



Testimony in SUPPORT of HB 691

Landlord and Tenant – Failure to Repair Serious and Dangerous Defects - Tenant Remedies
(Tenant Safety Act)

House Environment and Transportation Committee

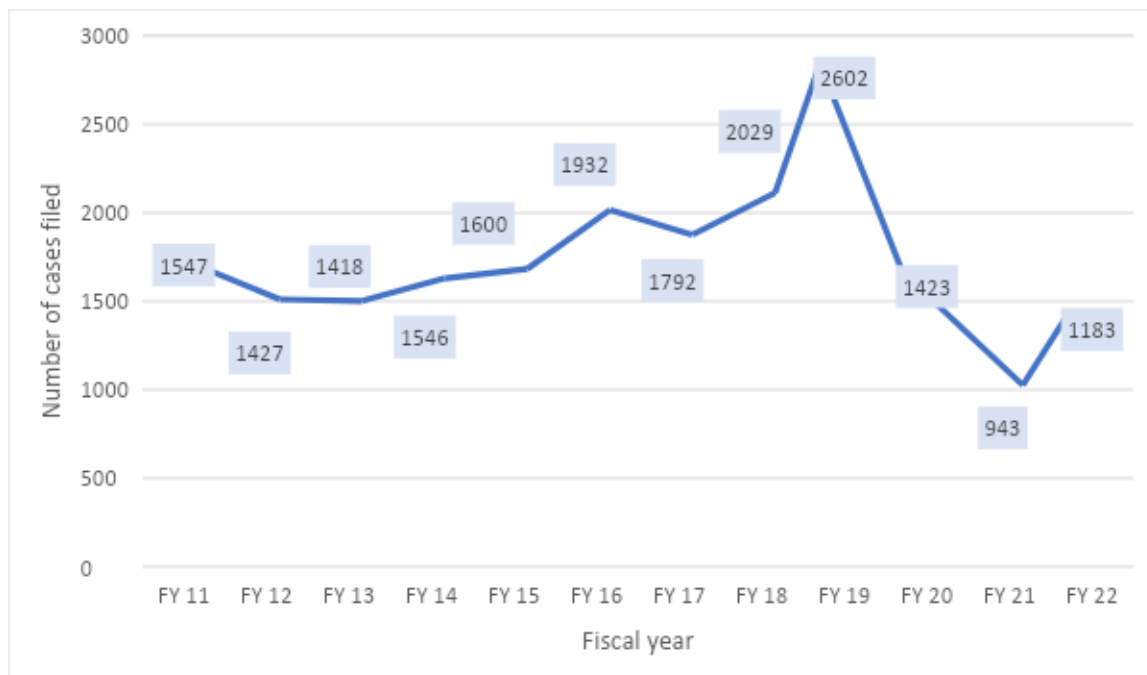
February 24, 2023

Dear Honorable Chair Barve and Members of the Committee,

CASA is pleased to offer favorable testimony in strong support of HB691, the Tenant Safety Act. CASA is the largest immigrant services and advocacy organization in Maryland, and in the Mid-Atlantic region, with a membership of over 120,000 Black and Latino immigrants and working families. Our mission is to create a more just society by building power and improving the quality of life in working-class and immigrant communities. We envision a future where our members stand in their own power, our families live free from discrimination and fear, and our diverse communities thrive as we work with our partners to achieve full human rights for all.

For nearly forty years, CASA has employed grassroots community organizing to bring our communities closer together and fight for justice, while simultaneously providing much-needed services to these communities, helping to ensure that low-income immigrants are able to live rich and full lives. CASA member-led tenant associations are increasing in number and in their power. Our grassroots organizing has created safer housing for our members in communities such as White Oak in Montgomery County. Our Housing Legal team has also been working closely with members facing uninhabitable living conditions who have brought cases against their unresponsive landlords. 10 CASA members successfully filed individual rent escrow cases against their landlord for issues that were complex-wide. From rodent infestation to water intrusion concerns. With the help of CASA's housing legal team, these members even received monetary compensation for their landlord's negligence. These were 10 individual rent escrow cases that our legal team represented. These cases, all for the same reason, resulted in over 12 different court appearances. We know that many more renters have sufficient claims to file rent escrow but do not.

HB 691, the Tenant Safety Act is key legislation that ensures tenants, facing dangerous housing conditions, have access to collectively file for rent escrow. As current law stands, there are many more tenants suffering from uninhabitable living conditions than filing for rent escrow. For many, the prospect of bringing an individual lawsuit raises insurmountable fear of retaliation and abuse by unscrupulous landlords. For others, the filing fee and time missed from work are infeasible on a lean budget. For others still, the intimidating prospect of facing off against landlords and judges chills their pursuit of a remedy. These factors help to explain the paltry numbers of rent escrow actions filed by individual renters each year.



Data Source: Maryland Judiciary, <https://mdcourts.gov/district/about#stats>

HB691 addresses such obstacles by introducing a group filing procedure to the rent escrow law (Real Property § 8-211). By allowing tenants to join their interests together, this bill would have an enormous impact on tenants’ ability to organize quickly and efficiently to compel landlords to make potentially life-saving repairs. HB691 would enable a single tenant to file a rent escrow case about building and unit conditions that other tenants with the same landlord on the same property could join. Moreover, the bill ensures landlord accountability by enabling tenants to seek damages and attorney’s fees from negligent landlords who refuse to make necessary repairs to uninhabitable conditions.

HB691 mirrors an existing procedure in New York City, one that routinely supports tenants in addressing harmful building conditions quickly and collectively. Our organization supports the Tenant Safety Act because we believe Maryland renters deserve the same opportunity to build power for better housing.

1. HB 691 supports tenant organizing for repairs to conditions that threaten life, health, and safety

HB691 facilitates tenants in demanding necessary housing improvements that would benefit all Marylanders, renters, and homeowners alike. The bill allows a single tenant or a group of tenants, incorporated or unincorporated, living on the same premises with the same landlord, to seek repairs, damages for unaddressed repairs, and attorney’s fees.

In individual habitability actions, tenants face a massive power imbalance when seeking

necessary repairs from their landlords. In response to an individual escrow filing, landlords can, and do, refuse to act or refuse to extend a tenant's lease. Landlords can also easily harass individual tenants, file an eviction, or unilaterally lock the tenant out, despite the fact that it is illegal to do so. In providing a collective option for seeking repairs through the courts and the added remedy of damages and attorney's fees, HB 691 reduces the likelihood of intimidation of individual tenants and ensures that those living in truly threatening housing conditions will have a fair shot at compelling negligent landlords to act in the interest of life, health and safety.

2. HB 691 gives tenants more power to compel repairs by ensuring that tenants and courts can hold negligent landlords accountable

As it stands, the only remedies available to tenants that file rent escrow for repairs are rent abatement, distribution of escrow funds, or an injunction 90 days after a court finding that the conditions complained of by the tenant exist. These remedies alone, however, have proven unavailing with numerous negligent landlords. There are also limited legal services available to support low-income tenants pursuing rent escrow, which means that tenants often must file on their own or forgo filing altogether.

HB 691 strengthens the remedies available to tenants and ensures that tenants can hold landlords responsible for negligence and delay in a way that fully accounts for the harm they suffer. First, by providing groups of tenants with the opportunity to file together, tenants will be able to hold landlords accountable for the repairs they are already legally required to make. Second, by permitting tenants to pursue damages against a landlord who fails to make repairs, landlords and their agents will be required to account for the actual harm caused by their refusals and failures to make necessary repairs – a remedy that is much more persuasive than lost rental income alone. Finally, the attorney's fees provision increases the likelihood that tenants will be able to avail themselves of legal services, as they will be able to enlist attorneys whose practices depend upon the ability to recoup reasonable fees.

HB 691 also codifies the already-existing implied warranty of habitability and clarifies tenants' right to enforce it. Landlords are currently required to ensure their properties are suitable for human habitation, but negligent landlords often freely collect rent without being held to this basic, common-sense standard. HB0691 provides an important tool to hold these negligent landlords accountable.

3. HB 691 promotes judicial economy by allowing tenants to address building or complex-wide conditions issues in a single case

HB0691 also has the added benefit of allowing for resolution of tenants' conditions issues with the same landlord and increasing access to justice overall.

Currently, it is difficult for a group of tenants to bring an action against a landlord together. Indeed, practitioners report that it is functionally impossible to bring an escrow case on behalf of a group of tenants because existing class action requirements are not designed with escrow in mind. Instead, tenants on the same premises with the same landlord are generally required to file individual actions, with each tenant paying a filing fee, drafting a separate complaint and

appearing in court. This process is particularly onerous for older and disabled renters, for whom it may be difficult travel to the courthouse on multiple occasions, and low-income renters, for whom taking three separate days off of work to go to court could risk their livelihoods. In addition, this process requires judges to hear building or complex-wide conditions issues piecemeal and prevents them from assessing and addressing important safety issues in a single determination. HB 691 would explicitly provide a mechanism for tenants to raise related issues and conditions in a single, streamlined case in court, and provide tenants with better access to justice – a change that simply makes more sense.

CASA is a member of the Renters United Maryland coalition and asks that the Committee **issue a report of FAVORABLE on HB 691.**