



HB693 Renters' Rights and Stabilization Act of 2024

Position: Favorable

2/16/2024

The Honorable Delegate Korman, Chair
Environment and Transportation Committee
Room 251
House Office Building
Annapolis, MD 21401

CC: Members of the House Environment and Transportation Committee

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a people-centered movement to expand economic rights, housing justice, and community reinvestment for working families, low-income communities, and communities of color. Economic Action Maryland provides direct assistance today while passing legislation and regulations to create systemic change in the future.

Economic Action's Tenant Advocacy Program works to ensure Maryland renters are living in safe and healthy housing. Our services include assistance with landlord-tenant issues and tenants' rights education. In 2023, we assisted nearly 800 clients across every county in Maryland, over half of which were facing eviction. As a representative of an organization that works closely with tenant advocacy, I am writing to urge your favorable support for the Renters' Rights and Stabilization Act of 2024, a crucial piece of legislation that addresses various issues within the rental housing industry.

Under current Maryland law, the filing fee for a landlord seeking eviction is \$8, meaning, these days, it is cheaper to file for eviction than to get a meal at McDonalds. This makes it easy for a landlord to file for eviction without a second thought. This bill would increase surcharges for certain landlord-tenant cases, which would discourage frivolous or unjustified legal actions. By prohibiting the assignment of the surcharge against a tenant, the legislation promotes fairness and protects tenants from additional financial burdens.

Even out of the context of eviction, one major reason tenants reach out to our office is to learn about their rights. After moving out of a home in Prince George's County that I rented for three years, I received a letter informing me that, not only would I not be receiving any of my security deposit back, but that they were also charging me an additional \$1,100. The itemized list of charges included several services that were never mentioned in my lease agreement. As someone familiar with tenant rights, I knew that a majority of these charges were fraudulent and thus disputed them. However, according to Michael Donnelly, our tenant advocacy coordinator and legal advisor, it is a common occurrence for landlords to overcharge tenants on security deposits as a way to pay for renovations on the tenant's dime. Most people will pay these charges because they do not know their rights.

An unscrupulous minority of landlords and property management companies participate in unethical and predatory practices all under the assumption that tenants will not fight back. Establishing the Office of Tenant Rights and publishing a Bill of Tenant Rights is a crucial step toward breaking these cycles of predation. These measures empower tenants with knowledge of their rights and provide a centralized



resource for dispute resolution. Requiring the inclusion of the Bill of Rights in residential leases encourages transparency and accountability.

Another benefit of this bill is that it makes securing housing more affordable through establishing the maximum cost of a security deposit as one month's rent. Moving is already an incredibly costly endeavor, making it difficult for families to leave unsafe or inadequate housing environments. Requiring that the cost of a security deposit does not exceed one month's rent establishes consistency in the rental housing market and allows families to both plan financially and have more options when it comes to finding a new place to live.

For these reasons, I urge your favorable report on HB693.

Thank you for your time and attention to this matter.

Sincerely,
Zoe Gallagher, Policy Associate