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SB 644 - Landlord and Tenant - Residential Leases and Holdover Tenancies - Local Just Cause Termination Provisions

Hearing before the Senate Judicial Proceedings Committee, Feb. 16, 2024

Position: SUPPORT (FAV)

Santoni, Vocci & Ortega, LLC is part of Renters United Maryland and urges you to move favorable on SB 644. SB 644 is enabling legislation that would give authority to Maryland counties to establish “just cause” or “good cause” limitations on lease non-renewals. That means local policymakers would be able to determine the kind of “just cause” policy that their locality needs, whether by type of building, for certain populations, or under certain circumstances such as a state of emergency. **Without this enabling bill, counties are preempted from enacting legal protections for Maryland families who face increasingly unstable housing and fears of retaliation and displacement.**

Santoni, Vocci & Ortega, LLC is a private tenants’ rights firm, representing tenants living in uninhabitable conditions, or have been the subject of an illegal eviction or debt collection violations. We often see many tenants who are afraid of speaking up about terrible living conditions or illegal debt collection practices because they fear retaliation from their landlord. This is especially true for our most vulnerable populations, including the elderly.

What is “just cause” policy and why is it needed? Maryland is currently a “no cause” state – that is, a landlord can decide to non-renew without any stated cause. This means that working families and their children face the constant threat of displacement, even when they follow all the rules. They are under constant pressure to stay quiet and accept declining conditions, arbitrary policies, and increasing rents just to stay in their communities and keep their children in their local school. Or, they can speak up – on their own or as a group – and face a likely “non-renewal” at the end of their lease and displacement from their community.

Why this legislation now? **Maryland has seen a spike in the number of no-cause, evictions known as “Tenant Holding Over” evictions– a 117% increase in average Tenant Holding Over complaint filings each month since 2020.** This mirrors a national trend in which “[n]early half of U.S. renter households reported experiencing significant pressure to move during the previous 6 months.”¹ **In addition to increasing rents and fewer market options, Maryland families face the specter of non-renewal and displacement now more than ever.**

“Just cause” addresses this uncertainty by providing that a landlord must disclose the reason for choosing not to renew. SB 644 provides a list of options for what “just cause,” as adopted by a county,

¹ HUD Office of Policy Development and Research, “Pressure to Move and Forced Moves Among U.S. Renter Households: Findings From New Questions in the Household Pulse Survey” (Sept. 19, 2023) (June-Aug. 2023 data).

may include, such as substantial lease violations, illegal activities, removal of the property from the market, or personal use of the property by the owner. Requiring landlords to disclose the reason for a lease non-renewal helps ensure that no eviction takes place under a cover of silence that can hide discriminatory intent. SB 644's list reflects the policies other U.S. jurisdictions that have enacted. To be clear, this is a list that localities are free to adopt or change to meet local housing needs.

Why a Local Enabling bill? Since 2008, just cause eviction legislation has been introduced 9 times – including multiple statewide bills, as well as bills specific to Prince George's County and Montgomery County. During the COVID-19 state of emergency, Howard County unsuccessfully attempted to prohibit lease non-renewals while Baltimore City passed a short-term provision to require just cause for lease non-renewals until 6 months after the state of emergency's end. These efforts demonstrate a sustained desire in Maryland localities for the authority to enact just cause.

Based on available research, **Maryland is one of only 6 states in the country that preempts localities from enacting just cause eviction policies.** Other states at least allow localities to pass their own just cause eviction laws. Pennsylvania is a good example. It has allowed Philadelphia to pass a just cause eviction law to promote greater housing stability. If this body has concerns about just cause eviction policy, it should allow localities to see what works best for their housing market and policy goals. At least 5 states, the District of Columbia (since 1985), and 16 localities including Philadelphia (since 2018) have adopted just cause eviction laws. New Jersey's just cause law (since 1974) demonstrates that the benefit of just cause far outweighs the hypothetical that it hurts development. ["Something in the Garden State is clearly working. According to data from the Eviction Lab, New Jersey cities such as Trenton, Paterson, Jersey City, and West New York have among the lowest eviction rates in the country. Meanwhile, construction is absolutely exploding."](#)

Additionally, looking at 4 localities in California, a [2019 Princeton/Eviction Lab](#) study finds that "just cause eviction ordinances have a significant and noticeable effect on eviction and eviction filing rates. Given the budget limitations of many states and municipalities to fund other solutions to the eviction crisis, passage of just cause eviction ordinances appears to be a relatively low-cost, effective policy solution."

SB 644 recognizes that local legislatures want to assist renting families with stable housing so that they are able contribute long-term to the workforce and the local economy. Requiring that a landlord state a legitimate reason for an eviction through lease non-renewal eviction boosts the stability of families, neighborhoods, and communities.

Santoni, Vocci & Ortega, LLC is a member of Renters United Maryland, a statewide coalition of renters, organizers, and advocates, and **we urge the Committee's report of Favorable on SB 644.**