



House Bill 521 - Landlord and Tenant - Shielding of Court Records

Hearing before the House Judiciary Committee

March 2, 2022

Position: SUPPORT (FAV)

Thank you for the opportunity to testify in support of HB 521, a bill that would allow certain individuals to petition a court to remove records related to failure to pay rent actions from public inspection. **We urge the Committee to issue a favorable report on House Bill 521.**

Arundel Community Development Services, Inc. (ACDS) serves as Anne Arundel County's nonprofit housing and community development agency, helping Anne Arundel County residents and communities thrive through the provision of safe and affordable housing opportunities, programs to prevent and end homelessness, and community development initiatives. In fulfilling this role, ACDS administers grants to nonprofit partners, directly develops and implements programming, and advises the County on housing and community development policy initiatives. **ACDS administers Anne Arundel County's Emergency Rental Assistance Program (ERAP) by operating its own tenant-based rental assistance program and by working with sub-grantees who also distribute the County's ERAP funds.**

As the County's largest provider of Emergency Rental Assistance, ACDS has assisted thousands of tenants throughout Anne Arundel County to remain housed since the COVID-19 pandemic began. While Emergency Rental Assistance most often takes the form of payment for arrears on behalf of a tenant owing past due rent, Emergency Rental Assistance can also take the form of relocation assistance. Relocation Assistance is provided when a tenant must leave their rental property because their lease has expired and their landlord refuses to renew, when a tenant must relocate due to unsafe, unsanitary or over-crowded conditions, or when a landlord refuses to accept Emergency Rental Assistance funds to cover a tenant's arrears. In such instances Emergency Rental Assistance can provide payment for the tenant's security deposit, first month's rent, and in some instances additional prospective rent on behalf of the tenant. In addition to tenants needing to move for the reasons mentioned above, still others wish to move at the conclusion of their lease terms to find more affordable housing. We have found that **our rental assistance clients are having extreme difficulty in locating new housing as a result of rental histories made over the past two years.**

Renters are significantly hampered– if not halted completely - in their attempts to locate new housing as a result of rental histories reflected on public court records.

Despite the various moratoria on evictions in place for the first 15+ months of the pandemic and the availability of rental assistance to prevent evictions, many landlords filed lawsuit after lawsuit after lawsuit for Failure to Pay Rent against the same tenant households over the past two years. Those cases are easily accessible for public view even though many were ultimately dismissed or paid in full by rental assistance programs or other sources. Unfortunately, however, details of the dispositions are often unavailable or overlooked online, which in turn leads prospective landlords to make assumptions and deny new housing to those tenants on the assumption that a long rental record means a tenant is too economically high-risk to allow a new lease.

House Bill 521 would protect tenants from unfair prejudice that further compounds their risk of housing instability as they emerge from the financial hardships caused by economic fallout from the pandemic.

Many tenants seeking rental assistance through our Program did not have trouble paying their monthly rent until the global crisis caused loss of income, loss of childcare options, and loss of loved ones who contributed to household living expenses. Those tenants, many of whom are now back on their feet with their landlords having been paid, are unable to find new housing because the lawsuits filed against them during the pandemic reflect negatively on their desirability as a new tenant.

Rather than allowing rental history as reflected in the court's records to negatively affect the ability of individuals and families to secure future housing, tenants against whom Failure to Pay Rent cases were filed during the pandemic should be able to petition a court to shield a rent record that is not representative of their usual payment practices; this would protect them from unfair denial of future housing. **Emergency Rental Assistance funds were specifically intended to promote housing stability. To allow tenants' rental history during the pandemic to essentially wipe out tenants' abilities to find housing in the future frustrates the purpose of the Emergency Rental Assistance Program.**

For these reasons, we urge a FAVORABLE REPORT ON House Bill 521.