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HB 151: Real Property – Residential Leases – Notification of Rent Increases

Hearing before the Environment and Transportation Committee on February 7, 2023

Position: Favorable with Amendments

Public Justice Center (PJC) is a nonprofit public interest law firm that assists over 800 renters each year. We stand with tenants to protect and expand their rights to safe, habitable, affordable, and nondiscriminatory housing. We support HB 151 with the amendments provided below. HB 151 intends to provide tenants with at least 120 days' notice when the landlord intends to increase the rent more than 4%. Rents have skyrocketed since the start of the pandemic, <u>increasing over 19% in the Baltimore area</u> <u>alone</u>, with similar increases around the state. Rapid rent increases destabilize families and result in evictions that can lead to homelessness and, short of homelessness, have significant collateral consequences such as forcing children to change school districts in the middle of the year, forcing families into unsafe or unhealthy housing due to lack of options, or losing a job that is no longer accessible by available transportation.

We have suggested the amendments below to (1) clarify that the provision should apply to any residential lease or tenancy in which the landlord is seeking to increase the rent by more than 4%, (2) requiring any notice of the rent increase to be sent by first-class mail with certificate of mailing, (3) changing the length of the notice to be 30 days beyond the notice to vacate already required by law, i.e., currently 60 days for month-to-month and 90 days for year-to-year, and (4) ensuring that this does not preempt any local legislation that has more stringent provisions around rent increases.

We urge the Committee to issue a Favorable with Amendments report on HB 151.

Proposed Amendments:

8-209

(A) THIS SECTION APPLIES ONLY TO A RESIDENTIAL LEASE <u>OR TENANCY</u> FOR A TERM OF AT LEAST 1 YEAR.

(B) A LANDLORD SHALL NOTIFY A TENANT IN WRITING OR THROUGH E-MAIL AT LEAST 120 DAYS BEFORE INCREASING THE TENANT'S RENT BY MORE THAN 4%.

(C) THE NOTICE OF RENT INCREASE SHALL BE SENT TO THE TENANT BY FIRST-CLASS MAIL WITH CERTIFICATE OF MAILING AND PROVIDED

(1) FOR A LEASE FOR A TERM 1 YEAR OR GREATER, AT LEAST 120 DAYS BEFORE THE EXPIRATION OF THE LEASE;

(2) FOR A MONTH-TO-MONTH TENANCY, AT LEAST 90 DAYS BEFORE THE EXPIRATION OF THE TENANCY; AND

(3) IN THE CASE OF WEEK-TO-WEEK TENANCIES, 28 DAYS BEFORE THE EXPIRATION OF THE TENANCY.

(D) THIS SECTION SHALL NOT SUPERCEDE ANY LOCAL LAW OR ORDINANCE OF COMPARABLE SUBJECT MATTER.