

## Senate Bill 564

Committee: Judicial Proceedings
Date: February 22, 2022 **Position: Unfavorable** 

This testimony is offered on behalf of the Maryland Multi-Housing Association (MMHA). MMHA is a professional trade association established in 1996, whose members house more than 538,000 residents of the State of Maryland.

## I. Summary

Senate Bill 564 ("SB 564") applies to nonpayment of rent, tenant holdover, breach of lease, and unlawful detainer cases. SB 564 creates two separate mandatory pauses within a historically delayed court system. The first mandatory pause would halt proceedings on the day of trial if service providers are available. The second mandatory pause would require that judges stay the proceedings for no less than 5 days if either party requests an attorney, requests time to obtain documents, or a party demonstrates that the interests of justice would be better served with the referral of the parties to an eviction services provider.

## II. Bill Impact

SB 564 adds additional time to what is already a historically delayed rent court process. To be clear, MMHA has seen courts closed for non-payment of rent cases since late December 2021, and nonpayment of rent cases will be paused in courts until March 7, 2022, at the earliest. Due to court closures and court scheduling processes, jurisdictions across the state are experiencing significant delays between a court filing and a court hearing. MMHA's members have seen the time between a court filing and a court hearing for non-payment of rent cases extend to 6 months, 8 months, and even more than a year in some jurisdictions. Maryland's housing providers simply cannot afford additional delays to an already excessively slow process.

During the 2021 legislative session, the Maryland General Assembly passed a 10-day notice law for nonpayment of rent cases that provides Maryland's residents with one of the longest grace periods in the country, and extended the notice period for the end of leases by 30 days. MMHA is concerned that SB 564 is now attempting to extend repossession processes that were just significantly extended last session. Further, the nonpayment notice that went into effect on October 1, 2021 provides direct contact information for attorneys to residents, which accomplishes the goal of SB 564.

At a time when housing providers have bills, taxes, and loans to pay, residents in Maryland currently have months to prepare for a court hearing. MMHA's members have been informed by judges in the District Court to expect continued delays in the rent court process. Housing court will no longer resemble anything close to expeditious. As such, MMHA is concerned that SB 564 creates unnecessary, mandatory pauses that unintentionally incentivizes parties to wait until a first appearance before communicating or preparing for a hearing. For the aforementioned reasons, MMHA respectfully requests an unfavorable report from the committee.

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