



C. Matthew Hill
Attorney
Public Justice Center
201 North Charles Street, Suite 1200
Baltimore, Maryland 21201
410-625-9409, ext. 229
hillm@publicjustice.org

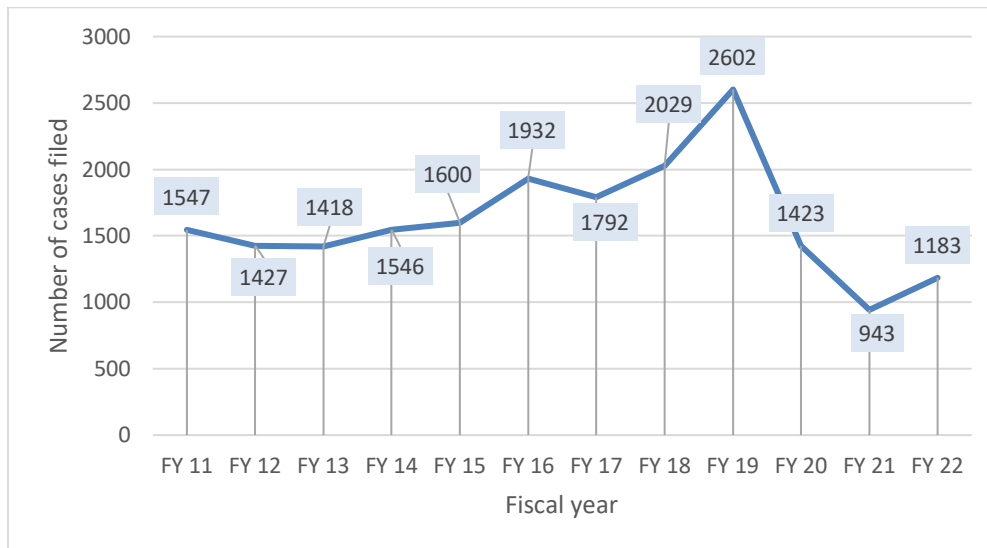
SB 807 - Landlord and Tenant – Failure to Repair Serious and Dangerous Defects -
Tenant Remedies (Tenant Safety Act)

Hearing before Judicial Proceedings Committee,
Feb. 28, 2023, 1:00PM

Position: SUPPORT (FAV)

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 non-discriminatory housing. We support SB 807, the Tenant Safety Act,
because it would support tenants facing dangerous conditions in accessing rent escrow.

As it stands, there are many more tenants suffering with uninhabitable living conditions than
file 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>

SB 807 addresses such obstacles by introducing 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. SB 807 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.

SB 807 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. SB 807 supports tenant organizing for repairs to conditions that threaten life, health and safety**

SB 807 facilitates tenant demands for 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, SB 807 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. SB 807 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.

SB 807 strengthens the remedies available to tenants and ensures that tenants can hold

*The Public Justice Center is a 501(c)(3) charitable organization and as such does not endorse or oppose any political party or candidate for elected office.*

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 clarifying that tenants have an additional means 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.

SB 807 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. SB 807 provides an important tool to hold these negligent landlords accountable.

### **3. SB 807 promotes judicial economy by allowing tenants to address building or complex-wide conditions issues in a single case**

SB 807 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. 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 and must be filed in the circuit court. 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. SB 807 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.

Public Justice Center is a member of the Renters United Maryland coalition and asks that the Committee **issue a report of FAVORABLE on SB 807.**