

SB 946 - Landlord and Tenant – Failure to Repair Serious and Dangerous Defects - Tenant Remedies (Tenant Safety Act) Hearing before the Senate Judicial Proceedings Committee March 7, 2024, 1:00 PM Position: Favorable

The Pro Bono Resource Center of Maryland ("PBRC"), an independent 501(c)(3) non-profit organization, is the statewide coordinator, thought leader and clearinghouse for volunteer civil legal services in Maryland. As the designated pro bono arm of the Maryland State Bar Association, PBRC provides training, mentorship, and pro bono service opportunities to members of the private bar. We respond to acute legal needs identified in areas across the state by piloting and operating innovative pro bono service projects targeting specific legal problems or populations.

In May 2017, with a grant from the Maryland Judiciary's Access to Justice Department, PBRC launched the **Tenant Volunteer Lawyer of the Day (TVLD) Program** in Baltimore City Rent Court to provide day-of-court legal representation to tenants who appear unrepresented for their proceedings. Since then, this continually expanding Program has allowed PBRC staff and volunteer attorneys to represent thousands of tenants in both Baltimore City and Baltimore County in multiple types of legal actions that could result in eviction. The overwhelming majority of our clients are tenants facing Failure to Pay Rent (FTPR) actions filed by their landlords.

PBRC supports SB 946 because it will allow tenants to hold their landlords accountable when they fail to comply with the law regarding habitability and the provision of safe and healthy housing conditions. A significant barrier facing low-income tenants seeking to utilize rent escrow protections is the requirement that they deposit the entire amount of rent due under the lease into the escrow account. We find that tenants most in need of rent escrow are often those least able to do this. Better-resourced tenants will simply move rather than tolerate hazardous conditions in their rental unit or take the landlord to court. SB 946 will ensure that fewer valid complaints are dismissed due to lack of funding by creating a rebuttable presumption that tenants must deposit an amount equal to 50% of the rent due in order to open and sustain an escrow action. At the end of the case, a judge will decide how to disburse the funds, potentially requiring the tenants to pay their full rent and thus allowing landlords the opportunity to be fully compensated if a case is not meritorious.

Furthermore, SB 946 will support tenant organizing for better and safer housing conditions. 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.

At our Tenant Volunteer Lawyer of the Day courthouse clinics, PBRC staff frequently encounter tenants who are faced with serious hazards to the health, life, and safety of themselves and their children. Landlords are currently required by case law to provide conditions that are "habitable," yet we often speak to tenants whose living conditions are hazardous to human health. Commonly mentioned issues include mold, rodent and other pest infestation, and lack of operable heat, among others. We often serve multiple tenants at the same complex who speak of the same hazards. PBRC staff and volunteer attorneys counsel these clients regarding rent escrow, but clients often tell us they do not have the

resources necessary to pursue rent escrow or that they fear retaliation by landlords. By providing groups of tenants with the opportunity to file together, SB 946 will allow tenants to exert significantly more pressure on landlords as a group than they could as individuals. The legislation references the existing Maryland Rules on joinder to ensure that only those tenants with circumstances in common will be able to participate. This will facilitate rent escrow actions where multiple tenants have a common threat to life, health, or safety in premises owned by the same landlord, thus helping to eliminate some of these difficulties while also promoting judicial economy.

SB 946 also strengthens the remedies available to tenants (including rent escrow) and ensures that tenants can hold landlords responsible for negligence and delay in a way that fully accounts for the harm they suffer. By permitting tenants to pursue damages against a landlord who fails to make repairs, the legislation will require landlords to account for the actual harm caused by their refusals 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 can enlist attorneys whose practices depend on the ability to recoup reasonable fees.

Landlords are required to provide "habitable" conditions, meaning that the premises must be free from health and safety hazards. This minimal and common-sense standard is met by all but the most negligent of landlords. Landlords who are unwilling or unable to provide safe housing must be held accountable, but current law provides several logistical barriers in the face of tenants seeking to do so. **SB 946 provides an important means for the most vulnerable tenants to seek the protection of the courts from the most negligent of landlords.**

For the above reasons,

PBRC urges a FAVORABLE report on SB 946.

Please contact Katie Davis, Director of PBRC's Courtroom Advocacy Project, with any questions. kdavis@probonomd.org • 443-703-3049