

February 28, 2025

The Honorable Marc Korman
Environment & Transportation Committee
House Office Building, Room 251,
Annapolis, MD, 21401

RE: MBIA Letter of Opposition HB1257 Landlord and Tenant - Residential Leases - Fee Disclosures

Dear Chairman Korman,

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **HB1257 – Landlord and Tenant - Residential Leases - Fee Disclosures**. MBIA **opposes** the Act in its current version.

HB1257 would prohibit a certain landlord from advertising the rental rate of a dwelling unit without including information on mandatory fee and require them to provide certain information to prospective tenants about fees imposed on tenants and prohibit implementing any fee that was not disclosed.

While the industry supports the transparency motive of HB1257, the bill adds new regulations that require extensive disclosure of some fees that may not even be applicable to the prospective renter. The requirement to include all of the potential fees as well as a detailed, written itemization such fees, specifying the basis, amount, type and payment schedule is going to cause problems for landlords if such fees that may arise at a later time are not provided to the renter at the beginning of the lease agreement. Additionally the bill tasks DHCD with oversight and imposing penalties ranging from warnings to fines of up to \$2,0000. The concern in which this bill requires fees to be disclosed, amenities for example typically are funded through separate fees that may come later for a given tenant, if this was not disclosed when the lease began is the landlord now subject to penalty. Landlord and property managers now have processes in place to provide tenant with new fees or fee increases.

For these reasons, MBIA respectfully urges the Committee to give this measure **a un favorable** report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Environment & Transportation Committee