



BRANDON M. SCOTT
MAYOR

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HB 273

January 28, 2025

TO: Members of the Environment and Transportation Committee

FROM: Nina Themelis, Director of Mayor's Office of Government Relations

RE: House Bill HB 273 – Residential Leases - Late Payment Penalties - Calculation

POSITION: Support

Chair Korman, Vice Chair Boyce and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** House Bill (HB) 273.

HB 273 alters a prohibition concerning the maximum penalty for the late payment of rent that a landlord may charge in a residential lease to prohibit a penalty in excess of 5% of the amount of the unpaid rent rather than of the amount due.

Baltimore City's Department of Housing and Community Development (DHCD) Office of Homeownership & Housing Preservation (HHP) supports new and existing homeowners through grant and repair work that, preserves affordable housing, prevents displacement and blight, builds equity for Baltimoreans, and stabilizes communities. DHCD also supports renters by sharing important information Renter's need to know about renting in Baltimore City, code requirements, understanding their rights as well as informing them about certain available legal resources and protections.

Our work with renters in Baltimore has shown that late fees can be an excessive burden to renters and often keep them in an overdue status when unable to pay and can potentially set them on the path for eviction for not being able to pay accrued late fees.

For these reasons, the BCA respectfully request a **favorable** report on HB 273.