

One Park Place | Suite 475 | Annapolis, MD 21401-3475 1-866-542-8163 | Fax: 410-837-0269 aarp.org/md | md@aarp.org | twitter: @aarpmd facebook.com/aarpmd

## SB 481 – Renters' Rights and Stabilization Act of 2024 Judicial Proceedings Committee Education, Energy & Environment Committee FAVORABLE February 28, 2024

Good afternoon, Chair Smith, Vice Chair Waldstreicher, members of the Senate Judicial Proceedings Committee and members of the Senate Education, Energy & Environment Committee. My name is Priscilla Kania, AARP volunteer lead advocate and resident of Anne Arundel County. AARP Maryland advocates for over two million Marylanders age 50 and older. We thank you for the opportunity to speak in support of SB 481 - Renters' Rights and Stabilization Act of 2024. We thank Governor Moore for initiating this important legislation.

Housing for the elderly and disadvantaged people of Maryland is a priority for AARP Maryland. Home ownership is all too often not an option for working class Marylanders and people on limited and fixed incomes. When people pay over 30% of their income for rent, they often sacrifice necessities such as food and medicine. They rarely have a cushion for emergency expenses and can fall behind in their rental payments. We see landlords raising rents at a remarkably high rate and evicting tenants to get higher rent from less disadvantaged tenants.

SB 481 increases the surcharge for filing an eviction case from \$18 to \$93 and does not allow landlords to pass that on to the tenant. This is to make sure it is a deterrent for landlords to file frivolous cases. While this is a positive step, we do want to be mindful of the landlords who only have one tenant – usually someone living in their home or on their property, such as in a duplex or accessory dwelling unit. Elderly Marylanders often do this to supplement their limited income to remain in their home. More than 70% of older adults say they prefer to age in place. The Committee could exempt single tenant homeowners from portions of this legislation.

Section 5-102 (A) establishes an Office to Tenant Rights. The office will be responsible in providing support and resources to tenants. This is excellent for renters and is likely to decrease unnecessary evictions.

Section 8-119 proposes to create a right of first refusal for tenant(s) to buy the property from the landlord, if it is up for sale. Before the landlord is allowed to sell it to a bonafide purchaser, the landlord must first offer the tenant/group of tenants the opportunity to buy the property. The bill requires that the landlord cannot ask more than 4% deposit (down payment) from the tenant if the Tenant would like to buy the property. The Committee might want to consider changing that to the standard down payment rate at the time of purchase.

While providing the first right of refusal to buy the property to the tenants is a good thing,

there might be some consideration to make sure the process is like a standard sale of real estate transaction. The special treatment in relation to the deposit/financing clause can be provided to long term tenants (tenants who have lived there for more than 5 years).

There are many components to this bill and AARP Maryland appreciates and supports legislation that values both the landowners and the tenants, as well as appreciating the value of home ownership.

AARP Maryland is committed to working with you to effectively address Maryland's housing options for older adults. We ask the Committee to issue a favorable report on SB 481. If you have any questions, please feel free to contact Tammy Bresnahan at <a href="mailto:tbresnahan@aarp.org">tbresnahan@aarp.org</a> or by calling 410-302-8451. Thank you.