

Members of the House Environment and Transportation Committee  
Maryland General Assembly  
2 East Miller Senate Office Building  
Annapolis, Maryland 21401

**Re: Support for HB 709 Landlord and Tenant Residential Leases and Holdover Tenancies - Local Good Cause Termination (Good Cause Eviction)**

14 February 2025

Dear Chair Korman, Vice Chair Boyce and Members of the House Environment and Transportation Committee:

Thank you for the opportunity to present today on safe, fair, affordable housing, and related tenant protections in Maryland. The housing affordability crisis continues to put renters at risk in Maryland and around the country. We commend the work of this committee to address this important topic. Though committees like this one in Maryland are bringing together citizens, industry, and experts to grapple with solutions, the problem continues to get worse.

Corporate landlords have purchased larger shares of rental units and engaged in price gouging to benefit their shareholders. In December, the White House [Council of Economic Advisors](#) (CEA) noted how such actors use artificial intelligence to set prices; an anticompetitive behavior that constitutes price-fixing. CEA estimated that this cost renters \$3.8 billion in 2023, or an average of \$70 monthly per renter. Additionally, the Department of Justice [filed a lawsuit](#) against RealPage for its software and monopoly activity in the rental market. Anticompetitive market behavior and price gouging put additional strain on the most vulnerable renters, heightening the risk of eviction, homelessness, and other negative mental and physical health outcomes.

**The good news: we have proven policy tools to protect tenants, such as [Good Cause Eviction Protections](#).**

*Good Cause Eviction Protections* maintain renters' stability in their homes by protecting them from wrongful and retaliatory evictions. For example, with Good Cause protections, tenants could not be evicted for reporting inadequate housing conditions or requesting basic repairs. While some critics claim that Good Cause can stifle new construction, no published evidence exists in the scientific community to support this claim. To the contrary:

**Our scientific team has conducted what we believe to be the first analysis of the impact of Good Cause Eviction Protections on development. The analysis finds no evidence that the**

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**introduction of Good Cause Eviction Protections in California, Oregon, and New Hampshire resulted in a decline of new construction** (see Scientific Appendix and Figures 1-2). Additionally, preexisting research has found Good Causes Eviction Protections lead to a statistically significant *decrease in evictions* ([Cuellar 2019](#), see Figure 3) and *decrease in displacement* ([Hwang et al. 2022](#)).

Elected leaders from around the country – from the White House, to the Governor of California, and the New York Statehouse – have *advocated for and passed* new protections for tenants.

“To prevent evictions, renters should have access to **just- or good-cause eviction** protections that require a justified cause to evict a tenant.”

—[White House Blueprint for a Renters Bill of Rights](#)

“I asked the Legislature to send me a **strong renter protection** package. Today, they sent me the strongest package in America. These **anti-gouging** and **eviction protections** will help families afford to keep a roof over their heads, and they will provide California with important new tools to combat our state’s broader housing and affordability crisis.”

—[California Governor Gavin Newsom, on AB 1482](#)

“There’s very strong political will for [Good Cause Eviction Protections], very strong support for it ... Albany, Newburgh, Kingston, ... all of these localities outside of New York City that are facing the same problems with **rent, price gouging** of tenants and **tenants having virtually no protections** at all, from an eviction without “good cause.”

—[New York State Senator Julia Salazar on “Good Cause” in New York Budget](#)

In 2024, [President Biden](#) called on Congress to address the affordability crisis to “**cap rent increases** on existing units at 5% or risk losing current valuable federal tax breaks.”

Economists have found that rent controls can directly *reduce rent prices by 4-6%* and *do not reduce the supply of housing units* ([Jofre-Monseny et al. 2023](#)).

We have attached a scientific report to inform **our position in support of HB 709**. We recommend that the committee advance tenant protections to prevent worsening of the rental, homelessness, and health crises.

**Sincerely,**

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## **Scientific Appendix and Sources**

### **Did Good Cause Eviction Laws slow development in California, Oregon and New Hampshire?**

#### **California ([AB 1482](#)) and Oregon ([SB 608](#))**

Analysis of the trends in permitting before and after three states passed Good- or Just-Cause legislation suggests the legislation *did not* lead to a statistically significant decrease in permitting. California and Oregon both passed legislation in 2019 and Figure 1 presents the average permits per 100,000 people (permits per capita) in California and Oregon counties, alongside the average among counties in the surrounding states of Washington, Nevada, Idaho and Arizona. It appears that the upward trend of permits in California and Oregon, and those in the surrounding states, that are present before the passage of Good Cause continue in 2019, after its passage. We test this with a more rigorous statistical method known as a “difference-in-differences” model. This approach tests whether the trends in permitting among counties subject to the passage of the legislation were different from the trends in nearby counties not subject to the legislation, after controlling for other factors including county level GDP, population, unemployment and per capita income. *We find that permits did not decline in California and Oregon counties relative to the changes occurring in surrounding states.* In fact, the data show an increase in permits by 41 per 100,000 residents after the legislation passed relative to the comparison counties, though this result was not statistically significant.

#### **New Hampshire**

Prior to the California and Oregon policies, New Hampshire passed Good Cause legislation in 2015. Figure 2 plots average permits per 100,000 people for New Hampshire counties and counties in the surrounding states of Maine, Massachusetts and Vermont. Prior to the passage of Good Cause, permits were increasing in the counties of New Hampshire and surrounding states. In 2015, permits fell in both New Hampshire and its surrounding states. The difference-in-difference model indicates that the rate of change in New Hampshire was not statistically different from the change in surrounding states. Like the California and Oregon findings, this again suggests that *there is no evidence that Good- or Just- Cause legislation leads to lower rates of development where it is enacted.*

#### **Next Steps**

Research is ongoing on a variety of channels including exploring Good Cause’s impact on types of permits (i.e. multi-family versus single family), evaluating the impact of other states’ passage of Good Cause legislation, examining data at the municipal level, and including additional controls to the statistical model.

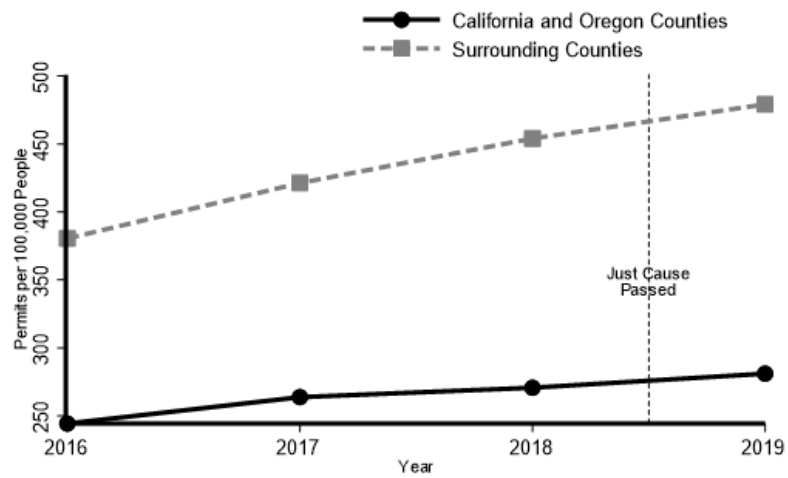


Figure 1: Rate of Construction before & after Good Cause Law Passed in California and Oregon

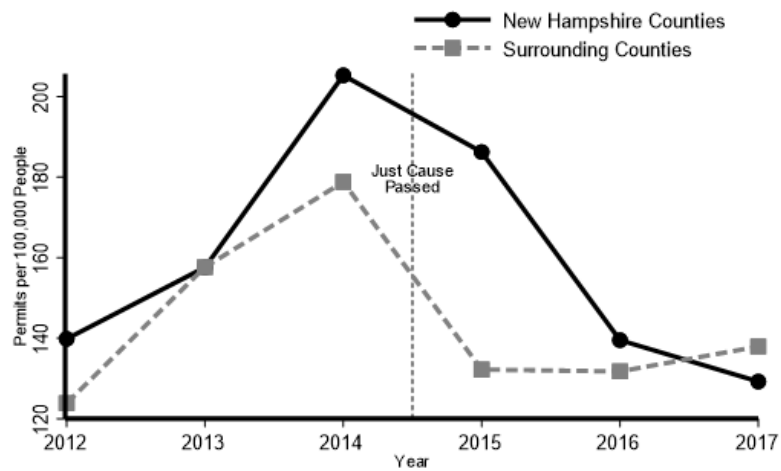


Figure 2: Rate of Construction before & after Good Cause Law Passed in New Hampshire



Figure 3: Rate of Evictions before & after Good Cause Law Passed in California Cities (Cuellar 2019)

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