Testimony to the House Environment and Transportation Committee HB0034: Failure to Pay Rent Proceedings - Prohibition on Rent Increases and Sealing of Court Records Position: Favorable

January 16, 2023

The Honorable Kumar Barve, Chair
House Environment and Transportation Committee
House Office Building, Room 251
Annapolis, Maryland 21401
cc: Members, House Environment and Transportation Committee

Honorable Chair Barve and Members of the Committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a statewide non-profit movement of individuals and organizations that advances economic inclusion and financial justice through research, advocacy, consumer education, and direct service. Our 8,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

We are writing today in support of HB0034.

HB0034 would allow for the sealing of eviction records in failure to pay rent cases. Eviction records can adversely affect a tenant's ability to secure safe and affordable housing in the future even if the court ruled in the tenant's favor or the case was ultimately dismissed. Further, eviction filings are also used as a common tool in Maryland to collect debts other than rent, making the likelihood that much higher of tenants losing out on subsequent housing options due to failure to pay rent filings.

Economic Action Maryland's Tenant Advocacy program empowers tenants to advocate for themselves by providing information about housing rights and responsibilities, legal information, mediation, and referrals to other nonprofits and legal services.

COVID-19 and lingering economic shocks have dramatically increased housing insecurity for renters in Maryland. The requests we have received for assistance with eviction have increased by 69% over 2020. In 2022, our Tenant Advocacy program received 1396 complaints from Maryland residents statewide. Of those, 874 were related to eviction.

This bill would ensure that if a case filed against a tenant did not result in a judgment entered against them, or if the tenant exercised the right of redemption ("pay to stay"), then the record will not be held against a tenant in their efforts to find housing in the future. This change to the eviction process is long overdue, as most families affected by evictions and the lack of affordable housing are non-white households. Only 17% of our 874 clients who needed assistance with eviction in 2022 were white.

A 2020 Baltimore City eviction study found that the number of Black eviction removals were 3 times higher (195% more) than white evictions and 46% more female headed households were removed from their homes as compared to male headed households. HB0034, through the sealing of records, would mitigate the harm of evictions by ensuring that tenants are able to secure alternate housing and avoid homelessness.

Maryland should join the nationwide movement pushing for the shielding and sealing of eviction records. Since 2021, Nevada, Oregon, and Minnesota allow courts to expunge eviction records on a case-by-case basis. By August of 2022, Colorado, Utah, Indiana, New York, New Jersey, and Illinois all have enacted some form of legislation to shield eviction records. California automatically seals records and The District of Columbia recently made permanent a sealing law originally passed as a pandemic-era measure. Maryland should join these jurisdictions in recognizing that sealing and shielding records is not only a matter of protecting tenants' rights, but also an issue of racial justice.

For all these reasons, we support HB0034 and ask for a favorable report.

Best,

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