

**DATE:** February 18, 2025

**BILL NO.:** Senate Bill 651

**TITLE:** Landlord and Tenant - Residential Leases and Holdover Tenancies - Local Good Cause Termination (Good Cause Eviction)

**COMMITTEE:** Senate Judicial Proceedings Committee

### Letter of Support

#### **Description of Bill:**

Senate Bill 651 is enabling legislation that would allow counties and Baltimore City to enact provisions that prohibit landlords – that own six or more rentals units – from failing to renew a residential lease or terminating a holdover tenancy without good cause. The bill defines “good cause”, specifying that it includes instances such as a tenant causing substantial damage to the premises, continually disturbing the peace and quiet of other tenants, engaging in illegal activity on the premises, unreasonably refusing the landlord access to the premises to make inspections or repairs. “Good cause” also includes the landlord taking the leased premises off the rental market, either to make improvements or repairs or for their own use or that of a close relative. The bill also directs the newly formed Office of Tenant and Landlord Affairs (OTLA) to develop forms and disclosures used for reporting purposes, and authorized OTLA to adopt regulations to implement the bill’s provisions.

#### **Background and Analysis:**

Under current law, a landlord must provide notice to a tenant of intent to terminate a tenancy, whether the tenant’s lease is expiring, or the tenant is a holdover on a month-to-month or other basis. In most cases, this notice is required 60 days in advance of the termination of the tenancy. This legislation allows counties (and Baltimore City, which enacted its own good cause legislation in 2021) to enact local legislation requiring landlords to renew a tenancy, absent good cause.

Giving Maryland counties the authority to enact such provisions is anticipated to increase housing stability across the state. Studies have shown that encouraging long-term tenancy benefits both renters and communities by slowing displacement and gentrification, maintaining neighborhood stability, and preventing the material hardship of being forced to find new housing, which is particularly disruptive for mothers and young children. Any new tenant protections ultimately enacted under this law will be implemented through the democratic process at the county level and will reflect the diversity of Maryland’s housing market across jurisdictions. Additionally, the exemptions included under the law will help protect property owners, helping to ensure that Maryland maintains a healthy rental housing stock. DHCD supports granting jurisdictions another potential tool to address the housing crisis and keep Marylanders housed.

#### **DHCD Position:**

The Department of Housing and Community Development respectfully requests a **favorable** report on SB 651.