

SB 19 Favorable - Public Justice Center.pdf

Uploaded by: Albert Turner

Position: FAV



Albert Turner
Attorney
Public Justice Center
201 North Charles Street, Suite 1200
Baltimore, Maryland 21201
410-625-9409, ext. 250
turnera@publicjustice.org

SB0019 - Failure to Pay Rent Proceedings - Prohibition on Rent Increases and Shielding of Court Records

Hearing before the Senate Judicial Proceedings Committee,

Jan. 30, 2024

Position: FAVORABLE

The Public Justice Center (PJC) is a nonprofit public interest law firm that stands with tenants to protect and expand their rights to safe, habitable, affordable, and non-discriminatory housing and their rights to fair and equal treatment by Maryland's landlord-tenant laws, courts, and agencies. We advocate to change the law regarding evictions and to demand the development of equitable and sustainable affordable housing. **PJC seeks the Committee's Favorable report on SB 19 as this allows tenants easier access to safe and stable housing and also promotes racial equity.**

SB 19 allows the shielding of eviction records in failure to pay rent cases ("FTPR"). There were nearly 670,000 of these cases filed across Maryland in FY 2019, and around 1 in 4 of them were dismissed, presumably because payment preceded the trial date of the action. For many tenants, FTPR actions are routinely filed and typically result *not* in actual eviction, but late payment made under the threat of eviction. Fewer than half of FTPR cases even result in warrant of restitution.

The routine filings nonetheless show up in public databases such as case search and are readily accessible through the courts. A tenant who successfully redeemed possession by payment is ultimately harmed by the record of the FTPR action when they are seeking new housing. SB 19 proposes to reduce the loss of housing opportunities based on failure to pay rent records. For cases that are dismissed or where judgment is entered in favor of the tenant, the bill proposes to shield the eviction record 60 days after final disposition.

For tenants whose landlord prevails in a failure to pay rent action, SB 19 bill provides for the shielding of the record if the tenant demonstrates that either: 1) the tenant exercised the right of redemption ("pay to stay") and one year has passed since the judgment was entered; or 2) the interest of justice is served by sealing the record of the adverse judgment. **Having the opportunity to shield or seal these records after one year will open the door to opportunities that were once closed to many tenants.**

The effort to legislate the shielding of eviction records is a growing movement nationwide. Since 2019, Massachusetts, Colorado, Nevada, and the District of Columbia have all proposed legislation to seal

eviction records. These jurisdictions have recognized that sealing (as well as shielding) records is not only a matter of protecting tenants' rights, but also an issue of racial justice – particularly for Black women, who face disproportionate levels of eviction both locally and nationwide.¹

In a 2015 survey conducted by the Public Justice Center, ninety four percent (94%) of participant tenants who appeared for rent court in Baltimore City identified as African-American or Black, and eighty percent (80%) identified as women.² These numbers play out similarly with evictions in Baltimore City – a Black female-headed household is 296% more likely to be evicted there than a white male-headed household.³ As stated by Matthew Desmond in a 2014 report on the state of evictions in Milwaukee, “[p]oor black men are locked up while poor black women are locked out.”⁴

Shielding records are a powerful solution that work together to mitigate the harm unfair rental application denials and ensure that tenants are able to secure alternate housing and avoid homelessness.

Public Justice Center supports SB 19 as it would take essential steps to protect renters' privacy, allow easier access to safe and stable housing, and promote racial justice.

Public Justice Center is a member of the Renters United Maryland coalition and asks that the Committee **issue a FAVORABLE report on SB 19**. If you have any questions, please contact Albert Turner, Esq., turnera@publicjustice.org (410) 625-9409 Ext. 250.

¹ STOUT RISIUS ROSS, LLC, THE ECONOMIC IMPACT OF AN EVICTION RIGHT TO COUNSEL IN BALTIMORE CITY (2020), https://bmorerentersunited.org/wp-content/uploads/2020/05/Baltimore-RTC-Report_FINAL_5.8.2020.pdf; Matthew Desmond, “Poor Black Women Are Evicted at Alarming Rates, Setting Off a Chain of Hardship” (2014), https://www.macfound.org/media/files/hhm_-_poor_black_women_are_evicted_at_alarming_rates.pdf; ACLU, “Clearing the Record: How Eviction Sealing Laws Can Advance Housing Access for Women of Color,” <https://www.aclu.org/news/racial-justice/clearing-the-record-how-eviction-sealing-laws-can-advance-housing-access-for-women-of-color/>.

² PUBLIC JUSTICE CENTER, JUSTICE DIVERTED: HOW RENTERS ARE PROCESSED IN THE BALTIMORE CITY RENT COURT (2015); <https://abell.org/sites/default/files/files/cd-justicediverted216.pdf>

³ STOUT RISIUS ROSS, LLC, THE ECONOMIC IMPACT OF AN EVICTION RIGHT TO COUNSEL IN BALTIMORE CITY (2020), https://bmorerentersunited.org/wp-content/uploads/2020/05/Baltimore-RTC-Report_FINAL_5.8.2020.pdf ⁴ Matthew Desmond, “Poor Black Women Are Evicted at Alarming Rates, Setting Off a Chain of Hardship” (2014), https://www.macfound.org/media/files/hhm_-_poor_black_women_are_evicted_at_alarming_rates.pdf

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SB 19 - Failure to Pay Rent Proceedings - Prohibit

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SB 19 - Failure to Pay Rent Proceedings - Prohibition on Rent Increases and Shielding of Court Records

Judicial Proceedings Committee

January 30, 2024

SUPPORT

Chair Smith, Vice-Chair Waldstreicher and members of the committee, thank you for the opportunity to submit testimony in support of Senate Bill 19. This bill will seal eviction records in failure to pay rent cases where either the courts ruled in their favor, dismissed the matter, or the tenant exercised their right to redeem their property. It is an important first step to ensure that Maryland renters have opportunities that are not currently available to them.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

The effort to legislate the sealing of eviction records is a growing movement nationwide. Since 2019, Massachusetts, Colorado, Nevada, the District of Columbia, Illinois, and Florida have all proposed legislation to seal eviction records. These jurisdictions have recognized that sealing records is not only a matter of protecting tenants' rights, but also an issue of racial justice – particularly for Black women, who face disproportionate levels of eviction both locally and nationwide.

In a 2015 survey conducted by the Public Justice Center, ninety four percent (94%) of participant tenants who appeared for rent court in Baltimore City identified as African-American or Black, and eighty percent (80%) identified as women. These numbers play out similarly with evictions in Baltimore City – a Black female-headed household is 296% more likely to be evicted there than a white male-headed household. As stated by Matthew Desmond in a 2014 report on the state of evictions in Milwaukee, "[p]oor black men are locked up while poor black women are locked out." Sealing records is a powerful solution that work together to mitigate the harm of evictions and ensure that tenants are able to secure alternate housing and avoid homelessness.

Eviction records sealing benefits tenants by providing them the freedom to move to opportunity areas with safe and stable housing, where they have critical access to needs such as transportation, employment, healthcare, childcare, and more. When tenants cannot seal eviction records, even when the courts ultimately ruled in their favor or they successfully redeemed the property, they are often forced to move into any housing that will accept them, which may be substandard or unsafe.

Thus, we encourage you to return a favorable report for SB 19.

Creating Assets, Savings and Hope

SB0019_Failure__to_Pay_Rent_Prohibition_on_Rent_I

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Position: FAV



TESTIMONY FOR SB0019
Failure to Pay Rent Proceedings
Prohibition on Rent Increases and Shielding of Court Records

Bill Sponsor: Senator Sydnor
Committee: Judicial Proceedings
Organization Submitting: Maryland Legislative Coalition
Person Submitting: Aileen Alex, co-chair
Position: FAVORABLE

I am submitting this testimony in favor of SB0019 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists, and our Coalition supports well over 30,000 members.

Currently, a failure to pay rent proceeding cannot be expunged from a tenant's record even if the case is dismissed. Despite the dismissal, landlords unjustly use this as a basis for increasing rent, potentially impacting hundreds of thousands of Maryland families each year. More broadly, any finding in a failure to pay rent proceeding remains on court records indefinitely, punishing a tenant with the possibility of higher rents indefinitely.

SB0019 corrects these injustices by automatically shielding within 60 days the records of a failure to pay rent if the proceeding was dismissed. If the proceeding was not dismissed, a tenant can have their records shielded after providing sufficient justification.

Governor Moore has identified housing as a priority with an estimated shortage in Maryland of 100,000 units and growing. This shortage has led to unjustifiable rent increases, some directed at our more vulnerable residents who may have had trouble paying rent in the past. Higher rents result in more homelessness and increases in other poverty markers. SB0019 would lend some stability to the housing market by requiring District Courts to change recordkeeping procedures.

We support this bill and recommend a **FAVORABLE** report in committee.

Final Testimony SB 19.pdf

Uploaded by: Charles E. Sydnor III

Position: FAV

CHARLES E. SYDNOR III, ESQ.
Legislative District 44
Baltimore County

DEPUTY MAJORITY WHIP

Judicial Proceedings Committee
Executive Nominations Committee

Joint Committees

Administrative, Executive, and
Legislative Review

Children, Youth, and Families

Senate Chair, Legislative Ethics

Chair

Baltimore County Senate Delegation



James Senate Office Building
11 Bladen Street, Room 216
Annapolis, Maryland 21401
410-841-3612 · 301-858-3612
800-492-7122 Ext. 3612
Charles.Sydnor@senate.state.md.us

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony for Senate Bill 19
Failure to Pay Rent Proceedings – Prohibition on
Rent Increases and Shielding of Court Records
January 30, 2024

Good afternoon, Chair Smith, and members of the Judicial Proceedings Committee,

Senate Bill 19 (“SB 19”) introduces a bill similar to 2023’s House Bill 34 which passed the House but was unable to receive a vote from our committee. Senate Bill 19 requires District Courts to shield court records relating to specified outcomes in failure to pay rent (“FTPR”) actions, and prohibits landlords from increasing a tenant’s rent following certain outcomes in FTPR actions. These modifications are discussed below in more detail.

FTPR actions are routine filings that typically do not result in eviction; however, these filings appear on tenants’ consumer and rental histories—accessible by prospective landlords, credit-reporting agencies, and other third parties. Under current law, regardless of the outcome of the case and without context of the situation, FTPR records are available for public inspection and reporting. This creates a barrier to future housing opportunities as tenant’s records are tainted with a “modern day scarlet letter” that scares off prospective landlords as credit scores plummet.¹ The availability of this information in public record, appears in a tenant’s credit history, and “can prohibit a tenant from securing safe, stable, accessible, and affordable housing” in the future.²

This is especially true for renters belonging to marginalized groups—the effects can extend beyond housing instability, impacting access to reliable transportation, quality school districts, quality of life, and work opportunities.³ Black renters represent 18.8% of all renters, yet, over half of all eviction filings are against black renters (51.1%).⁴ These racial disparities, while varying by

¹ The stimulus relieved short-term pain, but eviction’s impact is a long haul. Kyle Swenson. The Washington Post. February 8, 2021. <https://www.washingtonpost.com/dc-md-va/2021/02/05/eviction-covid-credit-score/>

² National Low Income Housing Coalition, *Eviction Record Sealing and Expungement Toolkit*, <https://nlihc.org/sites/default/files/2023-04/eviction-record-sealing-and-expungement-toolkit.pdf> page 2.

³ *Id.*

⁴ *Id.*

state, persist across income levels; however, low-income households are at the greatest risk of eviction.

Of the almost 402,000 FTPR actions filed throughout Maryland in FY 23, around 157,000 of them were dismissed, and approximately 18,500 evictions occurred, presumably the rest of the actions ended in default judgments—presumably possessory redemption by payment.⁵ Over 400,000 Marylanders, the majority of which likely redeemed possession by payment, have FTPR actions looming in their records, potentially interfering with their ability to find housing later in life. This is not the precedent we want to maintain. To help address these collateral consequences, I am introducing SB 19.

First, SB 19 prohibits a landlord from increasing a tenant’s rent solely because a judgment is entered against a tenant following FTPR actions.⁶ Under current Maryland law, within six months of a tenant participating in a lawsuit involving the landlord, a residential property landlord may not arbitrarily increase rent.⁷

Second, SB 19 requires that our District Courts shield all FTPR records within 60 days of the final resolution of actions that do not result in a judgment of possession, thus ensuring easier access to safe and stable housing, safeguarding a tenant’s ability to secure future housing and ultimately avoid homelessness, and promoting racial justice.⁸

Third, if the FTPR action results in a judgment of possession, the court may shield all court records relating to the proceeding on motion by the tenant if the tenant demonstrates by a preponderance of the evidence that either: (1) the tenant exercised the right of redemption and one year has passed since the judgment was entered, or (2) the Court determines there is good cause to shield the record.⁹ Thereafter, the Court would be required to seal the record within 30 days after granting the motion to shield the record.

Furthermore, under SB 19 shielded records may only be opened if the tenant requests or if the District Court orders it because good cause has been shown. SB 19 also requires the Judiciary to develop and publish on its website a form to help educate people regarding §8-503 of this bill. Finally, this bill is to be applied prospectively.¹⁰

While there is currently no federal legislation mandating sealing eviction records, several states have passed legislation to shield these records.¹¹ Indiana and Minnesota allow tenants to formally apply for the court to seal records following the court decision.¹² Arizona,¹³ Indiana,¹⁴

⁵ https://mdcourts.gov/sites/default/files/import/district/statistics/Fiscal_2023.pdf

⁶ Proposed §8-119(B).

⁷ Md. Code Ann., Real Property §8-208.1(a)(1)-(2), (e).

⁸ Proposed §8-503(B)(1).

⁹ Proposed §8-503(B)(2).

¹⁰ See Section 3 of the bill.

¹¹ National Low Income Housing Coalition, *Eviction Record Sealing and Expungement Toolkit*, <https://nlihc.org/sites/default/files/2023-04/eviction-record-sealing-and-expungement-toolkit.pdf> page 5.

¹² *Id.*

¹³ 2022 Arizona HB 2485. *Id.* at 4.

¹⁴ Indiana Code § 32-31-11.

and Washington D.C.¹⁵ seal records when the Court rules in favor of the tenant. California and Colorado automatically seal records when eviction lawsuits are filed.¹⁶ It is time for Maryland to follow suit.

In shielding records of FTPR actions, SB 19 aims to preserve the ability of tenants to remain housed by reducing the loss of housing opportunities resulting from records that do not tell the whole story. As such, I implore you to vote favorably in support of SB 19.

¹⁵ See Code of the District of Columbia § 42-5303.09.

¹⁶ National Low Income Housing Coalition, *Eviction Record Sealing and Expungement Toolkit*, <https://nlihc.org/sites/default/files/2023-04/eviction-record-sealing-and-expungement-toolkit.pdf> page 5.

SB19_DHCD_SUPPORT.pdf

Uploaded by: Chuck Cook

Position: FAV



WES MOORE
Governor
ARUNA MILLER
Lt. Governor
JACOB R. DAY
Secretary
JULIA GLANZ
Deputy Secretary

DATE: 1/30/2024
BILL NO.: Senate Bill 19
TITLE: Failure to Pay Rent Proceedings - Prohibition on Rent Increases and Shielding of Court Records
COMMITTEE: Senate Judicial Proceedings Committee

Letter of Support

Description of Bill:

Senate Bill 19 prohibits landlords from raising a tenant's rent solely because a judgment was entered against the tenant for failure to pay rent, shields all eviction court records that did not result in a judgment of possession, and allows tenants to petition the District Court to, after one year, shield certain records of failure to pay rent proceedings if the tenant exercised the legal right of redemption.

Background and Analysis:

Maryland has an eviction filing rate of 48%, the highest in the nation. One of the consequences of Maryland's eviction filing rate is that tenants are frequently left with a permanent court record simply for being a few days late paying their rent. Of all tenants who receive an eviction filing, 36% pay late rent before trial, 59% pay late rent after trial, and only 5% are evicted. This means that 95% of Maryland tenants facing an eviction filing pay overdue rent, late fees and court costs - but these filings and judgments remain on a tenant's record, just as if the tenant had failed to pay rent at all. Any background check by a prospective future landlord will indicate that the tenant has an eviction judgment in his or her history, often resulting in the landlord requiring a larger security deposit or rejecting the tenant altogether. These barriers meaningfully shape housing options for families negatively impacted by an eviction filing, and often limit the number and types of neighborhoods that children in those households can grow up in.

Senate Bill 19 increases housing stability in Maryland by protecting tenants from the deleterious impact of an eviction filing on a record. Annually, 144,000 failure-to-pay rent eviction filings are dismissed, typically because the renter has paid all late rent and other fees prior to the trial date. SB19 would automatically shield these dismissed cases from public records within 60 days, protecting tenants who had their cases dismissed from facing ongoing challenges to find new housing. Additionally, 240,000 eviction judgments annually are resolved through the tenant right to redemption, wherein the tenant pays all late rent and court costs prior to an eviction occurring. SB19 would grant the option for the impacted tenants to motion for the court to shield their record if at least 12 months have passed.

DHCD Position:

SB19 grants tenants an avenue to prevent "late rent" filings and judgments from being used against them when they try to obtain housing in the future. This is anticipated to ease the uncertainty in finding housing for those who may have struggled to pay rent on time for a month or two. As SB19 is anticipated to increase housing and financial stability throughout the state of Maryland, the Maryland Department of Housing and Community Development respectfully requests a **favorable** report on Senate Bill 19.



LDF SB 19 written testimony FINAL.pdf

Uploaded by: David Wheaton

Position: FAV



**Written Testimony of David Wheaton
Economic Justice Law and Policy Fellow
NAACP Legal Defense and Educational Fund, Inc.**

**Submitted to the Judicial Proceedings Committee of
the Maryland State Senate
In Connection with the January 30, 2024 Hearing**

I. Introduction

My name is David Wheaton, and I am an attorney with the NAACP Legal Defense and Educational Fund, Inc. (LDF). LDF offers the following testimony regarding Maryland Senate Bill 19, which would prohibit a landlord from increasing a tenant's rent because a judgment was entered against the tenant in a failure to pay rent action, and would require courts to shield all court records within 60 days after the final resolution of a failure to pay rent if the proceeding did not result in a judgement of possession. This bill would prevent renters from being penalized or unfairly denied housing, and we urge the Maryland Senate to pass it swiftly.

Senate Bill 19 is a critical step in protecting Maryland renters, particularly renters of color. Maryland is in the middle of a housing affordability crisis.¹ There are 207,554 extremely low-income households in Maryland, but only 61,469 affordable and available rental units.² Adding more stress to Maryland renters is the fact that rent prices in Maryland are higher than the national average.³ There is a clear correlation between a rise in rent prices and a rise in evictions.⁴ Studies have shown that when rental prices rose the eviction rate in those areas also rose.⁵ This increase in evictions has in the past and will continue to have a disproportionate impact on Black Maryland

¹ Dwight A. Weingarten, *Maryland Housing Secretary Day Estimates 96,000-unit Housing Shortage. Bills Aim to Help*, The Herald Mail, (December 21, 2023),

<https://www.heraldmillmedia.com/story/news/state/2023/12/21/administrations-bills-aims-to-address-marylands-housing-crisis/71896971007/>

² National Low Income Housing Coalition, *Gap Report: Maryland*, (March 16, 2023), <https://nlihc.org/gap/state/md>

³ Jack Fiechtner, *Rent Prices in Maryland are Higher than the National Average*, ABC News, (April 14, 2023), <https://www.wmdt.com/2023/04/rent-prices-in-maryland-are-higher-than-the-national-average/>

⁴ Natalie Campisi, *One Year After Eviction Moratorium Ends, Renters Face Affordability Crisis*, Forbes, (August 22, 2022), <https://www.forbes.com/advisor/personal-finance/rental-housing-costs-rise/>

⁵ Id.

residents. Black households have the highest eviction removal count in Maryland—almost three times higher than the eviction rate for white residents.⁶ Households headed by Black women had the highest number of eviction removals in Maryland.⁷ Furthermore, while eviction court records can often be incomplete, incorrect, and outdated,⁸ landlords frequently rely on these records to deny Black people housing.⁹ Past court eviction records can keep individuals and families locked in a cycle of poverty; force families to live in unsafe housing; and cause homelessness and a host of other collateral consequences.¹⁰ SB 19 would protect Black renters by prohibiting landlords from increasing a tenants rent because of a previous eviction filing and requiring of a shielding of previous eviction court records.

Founded in 1940 by Thurgood Marshall, LDF is the nation’s oldest civil rights law organization. LDF was launched at a time when America’s aspirations for equality and due process of law were stifled by widespread state-sponsored racial inequality. For more than 80 years, LDF has relied on the Constitution and federal and state civil rights laws to pursue equality and justice for Black Americans and other people of color. LDF's mission has always been transformative: to achieve racial justice, equality, and an inclusive society. Since its inception, LDF has worked to increase fair housing opportunities for Black Americans. Some of LDF’s early victories in the Supreme Court came in *Shelley v. Kramer*, 334 U.S. 1 (1948), and *McGhee v. Sipes*, 334 U.S. 1 (1948), which held that the state enforcement of racially-restrictive covenants violated the Equal Protection Clause. In the decades since those victories, LDF has continued to challenge public and private policies and practices that deny Black people safe and quality housing and free from discrimination.

II. Due to Prior Discrimination, Black Marylanders are Disproportionately Renters—and Disproportionately Face Housing Instability Due to Evictions.

As a result of decades of discrimination in housing, lending, employment, and other areas, Black people are disproportionately likely to be renters, and are more likely to face evictions and other forms of housing instability.¹¹ SB 19 would help protect Black and other renters from abusive

⁶ Tim Thomas, et al, *Baltimore Eviction Map*, The Eviction Study, (May 8, 2020), [https://evictionresearch.net/maryland/report/baltimore.html#:~:text=Black%20headed%20households%20had%20the,eviction%20rate%20of%205.2%25\).](https://evictionresearch.net/maryland/report/baltimore.html#:~:text=Black%20headed%20households%20had%20the,eviction%20rate%20of%205.2%25).)

⁷ Id.

⁸ Kim Barker and Jessica Silver-Greenberg, *On Tenant Blacklist, Errors and Renters With Little Recourse*, The New York Times, (August 16, 2016), <https://www.nytimes.com/2016/08/17/nyregion/new-york-housing-tenant-blacklist.html>.

⁹ Cleo Bluthenthal, *The Disproportionate Burden of Eviction on Black Women*, Center for American Progress, (August 14, 2023), <https://www.americanprogress.org/article/the-disproportionate-burden-of-eviction-on-black-women/#:~:text=The%20data%20are%20frequently%20made,the%20eviction%20was%20unlawfully%20filed.>

¹⁰ Jaboa Lake and Leni Tupper, *Eviction Record Expungement Can Remove Barriers to Stable Housing*, Center for American Progress, (September 30, 2021), <https://www.americanprogress.org/article/eviction-record-expungement-can-remove-barriers-stable-housing/>

¹¹ Urban Institute, *The Ghosts of Housing Discrimination Reach Beyond Redlining: Subtitle Why Historical Redlining Maps Are Not Strong Predictors of Present-Day Housing Instability*, (March 15, 2023), <https://www.urban.org/features/ghosts-housing-discrimination-reach-beyond-redlining#:~:text=Because%20of%20a%20range%20of,housing%20cost%20burden%20and%20eviction.>

landlord practices, and will help avoid disproportionate harm to tenants of color, particularly Black tenants.

Black people are in need for tenant protections due to racist housing policies, which prevented Black homeownership and pushed Black residents to live in segregated areas of poverty. For decades, the federal government encouraged housing discrimination against communities of color through explicitly racist policies and practices.¹² For example, the Federal Housing Administration refused to guarantee mortgages for developers who were building subdivisions unless the deeds included racially restrictive covenants, effectively stopping development of integrated suburban communities.¹³ In Northwood, a northeast Baltimore community, developers wrote racial covenants into property deeds when the community was built in the early 1940s, barring any Black Maryland resident from purchasing property in the neighborhood.¹⁴ Another federal housing policy that targeted Black Maryland residents was “redlining.” In the 1930s, the federal government endorsed existing patterns of housing discrimination against people and communities of color through a practice that became known as redlining.¹⁵ The former Federal Home Owners’ Loan Corporation (HOLC), established in 1933, used color-coded maps to represent the perceived risk of lending in particular neighborhoods, with “hazardous” (the highest risk) areas coded in red.¹⁶ HOLC routinely gave Black communities a “hazardous” rating, discouraging lending in those “redlined” areas.¹⁷ In Baltimore, while white neighborhoods tended to fall within the green and blue grades, most of Baltimore’s Black neighborhoods, in east and south Baltimore, were almost exclusively “redlined.”¹⁸ Black neighborhoods in Baltimore suffered from high rents and poor-quality housing, and limited social and city services, leading to Grade D markings.¹⁹ Redlining led to long-term residential segregation and disinvestment in affected neighborhoods and drove the concentration of poverty in communities of color.²⁰

While the Fair Housing Act of 1968 was passed to both prevent discrimination and reverse housing segregation, Black people continue to struggle to find safe, stable, and affordable housing. Due to historical and ongoing discrimination, there is a large and growing racial homeownership gap. In 2021, Black families had a homeownership rate of 46.4% compared to 75.8% of white

¹² Danyelle Solomon, et al., *Systematic Inequality: Displacement, Exclusion, and Segregation How America’s Housing System Undermines Wealth Building in Communities of Color*, Center for American Progress, (August 2019), <https://www.americanprogress.org/wp-content/uploads/sites/2/2019/08/StructuralRacismHousing.pdf>

¹³ HEATHER MCGEE, *THE SUM OF US* 80 (2022).

¹⁴ Jayne Miller, *Racial Covenants Remain in Some Baltimore-Area Property Records*, WBALTV, (February 25, 2020), <https://www.wbalvtv.com/article/racial-covenants-baltimore-property-records/31103729#>

¹⁵ BRUCE MITCHEL & JUAN FRANCO, National Community Reinvestment Coalition, *HOLC “REDLINING” MAPS: THE PERSISTENT STRUCTURE OF SEGREGATION AND ECONOMIC INEQUALITY* (2018), <https://ncrc.org/holc/>.

¹⁶ *Id.*

¹⁷ Richard Rothstein, *THE COLOR OF LAW: A FORGOTTEN HISTORY OF HOW OUR GOVERNMENT SEGREGATED AMERICA* (2017).

¹⁸ David Armenti and Alex Lothstein, *Baltimore’s Pursuit of Fair Housing: A Brief History*, Maryland Center for History and Culture, (2020), <https://www.mdhistory.org/baltimores-pursuit-of-fair-housing-a-brief-history/#:~:text=During%20the%20early%201900s%2C%20white,against%20and%20segregate%20Black%20Baltimoreans.>

¹⁹ *Id.*

²⁰ Jason Richardson, et al, *Redlining and Neighborhood Health*, National Community Reinvestment Coalition, (2020), <https://ncrc.org/holc-health/>

families.²¹ In majority-Black Baltimore, the Black homeownership gap is 30.1%—10% higher than the statewide rate^{22 23}

Because they are locked out of homeownership, most Black people rent. In 2021, about 58% of households headed by Black adults in the U.S. rent their homes according to national Census data.²⁴ Black people live more frequently in unsafe subsidized housing,²⁵ and are disproportionately likely to spend more than 30% of their income on rent.²⁶ Black renters are disproportionately rent-burdened in Baltimore: approximately 60% of Black renters are housing cost burdened compared to 47% of white renters.²⁷ This makes residents more prone to evictions. As local, state, and national eviction moratoriums have ended and pandemic aid helping renters has faded, eviction filings have risen over 50% above pre-pandemic levels in some jurisdictions, nationally.²⁸ In Maryland, there was a total of 23,567 evictions combined in 2020, 2021, and 2022, which is an average of about 8,000 per year.²⁹ The last year before the moratorium, 2019, Maryland registered 21,676 evictions.³⁰ In 2023, with just nine months of reportable data, there were already 16,325 evictions in the state—double the number over the course of the entire prior year.³¹

Evictions have in the past and will continue to have a disproportionate impact on Black Maryland residents. According to an analysis by the ACLU, Black renters had evictions filed against them at nearly twice the rate of their white peers.³² Research by the RVA Eviction Lab

²¹ Rashawn Ray, Andre Perry, & David Harshbarger, *Homeownership, Racial Segregation, and Policy Solutions to Racial Wealth Equity*, Brookings Institute, September 1, 2021, <https://www.brookings.edu/articles/homeownership-racial-segregation-and-policies-for-racial-wealth-equity/>

²² Stateline, *Black Families Fall Further Behind on Homeownership*, Maryland Matters, (October 15, 2022), <https://www.marylandmatters.org/2022/10/15/black-families-fall-further-behind-on-homeownership/#:~:text=The%20overall%20homeownership%20rate%20is,Black%20homeownership%20rate%20is%2051%25.>

²³ Id.

²⁴ U.S. Census Bureau, *Demographic Characteristics for Occupied Housing Units*, American Community Survey, 2019, [https://data.census.gov/table?q=Owner/Renter+\(Householder\)+Characteristics&tid=ACST1Y2019.S2502](https://data.census.gov/table?q=Owner/Renter+(Householder)+Characteristics&tid=ACST1Y2019.S2502)

²⁵ Jill Rosen, *Study: Racial disparities in outcomes for those who grow up in subsidized housing have largely vanished*, Johns Hopkins University, May 8, 2017, <https://hub.jhu.edu/2017/05/08/black-white-kids-in-public-housing-fare-similarly/#:~:text=Black%20families%20getting%20subsidized%20housing,impooverished%20neighborhoods%2C%20the%20study%20found.>

²⁶ National Low Income Housing Coalition, *Gap Report*, (March 16, 2023), <https://nlihc.org/gap>

²⁷ Public Justice Center, *The Economic Impact of an Eviction Right to Counsel in Baltimore City*, (May 8, 2020), <https://cdn2.hubspot.net/hubfs/4408380/PDF/Eviction-Reports-Articles-Cities-States/baltimore-rtc-report-final-5-8-2020.pdf>

²⁸ Michael Casey & R.J. Rico, *Eviction filings soar over 50% above pre-pandemic levels in some cities as rents increase*, PBS, June 17, 2023, <https://www.pbs.org/newshour/nation/eviction-filings-soar-over-50-above-pre-pandemic-levels-in-some-cities-as-rents-increase>

²⁹ Dwight A. Weingarten, *Evictions, Rising after Rent Assistance Ran Out, Back Near pre-pandemic Levels in Maryland*, Salisbury Daily Times, (December 6, 2023), <https://www.delmarvanow.com/story/news/local/maryland/2023/12/06/marylands-rising-eviction-rate-renews-call-for-tenants-rights/71814753007/>

³⁰ Id.

³¹ Id.

³² Sophie Beiers, Sandra Park & Linda Morris, *Clearing the Record: How Eviction Sealing Laws Can Advance Housing Access for Women of Color*, AM. C.L. UNION (Jan. 10, 2020), <https://www.aclu.org/news/racial-justice/clearing-the-record-how-eviction-sealing-laws-can-advance-housing-access-for-women-of-color>.

indicated that race bore a stronger relationship to eviction than poverty, property value, or a range of other factors.³³ These burdens fall even harder on Black women, for whom 1 in 5 will face an eviction in their lifetime.³⁴ In Maryland, 1 in 4 Black children in rental households face the threat of eviction in a typical year.³⁵ Black households have the highest eviction removal count in Maryland—almost three times higher than the white resident eviction rate.³⁶

Evictions will continue to increase as rental unit prices rise and it becomes more difficult for renters in Maryland to find safe and affordable housing. In 2022, the Federal Reserve Bank of Cleveland analyzed eviction data before and after the pandemic.³⁷ Its analysis found that when rental prices rose the eviction rate in those areas also rose.³⁸ That study found that landlords in markets with higher recent rent increases are more likely to pursue eviction than those in markets with lower rent increases.³⁹ In the Baltimore -Towson metropolitan area, out-of-state investors are buying rental properties across the area and rent prices have sky-rocketed in recent years. That rise in rent correlated with more eviction filings. In 2020, Baltimore had almost 140,000 eviction case filings resulting in approximately 70,000 eviction warrants and 6,500 evictions—an eviction rate almost 2.5 times the national average.⁴⁰

There are also extreme harms that come with evictions. Eviction causes significant increases in homelessness and housing instability, and these effects can last 12 to 24 months or longer after an eviction case is filed.⁴¹ The data suggest that physical and mental health also decline after an eviction filing. Hospital visits often precede an eviction filing and visits for mental health-related conditions jumped by more than 130 percent following evictions.⁴² These results align with other

³³ Benjamin F. Teresa, *The Geography of Eviction in Richmond: Beyond Poverty*, RVA EVICTION LAB (2018), <https://cura.vcu.edu/media/cura/pdfs/cura-documents/GeographiesofEviction.pdf>

³⁴ Robert Collinson & Davin Reed, *The Effects of Evictions on Low-Income Household*, NYU L. (2018), https://www.law.nyu.edu/sites/default/files/upload_documents/evictions_collinson_reed.pdf

³⁵ Maryland Eviction Prevention Funds Alliance, *Assessment of Maryland's Need for Eviction Prevention Funds (EPF) and the Estimated Fiscal Impact of EPF*, (December 19, 2023), https://www.mdeconomy.org/wp-content/uploads/2023/12/Assessment-of-Marylands-Need-for-EPF-and-Directional-Fiscal-Impacts-of-EPF_FINAL_2023.12.19-1.pdf

³⁶ Tim Thomas, et al, *Baltimore Eviction Map*, The Eviction Study, (May 8, 2020), <https://evictionresearch.net/maryland/report/baltimore.html#:~:text=Black%20headed%20households%20had%20the,eviction%20rate%20of%205.2%25>).

³⁷ Hal Martin, *Making Sense of Eviction Trends during the Pandemic*, Federal Reserve Bank of Cleveland, (August 23, 2022), <https://www.clevelandfed.org/publications/economic-commentary/2022/ec-202212-making-sense-of-eviction-trends-during-the-pandemic>

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ Public Justice Center, *The Economic Impact of an Eviction Right to Counsel in Baltimore City*, (May 8, 2020), <https://cdn2.hubspot.net/hubfs/4408380/PDF/Eviction-Reports-Articles-Cities-States/baltimore-rtc-report-final-5-8-2020.pdf>

⁴¹ James T. Spartz, *Eviction Prevention: Reducing Harm To Households And Society*, University of Wisconsin-Madison Institute for Research on Poverty, (February 2023), <https://www.irp.wisc.edu/resource/eviction-prevention-reducing-harm-to-households-and-society/#:~:text=Eviction%20causes%20significant%20increases%20in.an%20eviction%20case%20is%20filed>.

⁴² *Id.*

evidence of eviction’s negative physical and mental health impacts on children, including increases in childhood hunger.⁴³

III. Landlords Frequently Rely on Inaccurate, Incomplete, or Outdated Eviction Court Records to Deny Black People Housing.

The eligibility criteria that landlords most frequently rely on when a prospective renter is applying to live in a property includes prior eviction history.⁴⁴ Some tenant screening companies claim that eviction records can help landlords predict whether a tenant will cause property damage or uphold their lease agreement.⁴⁵ There is no basis in fact for such claims.⁴⁶ Moreover, using eviction records in tenant screening has a disproportionate impact on people of color, there is no evidence that past evictions predict whether someone would be a good tenant; and can lead housing providers to rely on flawed or inaccurate information. Housing providers’ use of eviction records to screen prospective tenants has a disparate impact on people of color because, as discussed earlier, Black people are more likely to rent and face eviction. Using prior eviction records to screen tenants is also unreliable because these records are often incomplete or incorrect, especially for Black and Latino applicants.

Because there is no single government database that collects records from across all courts, tenant screening companies often buy records from data brokers who compile criminal or civil court records into centralized databases.⁴⁷ Some tenant screening companies rely on “name-only” matches or “wildcard” searches, gathering information from people who share the same few letters of a name.⁴⁸ According to an investigation by The Markup and the New York Times, these reports include eviction records from different people with similar names—a problem that occurs more frequently with Black or Latino applicants.⁴⁹ A report by Princeton University based on a review of 3.6 million eviction records from 12 states found that more than one in five cases had ambiguous or false records, meaning the records did not include information on how the case was resolved or falsely represented a tenant’s eviction history.⁵⁰ Moreover, even if an eviction was filed against a prospective renter, the filing of an eviction alone does give landlords sufficient information to judge whether a prospective renter would be a good tenant. In Baltimore in 2019, for example,

⁴³ Id.

⁴⁴ Abby Boshart, *How Tenant Screening Services Disproportionately Exclude Renters of Color from Housing*, Urban Institute, (December 21, 2022), <https://housingmatters.urban.org/articles/how-tenant-screening-services-disproportionately-exclude-renters-color-housing>

⁴⁵ Tinuola Dada & Natasha Duarte, *Tenant Screening Companies Profit from Eviction Records, Driving Housing Insecurity*, SHELTERFORCE (Jul. 19, 2022), <https://shelterforce.org/2022/07/19/tenant-screening-companies-profit-from-eviction-records-driving-housing-insecurity/>

⁴⁶ Id.

⁴⁷ CONSUMER FINANCIAL PROTECTION BUREAU, *TENANT BACKGROUND CHECKS MARKET 19* (2022), https://files.consumerfinance.gov/f/documents/cfpb_tenantreport_2022-11.pdf

⁴⁸ Id.

⁴⁹ Lauren Kirchner & Matthew Goldstein, *How Automated Background Checks Freeze Out Renters*, N.Y. TIMES (May 28, 2020), <https://www.nytimes.com/2020/05/28/business/renters-background-checks.html>.

⁵⁰ Adam Porton, Ashley Gromis, & Matthew Desmond, *Inaccuracies in Eviction Records: Implications for Renters and Researchers*, HOUS. POLICY DEBATE vol. 31, nos. 3–5 (2021), 377–394, <https://www.tandfonline.com/doi/epdf/10.1080/10511482.2020.1748084?needAccess=true&role=button>.

there were approximately 140,000 annual eviction filings but only an eviction rate of about four percent.⁵¹ This means that 96 percent of filings did not result in an eviction.⁵²

Currently, eviction filing records that do not result in evictions are still in the court system, are accessible to tenant screening companies, and are often used against renters even if they did not have an eviction executed against them. The simple presence of an eviction record on a tenant screening report or in public court records can completely derail a prospective tenant's chances of accessing safe, adequate, and affordable housing opportunities into the long-term future.⁵³ For example, Maryland resident named Highness Yemba, fell behind on rent during after she had to miss work to help her mother recover from COVID-19.⁵⁴ She faced eviction, but received rental assistance and was able to pay off what she owed. Despite catching up on rent, the previous eviction court records have made it difficult for her to find a new safe and affordable place to live.⁵⁵

IV. SB19 Would Help Ensure that Black Renters Can Access and Retain Stable Housing

SB19 would help protect tenants from these unfair practices. Given the historical and current landscape with evictions in Maryland, allowing a landlord to increase a residents rent due to a current or past eviction would have a disparate impact on Black Maryland residents. Additionally, having a financial penalty for a past eviction action while there is an affordability crisis in the state and there are thousands of low-income residents that are struggling to find a safe and decent place to live is bad policy. As mentioned previously, the Fair Housing Act of 1968 was passed to both prevent discrimination and reverse housing segregation. Keeping this policy in place in Maryland would allow for more discrimination and more displacement of Black Maryland residents.

Requiring that the court seal prior eviction court records when there is no actual eviction would help many Black Maryland renters be able to find more safe and affordable housing. Sealing these records would limit tenant screening companies' access to these records. This will disproportionately help Black Maryland residents who unfortunately have the highest rate of eviction filings in the state.⁵⁶

⁵¹ Public Justice Center, *The Economic Impact of an Eviction Right to Counsel in Baltimore City*, (May 8, 2020), <https://cdn2.hubspot.net/hubfs/4408380/PDF/Eviction-Reports-Articles-Cities-States/baltimore-rtc-report-final-5-8-2020.pdf>

⁵² Id.

⁵³ Policy Link, *Mapping the Growth of Eviction Record and Tenant Screening Protections*, (July 2023), <https://www.policylink.org/mapping-the-growth-of-eviction-record>

⁵⁴ Bennett Leckrone, *Bill Would Let Tenants Ask Court to Shield Pandemic-Related Eviction Records*, Maryland Matters, (March 3, 2022), <https://www.marylandmatters.org/2022/03/03/bill-would-let-tenants-ask-court-to-shield-pandemic-related-eviction-records/>

⁵⁵ Id.

⁵⁶ Tim Thomas, et al, *Baltimore Eviction Map*, The Eviction Study, (May 8, 2020), [https://evictionresearch.net/maryland/report/baltimore.html#:~:text=Black%20headed%20households%20had%20the,eviction%20rate%20of%205.2%25\).](https://evictionresearch.net/maryland/report/baltimore.html#:~:text=Black%20headed%20households%20had%20the,eviction%20rate%20of%205.2%25).)

We urge this body to adopt the language found in SB 19, but we also urge this body to do more and to seal all eviction filings no matter what the outcome of the eviction filing. Again, there is little to no evidence that eviction history will project if a prospective tenant will be a good tenant who pays their rent so there is no reason that tenant screening companies in Maryland should be able to use this data at all to deny someone housing.

V. Conclusion

Housing is the basis of stability and security for an individual or family. Allowing a landlord to increase a residents rent due to a current or past eviction would allow for more discrimination and more displacement of Black Maryland residents. Having the court seal prior eviction court records when there is no actual eviction would help many Black Maryland renters be able to find more safe and affordable housing without interference from inaccurate and misleading tenant screening reports. With rent prices rising and more parts of Maryland that are becoming unaffordable for low-income residents to live, the state needs to expand opportunities for Black and low-income residents to have safe and affordable places to live. We support SB 19's effort to reduce the burden on residents who may have had a previous eviction filing so that they will be better equipped to find a safe and affordable place to live.

Thank you for the opportunity to testify. If you have any questions, please contact David Wheaton, Economic Justice Policy Fellow, at dwheaton@naacpldf.org, or Amalea Smirniotopoulos, Senior Policy Counsel and Co-Manager of the Equal Protection Initiative, at asmirniotopoulos@naacpldf.org.

SB0019 - Maryland Legal Aid - FAV.pdf

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Position: FAV



**MARYLAND
LEGAL AID**

Advancing
**Human Rights and
Justice for All**

Senate Bill 19

Failure to Pay Rent Proceedings - Prohibition on Rent Increases and Shielding of Court Records

Hearing in the Senate Judicial Proceedings Committee

Hearing on January 30, 2024

Position: FAVORABLE

Maryland Legal Aid (MLA) submits its written and oral testimony on SB0019 at the request of bill sponsor Delegate Charles Sydnor.

MLA is a non-profit law firm that provides free legal services to the State's low-income and vulnerable residents. Our offices serve residents in each of Maryland's 24 jurisdictions and handle a range of civil legal matters, the most prominent of which is housing. Our Tenants' Right to Counsel Project represented tenants in over 2,000 eviction cases in 2023, including nearly 1,300 "Failure to Pay Rent" (FTPR) cases. Maryland Legal Aid asks that the Committee report **favorably** on SB0019 and consider adding mobile home tenants into this important legislation.

SB0019 establishes a records-shielding procedure for eviction cases based on non-payment of rent. Currently, there is no mechanism in Maryland law specific to this ubiquitous type of litigation. From November 2022 through October of 2023, 405,690 FTPR cases were filed throughout Maryland.¹ While these lawsuits resulted in nearly 21,000 evictions,² they more often resulted in dismissed litigation.³ **Courts dismissed over 35 percent of all FTPR filings** during that period.⁴ At the same time, hundreds of thousands of cases resulted in default judgments for which many tenants presumably redeemed possession by payment.

Consequently, beyond actual evictions, Maryland's FTPR dockets generate a long-lasting problem for Maryland residents on a massive scale: the harm of eviction records. The filing of an FTPR itself, whether it leads to dismissal, redemption, or actual eviction, begins an electronic data trail that will

¹ District Court of Maryland, Statistics, Table: "Landlord/Tenant Case Activity Report FY22 (November-December 2022)," https://mdcourts.gov/sites/default/files/import/district/statistics/Fiscal_2022.pdf ; *Id.*, "Landlord/Tenant Case Activity Report FY23 (January-October 2023)," https://www.courts.state.md.us/sites/default/files/import/district/Calendar_2023.pdf.

² The increased volume in evictions is a disturbing trend. In January 2022, 1,9047 Failure to Pay Rent cases were filed and 600 evictions carried out. In January 2023, those numbers rose to 32,663 Failure to Pay Rent cases filed and 2,026 evictions. This represents a 68% increase year over year in filings and a tripling in the number evictions.

³ *Id.*

⁴ *Id.*

follow renters throughout their searches for new rental housing or employment. Unlike debts that appear on consumer reports at most for seven years, eviction records live indefinitely on Maryland’s Judiciary Case Search site. SB0019 squarely addresses this problem.

Automatic Shielding

SB0019 would reduce the harm of FTPR eviction records primarily by requiring the District Court to shield these court records automatically within 60 days after the final disposition of any FTPR that resulted in dismissal. For FY23 alone, SB0019 would have led to the shielding of 156,956 FTPR actions, without any action taken by the tenants in those cases.⁵

Shielding by petition

Notably, SB0019 does not provide automatic shielding for cases that resulted in a judgment for possession. Instead, the bill would allow the tenant to petition the court and to make either of two showings:

- Either (1) that the tenant redeemed possession by payment to the landlord and that at least 12 months have passed since the case’s final resolution; or
- (2) that the court should shield the court records if the court determines that there is good cause to do so.

Based on the judicial data cited above, we estimate that over 240,000 FTPR judgments result in tenants’ “paying to stay,” that is, redeeming possession before the time of eviction. SB0019 would permit the tenants in those 240,000 cases to petition to shield records by waiting *12 months* from the time of redeeming possession by payment and then proving their those facts by a preponderance of evidence.

Effect of electronic data

SB0019 expands the opportunities for low-income Marylanders to become employed and to secure housing. Without the passage of this legislation, employers and landlords may continue to utilize Judiciary Case Search data to screen out renters, without regard for the context or even the propriety of the FTPR actions themselves. Electronic records of FTPR actions are more available today on Case

⁵ District Court of Maryland, Statistics, Table: “Landlord/Tenant Case Activity Report FY2023 (JUL 2022-JUN 2023),” https://mdcourts.gov/sites/default/files/import/district/statistics/Fiscal_2023.pdf.

Search than ever before due to the advancement of Maryland Electronic Courts, including the [new “e-rent” electronic filing system](#) for FTPRs in Baltimore County.⁶ Baltimore County is the highest-volume jurisdiction for eviction litigation in the state.⁷

MLA’s clients know too well that employers and landlords evaluate Case Search data without attention to case disposition – meaning, the fact that a case appears in Case Search at all weighs equally to the actual outcome, whether a dismissal or judgment for possession. Clients consistently convey a sense of hopelessness and discouragement in their ability to obtain gainful employment or stable housing due to the public availability of electronic eviction records.

The data trail, coupled with Maryland’s 146,085-unit shortage of available and affordable housing units for extremely low-income families, heavies the burden on poor families throughout the state.⁸⁹ Their low incomes increase the likelihood that they cannot pay rent in a given month and will be subjected to a FTPR filing. Eviction filings also disproportionately burden families by race. In a national sample in which one in every five adult renters was Black, “one in every three eviction filings were served to a Black renter.”¹⁰ Without passage of SB0019, FTPR filings, including those that are dismissed, perpetuate economic and racial barriers to finding available, affordable housing.

No FCRA preemption

SB0019 does not raise preemption questions under the federal Fair Credit Reporting Act (FCRA). Arguably, the FCRA already bars screening companies from reporting shielded cases by virtue of the requirement that reports be “complete and up to date.” *See* 15 U.S. Code § 1681k(a). SB0019 does not limit property owners’ right to report rent delinquency to consumer reporting agencies nor does the bill alter their access to tenant screening and consumer reporting products, which are widely and cheaply available in today’s rental market.

⁶ CBS Baltimore, “Baltimore County launches e-rent pilot program for property owners, landlords,” July 18, 2022, <https://www.cbsnews.com/baltimore/news/baltimore-county-launches-e-rent-pilot-program-for-property-owners-landlords>.

⁷ *Supra* n.1.

⁸ National Low Income Housing Coalition, Housing Needs by State: Maryland, <https://nlihc.org/housing-needs-by-state/maryland>.

⁹ This is a notable year over year increase from 125,483 in 2022, an increase of 20,602. *Id.*

¹⁰ The Eviction Lab, Racial and Gender Disparities among Evicted Americans, Dec. 16, 2020, <https://evictionlab.org/demographics-of-eviction>.

This bill will directly impact many MLA clients and will help to remove barriers for Marylanders seeking to better themselves and their families. SB0019 can help to ensure that the past does not obscure the chance for a better future.

Prior legislation

This bill is substantially similar to 2023’s House Bill 34 (Third Reader), incorporating amendments worked out by the Sponsor, tenant advocates, and representatives of the multi-family industry. Those amendments focused the legislation on “shielding,” as opposed to sealing, and provided definitions of “court record” and “shield.” This iteration of the legislation also includes last year’s amendments to clarify that the shielding provision excludes records related to a Rent Escrow claim raised defensively in an FTPR case.

FTPR cases involving Mobile Homes

SB0019’s definition of “Failure to Pay Rent proceeding” (page 2:16-17) overlooks mobile home park tenants. Although they are taken to court in the same “rent court” proceedings as any other Maryland renter, mobile home FTPR cases are brought under **Real Property § 8A-1701**. We encourage the Committee to add reference to § 8A-1701 into this bill’s definition of “Failure to Pay Rent proceeding.”

Maryland Legal Aid urges the Committee to issue a FAVORABLE report on Senate Bill 19. If you have any questions, please contact James Bell, Staff Attorney, (443) 902-3792, jbelle@mdlab.org or Zafar Shah, Assistant Advocacy Director – Tenants’ Right to Counsel Project, (443) 202-4478, zshah@mdlab.org.



**MARYLAND
LEGAL AID**

Tenants' Right to Counsel Project

BaltimoreCounty_FAV_SB0019.pdf

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Position: FAV



JOHN A. OLSZEWSKI

County Executive

JENNIFER AIOSA

Director of Government Affairs

AMANDA KONTZ CARR

Legislative Officer

WILLIAM J. THORNE

Legislative Associate

BILL NO.: **SB 19**

TITLE: **Failure to Pay Rent Proceedings – Prohibition on Rent
Increases and Shielding of Court Records**

SPONSOR: **Senator Sydnor**

COMMITTEE: **Judicial Proceedings**

POSITION: **SUPPORT**

DATE: **January 30, 2024**

Baltimore County **SUPPORTS** Senate Bill 19 – Failure to Pay Rent Proceedings – Prohibition on Rent Increases and Shielding of Court Records. This legislation would require that tenants in failure to pay rent proceedings have records of the proceedings shielded if the proceedings did not result in a judgement of possession. If the proceedings to results in a judgement of possession, a tenant has the option to motion to have the records shielded. Finally, the legislation prohibits landlords from raising a tenant’s rent solely based on the fact that a judgement was previously entered.

From an equity standpoint, this legislation is a consumer and tenant protection that prevent future difficulty for tenants in finding subsequent housing and shields a mark on their record that may prevent them from doing so. Shielding records can mitigate the harm of evictions and ensure that tenants are able to secure alternate housing and avoid homelessness. Baltimore County is committed to ensuring that each and every family throughout the State of Maryland can access attainable housing through reducing barriers.

Accordingly, Baltimore County urges a **FAVORABLE** report on SB 19 from the Senate Judicial Proceedings Committee. For more information, please contact Jenn Aiosa, Director of Government Affairs at jaiosa@baltimorecountymd.gov

SB 19 Testimony - Community Legal Services (2024-0

Uploaded by: John Kowalko

Position: FAV



January 29, 2024

The Honorable William C. Smith, Jr.
Chair, Judicial Proceedings Committee
2 East, Miller Senate Office Building
Annapolis, Maryland 21401

**SB 19 - Failure to Pay Rent Proceedings - Prohibition on Rent Increases and Shielding of
Court Records
Hearing before the Senate Judicial Proceedings Committee
January 30, 2024**

Position: FAVORABLE

Dear Chair Smith and Committee Members,

Thank you for the opportunity to testify in support of Senate Bill 19, which would protect tenants who have received failure to pay rent judgments from retaliatory rent increases and provide for shielding of failure to pay rent court records in certain limited circumstances.

Community Legal Services of Prince George's County ("CLS") is a private, non-profit organization that provides free legal services to low-income Maryland residents. Since 1985, we have provided civil legal assistance in Prince George's County, and we extended our services to assist Anne Arundel County residents in landlord-tenant matters as the need for legal representation increased during the pandemic. Each year, CLS assists thousands of tenants who are facing possible eviction, with the vast majority ultimately staying in their home.

Maryland has the highest eviction filing rate in the nation, with a rate that is six times the national average and twice the next highest state. Many landlords use eviction filings as an initial course of action, and these proceedings create a permanent public record that significantly impacts the ability of tenants to find housing in the future. However, the vast majority of these cases do not result in an eviction, and one-third of cases do not even result in a judgment. Only 5% of tenants who have an eviction filing are actually evicted, while the rest are able to pay their late rent or should have never been brought to court in the first place.

As a result of the over-reliance on eviction legal proceedings in the State, over 100,000 failure to pay rent proceedings are dismissed each year. These filings have a disproportionate impact on Black families and low-income households, and children are the most likely age group to be impacted by an eviction proceeding. Many tenants struggle to make ends meet and are living paycheck-to-paycheck, and nearly one-quarter of tenants spend 50% or more of their wages on housing costs. When families have an eviction case filed against them, they face additional costs in having to miss work to attend trial and pay court costs.

Currently in Maryland, tenants have to file a case to have their eviction filing records shielded, and no records that resulted in a judgment can be protected from public view. Under SB 19, tenants who do not receive a judgment for possession against them can have automatic shielding of those records after 60 days. CLS supports this automatic shielding to protect tenants who have not been found to owe any past due rent from the severe negative impacts that these eviction filings can have on the ability to find housing in the future.

SB 19 would also allow for tenants who have received a judgment for possession against them to shield those records if they can show good cause or otherwise if they were able to pay their past due rent and at least 12 months have passed since the case was resolved. CLS supports this ability to shield judgment records to provide tenants who were late on their rent but ultimately were able to pay so that these late rent payments do not cause a permanent negative impact on their ability to find housing. Similarly, CLS supports SB 19's provision that would prevent rent increases solely on the basis of a judgment entered the tenant.

Many tenants struggle to make ends meet and are living paycheck-to-paycheck, and nearly one-quarter of tenants spend 50% or more of their wages on housing costs. There are many reasons why tenants may fall behind on rent and have to pay their rent late. However, tenants who pay rent late should not be punished with a permanent public record for which relief is overly burdensome or impossible. SB 19 would create the mechanisms to fairly resolve these concerns, and CLS urges a FAVORABLE REPORT on Senate Bill 19.

Respectfully submitted,

John Kowalko
Staff Attorney
Anne Arundel County Eviction Prevention Legal Program
Community Legal Services of Prince George's County, Inc.
6301 Ivy Lane, Suite 720
Greenbelt, MD 20770
Phone: (240) 391-6370
Email: kowalko@clspgc.org

SB 19 - (HB 181) - Written Testimony - SENATE - Sh

Uploaded by: Katherine Davis

Position: FAV



SB 19/HB 181
Failure to Pay Rent Proceedings - Prohibition on Rent Increases and Shielding of Court Records
HEARING BEFORE THE JUDICIAL PROCEEDINGS COMMITTEE, JANUARY 30, 2024
POSITION: SUPPORT (FAVORABLE)

The Pro Bono Resource Center of Maryland (“PBRC”), an independent 501(c)(3) non-profit organization, is the statewide thought leader and clearinghouse for pro bono civil legal services in Maryland. As the designated pro bono arm of the MSBA, PBRC provides training, mentorship, and pro bono service opportunities to members of the private bar and offers direct legal services through free legal clinics and individual referrals for full representation to over 6,200 clients annually.

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 for possession of the property.

Like most court proceedings, FTPR actions are a matter of public record. This means that prospective landlords, credit-reporting agencies, and other third parties can determine when a tenant has been the subject of a FTPR proceeding. Under current Maryland law, this is true even if the tenant ultimately prevailed in the FTPR case or if the case was dismissed, meaning that no judgment was entered against the tenant. Even if there was no negative action taken against the tenant in court, the mere fact that an FTPR was filed can create a barrier to future housing opportunities in Maryland’s competitive rental market. **SB 19/HB 181 requires the court to shield records of FTPR actions that do not result in a judgment for possession and allows tenants to petition the court for shielding of records related to judgments for which the tenant has subsequently paid the amount due and thus redeemed their right to possession. These actions will help to preserve tenants’ ability to secure affordable housing in the future.**

Maryland has one of the highest FTPR filing rates in the country and an equally high dismissal rate. In the first nine months of 2023, for example, over 313,000 FTPR complaints were filed in Maryland. Of those, approximately 36%, or over 111,644 were dismissed. ([See https://www.courts.state.md.us/sites/default/files/import/district/statistics/Calendar_2023.pdf](https://www.courts.state.md.us/sites/default/files/import/district/statistics/Calendar_2023.pdf).) At our TVLD courthouse clinics, PBRC staff frequently encounter tenants who have FTPR cases pending against them even though they have paid rent, no longer reside in the property, are not the tenant named in the lease, or any number of other issues that can cause a FTPR complaint to be dismissed or adjudicated in favor of the tenant. This is more commonly seen with larger landlords who file FTPR complaints in bulk. While our attorneys can and often do get these cases resolved favorably for our clients, they may still find that their future housing opportunities limited because prospective landlords are able to see that a FTPR complaint was filed. This knowledge alone can cause a prospective landlord to draw a negative inference about the tenant and their ability to pay rent. In Maryland’s tight rental market, this can mean the difference between a family being housed or shut out of housing opportunities. **PBRC urges a favorable report on SB 19/HB 181 to preserve the ability of these tenants to remain housed.**

Additionally, PBRC supports SB 19/HB 181 because it provides a pathway for tenants to rehabilitate their housing records after a temporary financial difficulty. The General Assembly has long recognized the interest the State has in allowing its citizens a fresh start after negative situations even when a public record is impacted. For example, in 2014 the General Assembly passed HB 397 which allowed for the shielding of certain Peace and Protective Order records, including some cases where a Peace or Protective Order was granted. In 2016 the General Assembly passed the Justice Reinvestment Act (SB 1005) which broadly expanded eligibility for expungement of criminal records, including some convictions. Most recently in 2022, the General Assembly passed HB 521, which allowed for tenants to request shielding of FTPR judgments that occurred from March 5, 2020 to January 1, 2022. SB 19/HB 181 continues in this lineage by allowing Marylanders the opportunity to ensure that dismissed or redeemed FTPR judgments cannot hurt their future opportunities to secure safe, affordable housing. **In this way, SB 19/HB 181 allows tenants to plan for their futures without being held back by their pasts.**

For the above reasons,

PBRC urges a FAVORABLE report on SB 19/ HB 181.

Please contact Katie Davis, Director of PBRC's Courtroom Advocacy Project, with any questions.

kdavis@probonomd.org • 443-703-3049

SB 19_Consumer Protection Division_Support_2024_Fi

Uploaded by: Kira Wilpone-Welborn

Position: FAV

CANDACE MCLAREN LANHAM
Chief Deputy Attorney General

CAROLYN A. QUATTROCKI
Deputy Attorney General

LEONARD J. HOWIE III
Deputy Attorney General

CHRISTIAN E. BARRERA
Chief Operating Officer

ZENITA WICKHAM HURLEY
Chief, Equity, Policy, and Engagement

PETER V. BERNS
General Counsel



ANTHONY G. BROWN
Attorney General

STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION DIVISION

WILLIAM D. GRUHN
Chief
Consumer Protection Division

Writer's Direct Dial No.
410-576-6986
kwilponewelborn@oag.state.md.us

January 29, 2024

To: The Honorable William C. Smith, Jr.
Chair, Judicial Proceedings Committee

From: Kira Wilpone-Welborn, Assistant Attorney General
Consumer Protection Division

Re: Senate Bill 19 – 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 Senate Bill 19 sponsored by Senator Charles E. Sydnor, III. Senate Bill 19 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, Senate Bill 19 allows a tenant to petition for the shielding of a 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

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

Senate Bill 19 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.

The Consumer Protection Division supports Senate Bill 19 and requests the Judicial Proceedings Committee provide a favorable report.

cc: The Honorable Charles E. Sydnor, III
Members, Judicial Proceedings Committee

sb19, FTPR proceedings, JPR 1-30-2024.pdf

Uploaded by: Lee Hudson

Position: FAV



Delaware-Maryland Synod
Evangelical Lutheran Church in America
God's work. Our hands.

Testimony prepared for the
Judicial Proceedings Committee
on
Senate Bill 19
January 30, 2024
Position: **Favorable**

Mr. Chairman and members of the Committee, thank you for the opportunity to testify about rights that affect access to affordable housing. I am Lee Hudson, assistant to the bishop for public policy in the Delaware-Maryland Synod, Evangelical Lutheran Church in America. We are a faith community with three synods in every part of Maryland.

The population considered by **Senate Bill 19**, those who have been civilly enjoined for failure to pay rent, often are people for whom affordable housing is a financial challenge. The circumstances in which that happens may be beyond the capacity of an individual to do much about: cost, income, medical condition, *etc.*

Our testimony leans on that of the Pro Bono Resource Center for the similar House Bill 34 of 2023. (mgaleg.maryland.gov/cmte_testimony/2023/jud/1OWkvqnrwlhrwxCzrQ6gpU-V3JlnOLyiG.pdf)

PBRC represents many clients in this circumstance and reports, significantly, that the majority has already paid the rent due, or no longer live at the property, or are not even the tenant named on the lease.

Senate Bill 19 would likely *allow tenants the opportunity to shield FTPR proceedings where no judgment was entered against them, preserving their future ability to remain housed* according to that previous PBRC testimony. We endorse a legislative outcome that protects a human right to housing.

We ask a favorable report.

Lee Hudson

SB0019 ACDS Support - Shielding, Prohibition on Re

Uploaded by: Lisa Sarro

Position: FAV



SB0019 – Failure to Pay Rent Proceedings – Prohibition on Rent Increases and Shielding of Court Records

Hearing before the Senate Judicial Proceedings Committee on January 31, 2024

Position: SUPPORT (FAV)

SUPPORT: SB0019 ameliorates the serious effects of court records of tenants who have faced lawsuits for failure to pay rent in Maryland. This proposed legislation represents a significant step toward fostering a fair and equitable housing environment, offering tenants a chance at a cleaner rental history, improved credit standing, and increased prospects for future housing, whether renting or moving on to homeownership.

ACDS serves as Anne Arundel County’s nonprofit housing and community development agency, helping Anne Arundel County residents and communities thrive through the provision of safe and affordable housing opportunities, programs to prevent and end homelessness, and community development initiatives. As part of fulfilling this role, ACDS works with local nonprofits and provides direct services to County residents who need help with rental assistance, rapid rehousing, mortgage assistance and homeownership issues.

A tenant’s court record showing they were sued for failure to pay rent has far-reaching consequences, often resulting in a lasting negative impact on their rental and credit history. These records, easily accessible to potential landlords and creditors, create formidable barriers for individuals seeking stable housing. Currently, a failure to pay rent filing remains on a tenant’s court record, available for all to see, regardless of the outcome of the case. Even if the tenant has won or the case was dismissed, a review of the tenant’s court involvement on the Court’s online portal will reflect the existence of the filing which, for all intents and purposes, reflects negatively on the tenant. While record expungements are available for criminal matters under increasingly broad circumstances, the circumstances under which civil matters such as failure to pay rent cases may be shielded (the practical equivalent of expungement) are extremely rare in comparison.

This bill provides an efficient way to shield cases that were dismissed or won by the tenant and removes barriers to shielding other failure to pay rent cases when the tenant has overcome their financial difficulties, allowing them to regain their financial footing with a clear record so they have a better chance of moving in a positive direction. The ability to secure stable housing is directly linked to overall well-being, educational opportunities, and economic advancement. By removing unnecessary barriers posed by lingering court records, this bill promotes housing stability and sets the stage for individuals to achieve greater financial security.

For the reasons noted above, ACDS urges the Committee to issue a FAVORABLE report on SB0019.

DRMTestimonySb0019.pdf

Uploaded by: Maya Rosenberg

Position: FAV

SB0019 – Failure to Pay Rent Proceedings – Prohibition on Rent Increases and Shielding of Court Records

**Hearing before the Senate Judicial Proceedings Committee,
January 30th at 1:00 pm**

Position: SUPPORT (FAV)

Disability Rights Maryland (DRM, formerly known as the Maryland Disability Law Center) is the federally-appointed Protection & Advocacy agency in Maryland mandated to advance the civil rights of people with disabilities. One of DRM's goals is to end the unnecessary segregation and institutionalization of Marylanders with disabilities. To achieve this goal, DRM's Housing Unit works to expand opportunities for Marylanders with disabilities to be part of their communities and to live in affordable and accessible housing. This includes representing persons with disabilities in eviction proceedings to prevent unnecessary homelessness and institutionalization.

We support Senate Bill 19 because it decreases the potential for housing discrimination against renters with disabilities in the housing search, application process, and throughout their tenancies.

SB 19's provision for automatic and discretionary shielding would bring Maryland in line with the fourteen other states that have already implemented similar measures.¹ By providing an avenue for automatic shielding in Failure to Pay Rent (FTPR) cases that do not result in a judgement for possession, SB19 would increase housing opportunities and decrease the potential for discrimination for all renters, but especially renters with disabilities who already face numerous barriers to accessing safe, affordable, accessible housing.²

As we know firsthand from working with renters with disabilities, landlords – subsidized and non-subsidized – routinely erroneously file FTPR cases against tenants who are current on rent. While many such cases are dismissed the day of court, under the current law the resulting filing remains a lingering public record that paints an inaccurate impression as to an individual renter's propensity to pay rent in a timely fashion and can be the basis for future landlords unjustly denying housing applications. For example, this past summer the Housing Authority of

¹ See NATIONAL LOW INCOME HOUSING COALITION, E.R.A.S.E. Project, available at <https://nlihc.org/tenant-protections> (last accessed January 29, 2024) (including Arizona, California, Colorado, Connecticut, the District of Columbia, Indiana, Maine, Minnesota, Nevada, New Jersey, Oregon, Rhode Island, Texas, and Utah).

² EQUAL RIGHTS CENTER, DISCONNECTED: HOUSING DISCRIMINATION AGAINST THE DEAF AND HARD OF HEARING (2012), available at <https://delldhub.gacec.delaware.gov/pdf/Disconnected.pdf>; UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, OFFICE OF POLICY DEVELOPMENT AND RESEARCH, RENTAL HOUSING DISCRIMINATION ON THE BASIS OF MENTAL DISABILITIES: RESULTS OF A PILOT TEST, <https://www.huduser.gov/portal/sites/default/files/pdf/MentalDisabilities-FinalPaper.pdf>

Baltimore City (HABC) issued hundreds of eviction filings seeking to eject families en masse from Public Housing properties. While HABC ultimately dismissed these dockets in their entirety, hundreds of families living in Baltimore City's Public Housing inventory now have inappropriate FTFR filings as a part of their public record, inevitably rendering accessing safe, affordable housing more difficult for them in the future.

Despite tenants' best efforts, Public Housing Authorities (PHAs) and other agencies issuing rental subsidies are at times themselves delinquent in dispersing rental payments to the private landlords providing subsidized housing, which can result in inappropriate FTFR filings seeking to eject the tenant for the amount owed by the PHA, regardless of whether the tenants are themselves current on their portion of rent. At DRM we see this often with our clients who receive rental subsidies through the "Section 8" Housing Choice Voucher Program, particularly when PHAs have paused issuing payments to private landlords due to unaddressed health and safety issues at the rental property in question. SB19 would provide necessary protection to low-income renters, including tenants with disabilities, who are disproportionately forced into living in substandard conditions due to their lower-incomes and exclusion from the labor market.³

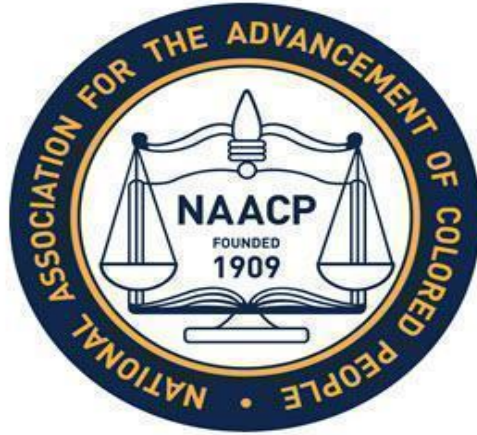
Disability Rights Maryland is a member of the Renters United Maryland coalition and asks that the Committee **issue a report of FAVORABLE on SB 0019**. If you have any questions, please contact: e.v. yost, evy@DisabilityRightsMD.org.

³ There is no jurisdiction in Maryland in which a person with a disability receiving SSI benefits can rent a one bedroom unit. TECHNICAL ASSISTANCE COLLABORATIVE, PRICED OUT: THE HOUSING CRISIS FOR PEOPLE WITH DISABILITIES (2021), <http://www.tacinc.org/knowledge-resources/priced-out-v2/>. Maximum SSI payments increased to \$943/month in 2024.

SB19. Favorable vote.pdf

Uploaded by: Ryan Coleman

Position: FAV



Randallstown

P.O. Box 731 Randallstown, MD 21133

Jan 26, 2024
Immediate Release

Contact: Ryan Coleman, President
randallstownnaacp@gmail.com

Randallstown NAACP supports SB 0019-Failure to Pay Rent Proceedings - Prohibition on Rent Increases and Shielding of Court Records

Case Search, a vital tool for transparency is now being used to check renters ability to pay. It is highly unfair and discriminatory to make decisions on a renters merely by a court proceeding.

SB 0019 ensures renters are treated fairly. **The Randallstown NAACP requests a favorable vote on SB 0019.**

MMHA - 2024 - SB 19 - shielding records.pdf

Uploaded by: Aaron Greenfield

Position: FWA



Bill Title: Senate Bill 19, Landlord and Tenant – Repossession for Failure to Pay Rent – Shielding of Court Records

Committee: Judicial Proceedings Committee

Date: January 30, 2024

Position: Favorable with amendments

This testimony is offered on behalf of the Maryland Multi-Housing Association (MMHA). MMHA is a professional trade association established in 1996, whose members consist of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities. Our members house over 538,000 residents of the State of Maryland. MMHA also represents over 250 associate member companies who supply goods and services to the multi-housing industry.

Under Senate Bill 19, a landlord may not increase a tenant's rent solely because a judgment was entered against the tenant in a failure to pay rent action. Further, within 60 days after the final resolution of a failure to pay rent proceeding, the District Court must seal all court records relating to the proceeding if the proceeding did not result in a judgment of possession. On motion by a tenant, the District Court may seal all court records relating to a failure to pay rent proceeding that results in a judgment of possession if the tenant demonstrates by a preponderance of the evidence that the tenant exercised the right of redemption and at least 12 months have passed since the final resolution of the proceeding that the tenant seeks to seal or the district court determines that it is in the interest of justice that the court records relating to the failure to pay rent proceedings be sealed. The District Court is required to seal the court records within 30 days after granting the tenant's motion to seal.

MMHA has no objection to shielding a landlord/tenant action if the final resolution resulted in a dismissal or order for the tenant in a judgment of repossession. However, MMHA offers the following technical amendments that largely have an impact on the provisions related to right to redemption and rent escrow.

AMENDMENT No. 1

On Page 2, Lines 20-24

(I) (1) WITHIN 60 DAYS AFTER THE FINAL RESOLUTION OF A FAILURE TO PAY RENT PROCEEDING, THE DISTRICT COURT SHALL SEAL ALL COURT RECORDS RELATING TO THE PROCEEDING IF THE PROCEEDING DID NOT RESULT IN A JUDGMENT OF POSSESSION AND NO APPEAL IS PENDING. **THIS SECTION DOES NOT APPLY TO ACTIONS FOR RENT ESCROW UNDER § 8– 211 OF THIS TITLE.**



Background: Clarifying that rent escrow matters (affirmative or defensive) are not subject to being shielded if they are related to a FTPR action regardless of the outcome of the case.

AMENDMENT No. 2

On Page 2, Lines 27-31

1. THE TENANT DEMONSTRATES BY A PREPONDERANCE OF THE EVIDENCE THAT
(a)THE TENANT EXERCISED THE RIGHT OF REDEMPTION UNDER
SUBSECTION (G) OF THIS SECTION, (b) [STRIKE THE WORD “AND”] AT
LEAST 12 MONTHS HAVE PASSED SINCE THE FINAL RESOLUTION OF THE
PROCEEDING THAT THE TENANT SEEKS TO SEAL, AND
(c)THAT THE TENANT HAS HAD NO MORE THAN 3 JUDGMENTS FOR
POSSESSION IN THE 12 MONTHS PRIOR TO THE REQUEST TO SEAL UNDER
THIS SECTION; OR

Background: Clarifying that the ability to seal a FTPR judgment is not an infinite right based solely on judgments entered on a rolling 12 month basis, but rather is consistent with the right of redemption language in section §8-401 (g) (3) limiting its use to three judgments in any 12 month period.

For these reasons, we respectfully request a favorable report with amendments on Senate Bill 19.

Aaron J. Greenfield, MMHA Director of Government Affairs, 410.446.1992

MBIA Letter of Support with amendment SB19.pdf

Uploaded by: Lori Graf

Position: FWA

January 30, 2024

The Honorable William C. Smith Jr.
Senate Judicial Proceedings Committee
Miller Senate Office Building,
2 East Wing 11 Bladen St.,
Annapolis, MD, 21401

RE: SB19- Support with Amendments- Failure to Pay Rent Proceedings- Prohibition on Rent Increases and Shielding of Court Records

Dear Chairman Smith:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **Failure to Pay Rent Proceedings- Prohibition on Rent Increases and Shielding of Court Records**. **MBIA Supports with amendments.**

For these reasons, MBIA respectfully requests the Committee give this measure a **favorable** report with amendments. MBIA always has concerns when legislation will make housing more expensive and less attainable to Marylanders. Maryland needs to continue to work to be a State that is attainable and where people can afford to live. We currently have a housing shortage of at least 96,000 units. The State needs to ensure that we encourage new housing in order to increase supply and reduce costs for tenants and home buyers.

Under SB29, a landlord may not increase a tenant's rent solely because a judgment was entered against the tenant in a failure to pay rent action. Within 60 days after the final resolution of a failure to pay rent proceeding, the District Court must seal all court records relating to the proceeding if the proceeding did not result in a judgment of possession. On motion by a tenant, the District Court may seal all court records relating to a failure to pay rent proceeding that results in a judgment of possession if the tenant demonstrates by a preponderance of the evidence that the tenant exercised the right of redemption and at least 12 months have passed since the final resolution of the proceeding that the tenant seeks to seal or the district court determines that it is in the interest of justice that the court records relating to the failure to pay rent proceedings be sealed. The District Court is required to seal the court records within 30 days after granting the tenant's motion to seal

MBIA supports the amendments that are being proposed by the Maryland Multi Family Housing Association. These amendments are technical amendments and serve to clarify language in the bill. 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 Senate Judicial Proceedings Committee