Janet Abrahams President | Chief Executive Officer



February 18, 2025

TO: Members of the Judicial Proceedings

Janet Abrahams, HABC President & CEO FROM:

HB 767 - Real Property - Landlord and Tenant - Procedures for Failure to Pay Rent, RE:

Breach of Lease, and Tenant Holding Over (Tenant Possessions Recovery Act)

POSITION: Letter of Information

Chair Korman, Vice Chair Boyce, and Members of Environment and Transportation Committee, please be advised that the Housing Authority of Baltimore City wishes to submit Information on HB 767 - Real Property - Landlord and Tenant - Procedures for Failure to Pay Rent, Breach of Lease, and Tenant Holding Over (Tenant Possessions Recovery Act). This bill establishes additional requirements once a court has issued a warrant of restitution in a failure to pay rent, breach of lease, or tenant holding over action, as specified, including requirements related to notice and the storage of a tenant's property. The bill also establishes civil remedies for a tenant if a landlord is in violation of the bill's provisions.

The Housing Authority of Baltimore City (HABC) is the country's 5th largest public housing authority and Baltimore City's largest provider of affordable housing opportunities. HABC serves over 43,000 Baltimore City's low-income individuals through its Public Housing and Housing Choice Voucher programs. HABC's public housing inventory currently consists of just under 6,000 units located at various developments and scattered sites throughout the city. HABC is federally funded and regulated by the U.S. Department of Housing and Urban Development (HUD).

The Baltimore City Chattel law currently requires the landlord to provide a 14-day notice of the date of the eviction, and the notice must be sent to the resident by first class mail with a certificate of mailing. The City law currently requires the landlord to post the 14-day notice on the residents' door and does not require the landlord to take a date stamped photo of the posted notice.

HB 767 - Tenant Possessions Recovery Act requires the following significantly different content from Baltimore City law to be included in the 14-day notice:

- Requires the landlord to take a date stamped photo of the posted notice;
- The amount to redeem possession of the premises if that is possible;
- A statement that any personal property left on the property after the eviction is considered abandoned and may be disposed of after 10 days from the date of the eviction;
- A statement how the tenant can obtain their personal property;
- The telephone number, email address and mailing address where the landlord can be contacted.

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HB 767 - Tenant Possessions Recovery Act requires the Sheriff to file the notice and supporting documentation with the court, which is a new responsibility for the Sheriff. The effect of this new responsibility for the Sheriff is that HABC must make and maintain a copy of the notice and supporting documentation.

A major problem with this legislation is that the landlord is required to store the personal property of the tenant for 10 days after the eviction either in the unit or at a secured location. The landlord must make the tenant's personal property "reasonably available" for the tenant to reclaim the property. The landlord cannot charge the tenant a fee for storing the personal property. This expense can become significant for HABC due to the number of evictions that occur. If HABC stores the property in the unit, the 10-day period impedes HABC's ability to promptly repair the unit, and it also interferes with the federal requirement to have the unit repair and lease within thirty (30) days.

In addition, if the landlord sells the property the tenant is entitled to any proceeds of the sale that exceeds back rent, or damage fees. Although this provision in the state bill makes sense, if HABC disposes of the personal property by selling it after the 10-day period, the former tenant could question as to whether the amount of any proceeds would exceed the amount of back rent, damages, etc. Also, HABC does not get a forwarding address from a tenant who has been evicted.

On a final note, HB 767 allows the landlord to dispose of trash, perishable items, and hazardous materials without storing them. However, the bill gives the tenant a cause of action and remedies if the court determines that the landlord violated the law. Giving the tenant a cause of action can have the effect of increasing the number of cases a tenant may bring against HABC, even if HABC did not violate the law.

In sum, for these reasons HABC request further review and discussions of HB 767 - Tenant Possessions Recovery Act to find a suitable solution for both landlords and tenants.

Respectfully submitted: Janet Abrahams, HABC President & CEO