



MARYLAND
LEGAL AID

Advancing
Human Rights and
Justice for All

February 14, 2023

Delegate C.T. Wilson, Chair
Economic Matters Committee
231 Taylor House Office Building
6 Bladen Street
Annapolis, MD 21401

RE: Maryland Legal Aid's Written Testimony in Support of HB 630 - Public Utilities - Primary and Secondary Account Holders - Domestic Violence Protections

Dear Chairperson Wilson and Committee Members:

Thank you for the opportunity to present testimony in support of HB 630, a bill that will allow survivors of domestic violence to remove themselves from utility contracts under certain circumstances. Maryland Legal Aid (MLA) is a private, non-profit law firm that provides free legal services to indigent Maryland residents. From 12 offices around the state, MLA helps individuals and families in every Maryland county with many civil legal issues, including housing, consumer, public benefits, and family law matters. MLA also represents abused and neglected children and provides legal assistance to senior citizens and nursing home residents. This letter serves as notice that Alice V. Mutter, Esq., will testify on behalf of Maryland Legal Aid at the request of Delegate Queen.

MLA prioritizes representation in family law cases, namely contested custody matters, where there is a history of domestic abuse. Further, MLA regularly provides representation in collections cases and eviction proceedings where unpaid utilities present a barrier to MLA clients. MLA therefore has a unique understanding of the cross-disciplinary implications of utility contracts in the context of survivors of domestic violence.

Where survivors of domestic violence leave their home due to the abuse, there are long-lasting financial implications where their name remains tied to utility contracts for the property. MLA clients who are unable to remove themselves from utility contracts face barriers to finding new housing and to financial independence.

Even once a tenant leaves the home, they remain liable for utility bills that continue to accrue due to use by a co-tenant, but that remain under their name with the utility company. Maryland case law has established that utilities are not considered rent for purposes of failure to pay rent cases. Despite this, courts nonetheless regularly consider unpaid utility charges in ordering an eviction, and such charges may further result in debt collection actions. Having a court judgment for eviction has devastating consequences on our clients. Landlords repeatedly refuse to rent to individuals because of past evictions. Outstanding utility charges also affect an

individual's ability to open a new utility contract for a new residence and negatively impacts credit scores. Landlords increasingly rely on credit scores when screening potential renters. Consequently, the credit score hit that tenants face may preclude them from qualifying for a new lease, or they may be asked to put down a larger security deposit or produce the last month's rent in advance. A utility company can also deny service for unpaid bills from a prior residence for 7 years, despite the statute of limitations being only 3 years for contract actions.¹

Moreover, where a tenant resides in subsidized housing, the Public Housing Authority (PHA) may require that a tenant be paid up on all rent and utilities prior to authorizing relocation or prior to issuing a new housing voucher. Many MLA clients receive subsidized housing through Housing Choice Vouchers issued by the PHA. The PHA can terminate the voucher based on eviction or non-payment of utilities, which may be considered a breach of the lease agreement. Once a voucher is terminated, there is rarely a path to reinstatement. For MLA clients who are unable to afford housing without their voucher, termination presents virtually a complete bar on their ability to find alternate housing at increasingly high market rates.

Finally, bill 630 would comport with existing policy under the Violence Against Women Act (VAWA), which creates protections for survivors of domestic violence in federally subsidized housing.² VAWA requires that tenants and applicants be notified in writing of their VAWA rights, allows survivors to use certain types of documentation to invoke VAWA protections; allows survivors to request emergency transfers; allows housing providers to bifurcate leases in instances of a VAWA crime, and imposes confidentiality and recordkeeping duties on housing providers. Despite the efforts of VAWA, there remains a hole in these protections when it comes to utility contracts. HB 630 would fill this gap in protections and protect the rights of survivors.

Where a survivor of domestic violence needs to leave the home, the financial and housing effects of remaining on the hook for utility costs can be debilitating. HB 630 would therefore remove these barriers faced by survivors. **For these reasons, MLA urges a favorable report on HB 630.**

Sincerely



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¹ Md. Code Regs. 20.50.04.01-2.

² Pub. L. 113-4, 127 Stat. 154 (Mar. 7, 2013), codified at 34 U.S.C.A. § 12471, et seq. (West 2018) (formerly 42 U.S.C.A. § 14043e, reclassified as of Sept. 1, 2017).