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HB0972 – Rent Escrow-Mold in Residential Dwelling Hearing before the House Environment and Transportation Committee, Feb. 28,2023

Position: SUPPORT (FAV)

Santoni Vocci & Ortega, LLC and the Public Justice Center (PJC) as law firms that stands with tenants to protect and expand their rights to safe, habitable, affordable, and non-discriminatory housing are supportive of HB0972. For our clients, HB0972 is game-changing legislation that will substantially improve their living conditions. Renters throughout Maryland are dealing with mold hazards in their homes largely without the aid of the legal system. As the Secretary of Housing and Urban Development said recently in a visit to Maryland: "Children should never have to live in a place where they cannot breathe. When we transform houses, we transform people."

We urgently need the General Assembly to amend the State escrow statute to include to address mold hazards in housing. Public Justice Center and Santoni Vocci & Ortega urges the Committee's report of Favorable on HB0972.

HB0972 will answer fundamental legal gaps that fails to protect tenants, including children and the elderly from the hazards of toxic mold. This bill provides the Maryland court system with the tools to enforce Maryland's policy of providing safe homes for Maryland residents.

Lack of law weakens code enforcement

Under HB0972, Maryland housing agencies would have the requisite legal tools to deal with mold hazards. Presently, under local adoption of the Maryland Building Performance Standards (COMAR 09.12.51), code enforcement agencies have no explicit mandate to inspect for mold and enforce mold remediation. Currently, housing inspectors therefore describe mold inconsistently in violation reports, using phrases such as "possible mold," "appearance of mold," or a "dark substance." HB0972 would give local agencies the legal support to meet the enforcement needs of the local agencies that are necessary to protect tenants from toxic mold.

We should not accept mold hazards simply because they are not visible. Renters expect more to be done, and their health, stability, productivity, and educational outcomes require it.

Clarifying the remedy in HB0972

This bill will finally allow tenants meaningful use of legal actions to compel landlords to remediate mold or compensate them for hazardous living conditions and relocation. HB0972 specifies the obligation of landlords to remediate mold contaminate **that is a serious and substantial threat to the health of the occupants**. The provisions should support and bolster the existing rent escrow law in Real Property Art. § 8-211, whereby it will finally acknowledge that toxic mold is a threat to life, health and safety.

The existing rent escrow law is weakened by the absence of standards and enforcement regarding mold, as described above. HB0972 and its explicit language will assist the local agency's efforts to require more than surface-level remediation. Currently, rent escrow has been a limited mechanism for renters to seek court-ordered resolutions of mold defects, which usually results in the property owner painting over the mold which is not a remedy at all. These cases often fail to ensure mold remediation and fair compensation to the tenant because the escrow statute does not specifically include mold as a threat to life, health and safety. For instance, historically, courts conclude that a code violation is abated after the landlord paints over the mold, leaving the tenant with no legal grounds to seek further repairs or compensation. HB0972 would bring clarity that the landlord or property owner is obligated to remediate the mold, in contrast to just painting over it. However, the rent escrow provisions in HB0972 permits courts, in a mold-related action, to abate rent or to factor money damages (for example, for loss of tenant's use of the property or cost of the tenant's temporary relocation) into the distribution of escrowed funds.

Santoni Vocci & Ortega and the Public Justice Center recommend the passage of HB0972.

Maryland's clock is ticking when it comes to mold hazards in rental housing

The threat to tenant health and safety posed by the presence of mold in the home is clear. In the anecdotal experience of RUM members, the elderly and those with existing respiratory problems suffer the worst, and in some cases have been hospitalized as a suspected result of unmitigated mold growth. Many renter families also suspect domestic mold to be the cause of their children's asthma development. A 2009 review of existing literature on the health effects of dampness and mold by the World Health Organization found a substantial body of evidence of an association with upper respiratory tract

symptoms, coughing, wheezing, asthma development in otherwise healthy children, and exacerbation of already diagnosed asthma. Maryland law should protect renter families from the potentially long-term adverse health outcomes resulting from negligent property management.

The inclusion of HB0972 along with the standards created by HB0972 cannot wait any longer. Throughout the COVID-19 pandemic, Maryland renters who live in mold-affected homes have faced the dual risk of coronavirus outside the home and respiratory illness inside it. They have had nowhere to turn, and, in absence of an escrow law inclusive of mold, tenant families have no remedy.

HB0972 is a first, crucial step toward a comprehensive solution to mold in rental housing.

Santoni Vocci & Ortega and the Public Justice Center are members of the Renters United Maryland coalition and asks that the Committee **issue a FAVORABLE report on HB0972.** If you have any questions, please contact Matthew Hill, hillm@publicjustice.org (410) 625-9409 Ext. 237 or Charisse Lue, 443-921-8161, clue@svolaw.com.