Health Care for the Homeless - 2023 SB 72 FAV - In

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HEALTH CARE FOR THE HOMELESS TESTIMONY <u>IN SUPPORT OF</u> SB 72 - INCOME TAX - CREDIT FOR PET-FRIENDLY RENTAL DWELLING UNITS

Senate Budget & Taxation Committee January 19, 2023



Health Care for the Homeless supports SB 72, which would create a nonrefundable credit against the State income tax for a landlord who permits a tenant to reside with a "companion animal." Emotional support animals assist many of our clients in coping with their symptoms of disabilities as it relates to the stress of social interactions. A wider range of housing options, as this bill intends, would be hugely beneficial to these clients.

Health Care for the Homeless has a number of clients that have trouble finding petfriendly rentals. Having a pet can do great things to improve mood and the ability for more clients to have pets in their homes would be a huge benefit to them. There is extensive professional literature concerning the therapeutic benefits of assistance animals for people with disabilities such as that experienced by many of the clients we serve. Many of our clients have disabilities due to mental illness and companion animals allow them to cope with stress in order to help them function on a daily basis. As such, many of our providers recommend an emotional support for their clients. If a client has certain limitations regarding social interactions, our providers have prescribed emotional support animals to help alleviate these difficulties. As our clients already experience homelessness or housing insecurity, being limited to housing options, on top of being denied the ability to better cope with mental illness, is hugely problematic for our clients.

We have seen the benefits that emotional support animals bring for many of our clients with disabilities. As such, we support HB 681 as a measure to expand the housing options for clients in need of emotional support animals. While we believe a tax credit is a strong and timely solution, we understand that this committee and the House may feel more comfortable moving the bill as a task force, and we would support that change as well.

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Everyone deserves to go home.

SB72 HRA Testimony.pdf Uploaded by: Emily Hovermale Position: FAV



January 19, 2023

Budget and Tax Committee Maryland State Senate 11 Bladen St Annapolis, MD 21401

RE: Humane Rescue Alliance SUPPORT for SB72

On behalf of the Humane Rescue Alliance and our thousands of supporters in Maryland, thank you for the opportunity to submit testimony in support of SB72, which aims to prevent further displacement of vulnerable families and keep pets with the families who love them.

The Humane Rescue Alliance honors more than 150 years of commitment to protecting animals, supporting families, and advocating for positive change to create a world where all animals can thrive. Located in Washington, DC, we are the largest animal services provider in our region, touching the lives of over 100,000 animals annually through adoption, community veterinary care and other support services, and lost pet reunification. Last year, we helped over 4,000 Maryland families find their animal companion.

Restrictive pet rental policies increase housing insecurity and break up families

As thousands of Marylanders face difficulty in finding safe and affordable housing for their families, restrictive rental policies for pets and exorbitant pet fees add to the barrier that renters face.

In addition to pet security deposits, rental properties that allow pets often include additional monthly pet fees, despite the fact that research shows that in the instances in which pet-related damages occur, security deposits are more than sufficient to cover costs in most cases.ⁱ According to an analysis of pet fees and rental housing published in 2021, pet charges beyond a security deposit add to the financial barriers that low-income tenants already face when trying to find housing, and **unreasonable pet fees lead to poorer housing security among already disadvantaged and marginalized populations**.ⁱⁱ

Even when owners can afford to pay the additional costs associated with having a pet in a rental property, policies restricting dog breed and weight effectively eliminate a large percentage of family dogs from living in most rental units. According to a survey of 551 owner/operators in urban and suburban settings, while 76% of owner-operators consider themselves pet friendly, just 8% of rental housing is free of pet restrictions, with breed and size restrictions being the most common.^{III} When weight restriction for dogs in the rental-housing world averaging 25-45 pounds, many of the most popular family dogs, from Labradors to Golden Retrievers, are excluded from properties with these arbitrary limits.

Additionally, restrictive pet rental policies crowd animal shelters with pets who have loving families who want to care for them but are unable to find safe and affordable housing that allows for their animal companions, forcing families to make the devasting choice to give up their pet or give up a home. Extensive analysis of 1.1 million U.S. cat and dog owner surrenders spanning January 2018 through September 2020 identified housing issues as one of the most frequently cited reasons why people relinquish their pets to animal shelters.^{iv} This is born out in our state, and **our publicly funded county animal shelters must use their limited resources to care for these animals who have families who would like nothing**

more than to be able to continue caring for their beloved pet.

Given the challenges pet owners face to finding affordable housing that allows for their pets, an estimated 20% of owners make the choice to keep their pets in rental units illegally rather than surrendering them to an animal shelter, opening themselves up to the possibility of eviction and its subsequent long-term implications for health and security.ⁱⁱ

Pets make life happier and healthier for people and communities

Everyone deserves access to the well-documented benefits of the human-animal bond. According to the American Pet Products Association's National Pet Owners Survey for 2021-2022, pet ownership has increased to an estimated 70% of U.S. households that own a pet,^v and studies consistently show that the vast majority of people consider pets to be an important member of the family.^{vi}

According to the CDC, the bond between people and their pets is linked to several health benefits including decreased blood pressure, cholesterol levels, triglyceride levels, feelings of loneliness, anxiety, and symptoms of PTSD. **Studies also show pet ownership increases opportunities for exercise and outdoor activities; results in better cognitive function in older adults; and creates more opportunities to socialize.** ^{vii}

No one should have to make the devastating choice between their pet and a home. We respectfully ask the committee to act on this important issue. Creating the tax credit program in SB72 would be a strong and decisive answer, but we would support any further action toward addressing this ever-growing issue, including examination of the issue and possible solutions with a task force.

Thank you for your consideration.

Emily Hovermale Director of Government Affairs Humane Rescue Alliance

ⁱ https://www.tandfonline.com/doi/abs/10.2752/089279305785594270

ⁱⁱ https://www.frontiersin.org/articles/10.3389/fvets.2021.767149/full

ⁱⁱⁱ https://www.foundanimals.org/pets-and-housing/2021-pet-inclusive-housing-report/

^{iv} https://network.bestfriends.org/research-data/research/owner-surrender-acquisition-source-analysis

^v https://www.americanpetproducts.org/pubs_survey.asp

vi https://habri.org/international-hab-survey/

vii https://www.cdc.gov/healthypets/keeping-pets-and-people-

healthy/how.html?CDC_AA_refVal=https%3A%2F%2Fwww.cdc.gov%2Fhealthypets%2Fhealthbenefits%2Findex.html

SB72_HSUS_FAV.pdf Uploaded by: Jennifer Bevan-Dangel Position: FAV



January 19, 2023 3 West Miller Senate Office Building Annapolis, Maryland 21401

Dear Senator Guy Guzzone, Chair:

On behalf of the Humane Society of the United States (HSUS) and our Maryland supporters, we write in strong support of Senate Bill (SB) 72, which will serve to protect the bonds between Maryland renters and the pets that are important members of so many of our families.

Throughout the COVID-19 pandemic, in the face of an unprecedented public health emergency, our nation took immediate action to keep families stably housed by swiftly enacting eviction moratoriums and funding emergency rental assistance—critical tools that helped keep families and their pets at home. Likewise, many organizations, including HSUS, helped by supporting vulnerable communities and delivering vital services to pet owners including affordable, accessible veterinary care, supplying pet food and resources, and by advocating for pet-inclusive subsidized housing because a deep connection with pets transcends boundaries of socio-economics, race, ethnicity and geography, and no one should be denied the opportunity to experience the benefits, joy and comfort that come from the human-animal bond. Despite assistance at all levels of government, many renters find difficulty securing housing suitable for their entire family.

A record number of households and nearly three-fourths of renters have pets, and while a majority of Americans consider their pets to be family members many tenants say they have trouble finding "pet friendly" properties. One explanation found by a recent industry report showed that although 76 percent of owner/operators say their properties are pet-friendly, 72 percent of residents surveyed said that pet-friendly housing is hard to find, and 59 percent say it's too expensive.¹ The scarcity in properties that welcome all pets is often associated with policies that include arbitrary restrictions such as breed, weight and number limits that create unnecessary barriers for pet-owning tenants. To the detriment of many owner/operates, this disconnection is a hindrance and leaves money on the table as vacant units in pet-inclusive properties fill faster than those in non-pet-friendly housing and on average, residents stay 21 percent longer. The study found additional financial benefits as well, including that fewer than 10 percent of all pets cause damages of any kind and the average pet deposit will cover any damage that is caused.

Now more than ever, with so many of us experiencing unparalleled isolation, the importance of companionship cannot be overstressed. S.B. 72 will incentivize housing providers to welcome families and their beloved pets and will help relieve common restrictions that disproportionately impact low-income households. In Maryland, 33% of households rent their homes² and approximately 16 percent of renters are behind on their rent³. According to the National Low Income Housing Coalition (NLIHC), a person earning minimum wage would have to work 82 hours each week to afford a modest, 1-bedroom rental home at fair market rent in Maryland.⁴ In addition to creating

¹ "2021 Pet-Inclusive Housing Report." Michelson Found Animals and HARBI. Accessed January 31, 2022. https://www.foundanimals.org/pets-and-housing/2021-pet-inclusive-housing-report/.

² "Maryland." National Low Income Housing Coalition. Accessed January 31, 2022. <u>https://reports.nlihc.org/oor/maryland</u>.

³ "ERASE Tenant Protections Resource Page". NLIHC Tenant Protections Database. February 1, 2022.

⁴ "Out of Reach: Maryland." National Low Income Housing Coalition, February 1, 2022.

https://reports.nlihc.org/sites/default/files/oor/files/reports/state/md-2021-oor.pdf.



more pet inclusive housing, S.B. 72 will provide valuable tax credits to housing providers during these times of economic uncertainty.

We believe a tax credit is a strong and timely solution but understand that this committee and the House may feel more comfortable moving the bill as a task force, and we would support that change as well. We are happy to provide language for such an amendment.

All in all—pet-inclusive properties are not only good for tenants, but they're good for housing providers. This bill is a thoughtful and compassionate use of our public subsidies setting reasonable requirements all while benefiting our communities and making them more humane. We thank the committee for consideration of this important legislation and urge your support of S.B. 72.

Sincerely,

cc. Members of the Senate Budget and Taxation Committee

Income Tax- Credit for Pet- Friendly Rental Dwelli Uploaded by: Lisa Radov

Position: FAV

MARYLAND VOTES FOR ANIMALS



PO BOX 10411 BALTIMORE, MD 21209

January 19, 2023

To: Senate Budget and Taxation Committee From: Lisa Radov, President and Chairman, Maryland Votes for Animals, Inc. Re: Income Tax – Credit for Pet-Friendly Rental Dwelling Units – SB 72- Support

Chairman Guzzone, Vice Chairman Rosapepe, members of the Senate Budget and Taxation Committee, my name is Lisa Radov. I am the President and Chairman of Maryland Votes for Animals. We champion humane legislation to improve the lives of animals in Maryland. Speaking for Maryland Votes for Animals, our Board of Directors, and our members across Maryland, I respectfully request that the Senate Budget and Taxation Committee vote favorably for Income Tax - Credit for Pet-Friendly Rental Units - SB 72.

This bill would provide a tax credit for landlords who adopt pet-friendly leasing policies. While landlords may impose restrictions on the number of companion animals residing with a tenant, they may not impose non-refundable pet fees or have breed or size restrictions on companion animals residing with the tenant. In addition to claiming this tax credit, landlords will provide a list of residential properties with pet-friendly policies. The Comptroller will keep an updated list of the landlords and properties in our state.

Finding affordable housing has been an issue for renters with pets. With Covid exacerbating weaknesses in the housing market, it is time to take a tangible step to help people who face housing insecurity. Often when confronted with these problems, the proposed solutions are in the form of form of regulations and/or penalties. This bill is unique in that it creates a pilot program that operates by offering an incentive, but not a mandate. The hope is that the program will be become popular not only with pet owners in search of pet-friendly apartments, but also with landlords, who will enjoy both tax credits and potentially increased revenue as their policies attract the pet friendly community to rent in their properties.

While we believe that the tax credit approach would be an efficient and effective solution to this problem, we would support moving this bill as a task force if this committee and the House see this route as the most feasible way to find a solution to this problem engage the opinions of all stakeholders.

Thank you to Senator Jackson for introducing this bill. I urge a favorable report for SB 72.

SB72JacksonTestimony.pdf Uploaded by: Michael Jackson Position: FAV

MICHAEL A. JACKSON Legislative District 27 Calvert, Charles and Prince George's Counties

Budget and Taxation Committee

Subcommittees

Chair, Pensions

Public Safety, Transportation, and Environment



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District Office 250 Merrimac Court Prince Frederick, Maryland 20678

THE SENATE OF MARYLAND Annapolis, Maryland 21401

TESTIMONY - SENATE BILL 72 INCOME TAX – CREDIT FOR PET-FRIENDLY RENTAL DWELLING UNITS BUDGET & TAXATION COMMITTEE JANUARY 19, 2023

Chair Guzzone, Vice Chair Rosapepe and Fellow Committee Members:

Senate Bill 72 is a very straightforward bill that creates a tax credit for landlords who offer pet-friendly rental units. The bill would allow landlords to claim a \$200 credit against their state income tax for each of their rental units in which they allow a renter to reside with a companion animal. The credit would be capped at \$2,000 (or ten units) and come with the caveat that landlords would not be allowed to charge excessive, non-refundable pet fees or impose breed restrictions. Additionally, under the bill, the Office of the Comptroller would be required to keep a record of landlords claiming the credit to be used by those in search of pet-friendly housing.

This legislation would help to ensure that those dealing with housing insecurity do not have to part with their family pets. Housing issues are among the most frequently-cited reasons why people relinquish their pets to animal shelters. This legislation is a win-win situation for both landlords and tenants as it incentivizes (and hopefully increases) pet-inclusive housing to allow vulnerable families to keep their pets while providing landlords a tax benefit in the process.

For the reasons listed above, I ask for a favorable report of Senate Bill 72.

SB 72 – Income Tax – Credit for Pet-Friendly Renta Uploaded by: Christa McGee

Position: FWA



Senate Bill 72 – Income Tax – Credit for Pet-Friendly Rental Dwelling Units

Position: Support with Amendment

Maryland REALTORS[®] supports SB 72, which allows for a tax credit to be provided to landlords who allow their tenants to reside with their companion animals.

REALTORS® support providing this tax credit as it would offer an incentive to landlords who choose to allow their tenants to have a companion animal that resides with them in the rental unit. The financial incentive offered would encourage landlords to accept companion animals and increase the amount of pet friendly rentals within the state.

However, certain jurisdictions have imposed breed restrictions prohibiting residents from having certain animals within a rental unit. We believe landlords should not be precluded from taking advantage of this tax credit due to local regulations.

With this amendment, the Maryland REALTORS® recommends a favorable report.

For more information, contact lisa.may@mdrealtor.org or christa.mcgee@mdrealtor.org