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March 27, 2023

- To: The Honorable William C. Smith, Jr. Chair, Judicial Proceedings Committee
- From: Kira Wilpone-Welborn, Assistant Attorney General Consumer Protection Division
- Re: House Bill 34 Failure to Pay Rent Proceedings Prohibition on Rent Increases and Shielding of Court Records (SUPPORT)

The Consumer Protection Division of the Office of the Attorney General supports House Bill 34 sponsored by Delegates Hill, Boyce, Foley, Holmes, Ruth, Stewart, and Terrasa. House Bill 34 requires the District Court to shield any court record from a failure to pay rent proceeding within sixty days if judgment for possession is not awarded to the landlord. Moreover, House Bill 34 allows a tenant to petition for the shielding of a prior failure to pay rent action when a tenant redeems possession of the property, or as justice requires.

Presently, failure to pay rent actions are available for public inspection and reporting regardless of the disposition of the case. As a result, failure to pay rent actions often immediately appear on tenants' credit and other rental history records without the ultimate disposition and the circumstances surrounding such filing, which can have a catastrophic impact on consumers' access to housing and less expensive credit. As the Washington Post has reported, even when a tenant is successful in defending a failure to pay rent filing or has paid off any alleged debt and avoided a physical eviction, a tenant can still be denied subsequent rental housing due to the reporting of a prior eviction filing on credit reports and other background records, creating a constant cycle of housing insecurity.¹

House Bill 34 seeks to break this cycle of housing insecurity by shielding court records from a failure to pay rent proceeding when a judgment of possession is not awarded to a landlord, thus limiting the dissemination of inaccurate or incomplete information to landlords that would create barriers to tenants seeking housing.

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¹ "The stimulus relieved short-term pain, but eviction's impact is a long haul" Washington Post, February 8, 2021.

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The Consumer Protection Division supports House Bill 34 and requests the Judicial Proceedings Committee provide a favorable report.

cc: Members, Judicial Proceedings Committee