



Bill No: SB 946-- Landlord and Tenant—Failure to Repair Serious and Dangerous Defects—Tenant Remedies (Tenant Safety Act of 2024)

Committee: Judicial Proceedings

Date: March 7, 2024

Position: Unfavorable

The Apartment and Office Building Association of Metropolitan Washington (AOBA) represents members that own or manage more than 23 million square feet of commercial office space and 133,000 apartment rental units in Montgomery and Prince George’s Counties.

Senate Bill 946, a significant piece of legislation, mandates that rental housing providers are responsible for ensuring the habitability of their units. They must also address and rectify any conditions or defects that pose health and safety risks. The bill also recognizes the presence of mold as a serious health threat in a dwelling unit, which can be used as a defense for rent escrow and refusal to pay rent. Additionally, SB 946 incorporates the joinder statute into state law, enabling multiple parties to collectively seek remedies if a housing provider neglects to address serious and dangerous defects on the property.

AOBA has expressed significant concerns while acknowledging the bill sponsor's efforts to include provisions that allow residents to notify housing providers and provide a reasonable time for abatement of severe defects. As currently drafted, the bill codifies the joinder statute into state law, allowing residents to act on a suit collectively. This approach, however, raises serious concerns for AOBA members, as it may not adequately address the unique nature of defects that can vary from one unit to another.

Even where a defect might affect a common area or an entire building (for instance, if the whole roof collapses or the heat is out in the entire building), the impact experienced

in each rental unit conflicts with the fact that all residents are similarly situated claimants who can rely on one person to represent their interests.

AOBA members firmly believe the existing rent escrow statute provides robust remedies to safeguard tenants. Unlike complex class action litigation, a typical rent escrow case addresses specific problems in a resident's rental unit. Even in multifamily buildings, residents' repair issues are unique to their living situation and can be easily identified through resident complaints and inspections by the housing provider or Code Officials. Housing providers are legally bound to rectify conditions that seriously threaten occupants' life, health, or safety. If a housing provider fails to address severe or dangerous problems in a rental unit, a resident can pay rent into an escrow account established at the local District Court.

For these reasons, AOBA urges an unfavorable report on SB 946. For further information, contact Ryan Washington, AOBA Government Affairs Manager, at rwashington@aoba-metro.org or call 202-770-7713.