

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

March 28, 2023

The Honorable William C. Smith, Jr., Chair Senate Judicial Proceedings Committee 2 East, Miller Senate Office Building Annapolis, Maryland 21401 cc: Members, Senate Judicial Proceedings Committee

Honorable Chair Smith 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.

Moreover, House Bill 34 provides an essential relief for Marylanders still impacted by the ongoing COVID-19 Pandemic. While the CDC's COVID-19 eviction moratorium provided some relief for Maryland families, more protections are needed to ensure that Marylanders experiencing the continual waves of the pandemic are able to maintain and access new housing.

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. The requests we have received for assistance with eviction have increased by 36% over 2020. COVID-19 has exponentially increased the housing insecurity impacting Maryland tenants.

In 2022, our Tenant Advocacy program received 1396 complaints from Maryland residents statewide.

Of those, 800 were related to eviction. The bill would ensure that if a case filed against a tenant where the tenant prevailed or a dismissal was entered, 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 eviction and the lack of affordable housing are non-white households. Only 17% of our 512 tenants who needed assistance with eviction in 2020 were white.

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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,

Michael Donnelly Tenant Advocacy Coordinator Economic Action Maryland