



## **House Bill 521 – Landlord and Tenant – Repossession for Failure to Pay – Shielding of Court Records**

### **Position: Unfavorable**

Maryland REALTORS® opposes HB 521 which would permit shielding of court records between March 5, 2020 and January 1, 2022.

REALTORS® appreciate the targeted approach offered by the legislation but believe landlords and property managers should be able to review tenant histories. Our members are often property managers for small landlords who may own only a couple of properties. Because many of these Mom and Pop owners carry mortgages on their rental properties, they rely on tenant histories to ensure the tenant will be able to pay the rent. Without that rent, these owners can fall behind in their mortgage payments. In fact, there are smaller landlords who have had to sell their property or face foreclosure due to unpaid rent during the last two years.

Although HB 521 would limit shielding to actions where no judgement of possession was granted to a landlord, a landlord paying a mortgage will still want to know if a tenant is consistently late in paying rent which would be evidenced by the court filing. Even late payments can result in the landlord juggling his/her own finances to make up the difference when the mortgage is due. Tenants always have the ability to explain to landlords why a tenant history may show a negative mark like a COVID related job loss.

Finally, the reason that some tenants have trouble finding rentals is not due to screening issues but the lack of affordable rental property. The Department of Housing and Community Development's Housing Needs Study estimates that the state currently lacks 85,000 affordable rental units.

For these reasons, the REALTORS® recommend an unfavorable report.

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