

Senate Bill 820

Committee: Judicial Proceedings Bill: Senate Bill 820 Municipalities - Enforcement of Ordinances and Resolutions Date: March 4th, 2025 Position: Unfavorable

The Maryland Multi-Housing Association (MMHA) is a professional trade association established in 1996, whose members house more than 538,000 residents of the State of Maryland. MMHA's membership consists of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities and more than 250 associate member companies who supply goods and services to the multi-housing industry.

Senate Bill 820 seeks to increase from \$1,000 to \$5,000 the maximum amount of a criminal fine or municipal infraction that may be imposed by a municipality to enforce certain ordinances and resolutions enacted by the municipality.

Consistent with MMHA testimony from last session's House Bill 501¹ that increased charter counties' ability to fine from \$1,000 to \$5,000, MMHA believes that reasonable fines serve as a necessary deterrent to bad actors. However, an increase in civil fines and penalties from \$1,000 to \$5,000 (a 400% increase) is punitive. MMHA is concerned about the unintended consequences. Within our industry, this could lead to more evictions in municipalities. Housing providers will be more inclined to find a resident in breach of lease if their conduct results in a \$5,000 fine that the property owner must pay. Further, such fines may lead to increased litigation and legal challenges, as individuals and business entities contest the fairness of the fines. This will further strain resources within the overwhelmed District Court, and result in lengthy legal battles that further burden both the affected parties.

To mitigate these unintended consequences, the Committee should carefully consider the potential impacts of fines, ensure fairness and proportionality in application, and explore alternative approaches to address undesirable behaviors without resorting to unreasonable measures. For these reasons, we respectfully request an **unfavorable report** on Senate Bill 820.

Please contact Matthew Pipkin, Jr. at (443) 995-4342 or mpipkin@mmhaonline.org with any questions.

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¹Maryland General Assembly. (2024). House Bill 501: Charter Counties – Enforcement of Local Laws. Chapter 811. Retrieved from <u>https://mgaleg.maryland.gov/2024rs/Chapters_noln/CH_811_hb0501t.pdf</u>