has numerous concerns regarding House Bill 392 and its impact in Montgomery County and the Metro Maryland region. First, the language, "ON THE PROPERTY IN COMMON OF WHICH THE LEASED PREMISES FORM A PART" creates ambiguity for landlord and property management companies and mixed use properties with multiple condos and associations on the same property. Additionally, language such as "...IN COMMON..." and "...on the property..." are overly ambiguous, confusing, and create uncertainty.

Generally, apartment and condo buildings in mixed-use developments have no legal standing for actions in the rest of the project. As an example, residents of an apartment complex should not be able to raise legal issues with the sidewalk in front of a retail establishment in a mixed-use development. However, residents of an apartment building in a mixed-use development could and should be able to seek remedies for a defect in, for example, their in-building gym facility.

MCCC is also concerned about creating a "class action" concept where a single person can be representative of a group. This will create confusion and give rise to pre se litigants, further resulting in an overly burdensome legal climate for landlords and property management companies. An environment for monetary damages and class actions creates additional and unnecessary risk and should be rejected.

For these reasons, the Montgomery County Chamber of Commerce opposes House Bill 392 and respectfully requests an unfavorable report.

The Montgomery County Chamber of Commerce, on behalf of our nearly 500 members, advocates for growth in business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and a proud Montgomery County Green Certified Business.

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