

February 28, 2023

The Honorable Kumar P. Barve
Environment & Transportation Committee
House Office Building, Room 251,
6 Bladen St., Annapolis, MD, 21401

RE: MBIA Letter of Opposition HB 1016 Real Property – Residential Lease – Early Termination by Tenant

Dear Chairman Barve:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **HB 1016 Real Property – Residential Lease – Early Termination by Tenant**. MBIA **Opposes** the Act in its current version.

This bill would limit the liability for tenants terminating a lease early. MBIA respectfully opposes this measure. Whenever a landlord takes on a tenant they enter into a binding legal agreement and take a financial risk in assuming the tenant will be able to pay the agreed rent. Landlords should not be penalized or potentially lose rent that was agreed to by both parties because of a change in tenant circumstances. It is the responsibility of the tenant to be able to meet their financial obligations in the event of changed financial circumstances and cover the cost of early termination or sudden unemployment. That financial burden should not be placed on the landlord.

For these reasons, MBIA respectfully requests the Committee give this measure an unfavorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Environment & Transportation Committee