



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

March 7th, 2024

Testimony in Support of SB0946: Tenant Safety Act of 2024

Dear Chair Smith, Vice-Chair Waldstreicher, Members of the Committee

I am here to introduce Senate Bill 946, the Tenant Safety Act of 2024. This legislation is a critical step towards ensuring the safety, health, and well-being of tenants across Maryland by addressing serious and dangerous defects in residential properties. You may remember this legislation as Senator Washington sponsored the cross-file of Delegate Stewart's 2023 Tenant Safety Act. A more expansive version of this bill passed the House last year, but did not receive a vote in JPR. The necessary changes were made to this bill over the intermin to address stakeholder concerns.

Senate Bill 946 codifies the status quo in three ways. First, mold is explicitly listed as a reason renters can file for rent escrow when it's a serious hazard. Second, the implied warranty of habitability is enshrined in law for the first time, turning the implied into explicit. Third, SB946 clarifies that tenants starting a case for rent escrow can join together under existing joinder of party rules if a judge decides that they meet the criteria of that rule.

The bill also resets the baseline expectations in a rent escrow case by creating rebuttal presumptions. The bill establishes that the presumption in rent escrow cases is that tenants pay 50% of their prospective rent into escrow until the case is decided. The 50% is a compromise between the tenant who is arguing that their dwelling is so unlivable that they should not be required to pay rent, and the landlord who is arguing that the tenant should pay full rent as they agreed to in their lease agreement.

Finally, the bill allows tenants to recover attorney's fees if they win. Landlords are currently able to recover their litigation costs under their leases, and pursuant to judicial rules if a rent escrow complaint is frivolous or filed in bad faith, SB946 would **not** change this.

You may hear an argument today from opposition that this bill is unnecessary as there is already an existing rent escrow process in Maryland. There is an existing rent escrow process, however, the current process is flawed. There are less than 2000 rent escrow cases filed every year, and

only 6% of them result in reduced rent¹. Maryland is on pace to see only 1,959 “rent escrow” complaints filed by tenants against landlords in 2023, yet there are over 66,500 severely or moderately inadequate rental housing units in Maryland². That means that hundreds of thousands of our constituents and neighbors are living with rodents, roaches, sewage, and mold, and without heat and air conditioning. But very few Marylanders ever enforce their right to a safe home. You will hear first hand examples of how Maryland’s rent escrow process has failed our residents from my sponsor panel today.

Delegate Stewart’s working with stakeholders to address the Judiciary’s additional concerns and reach a consensus in the House.

By enacting the Tenant Safety Act of 2024, Maryland will take significant strides towards promoting safe and healthy living environments for all residents. This legislation provides tenants with more tools and resources to advocate for their right to safe housing from their landlords and makes the process and the burden of proof more fair and just. This legislation demonstrates a commitment to tenant rights, public health, and equitable access to housing.

Thank you for your time today. I urge you a favorable report on Senate Bill 946.

¹ Donovan, D. (2017, April 28). *Dismissed: Tenants lose, landlords win in Baltimore’s rent court*. Baltimore Sun. <https://www.baltimoresun.com/2017/04/28/dismissed-tenants-lose-landlords-win-in-baltimores-rent-court>

² U.S. Census Bureau, American Housing Survey for the United States: 2021, Table Creator (Select area: Maryland, Select a table: Housing Quality); Judiciary statistics, <https://mdcourts.gov/district/about#stats>