

SB651 - Landlord and Tenant - Residential Leases and Holdover Tenancies - Local Good Cause Termination (Good Cause Eviction) Hearing before the Senate Judicial Proceedings Committee, Feb. 18, 2025 Position: FAVORABLE

02/18/2025 The Honorable Chair Smith Senate Judicial Proceedings Committee

cc: Members, Judicial Proceedings Committee

Honorable Chair Smith and Members of the Committee:

Economic Action Maryland Fund (formerly the Maryland Consumer Rights Coalition) is a statewide coalition of individuals and organizations that advances economic rights and equity for Maryland families through research, education, direct service, and advocacy. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland. Economic Action is also a member of the steering committee for Renters United Maryland, a coalition of organizations dedicated to strengthening tenant protections throughout the state.

I am writing today to urge your favorable report on SB651, which would remove Maryland's prohibition on good cause legislation, and enable localities to pass good cause laws, should they want to do so. Good cause legislation prohibits "no cause" eviction or lease non-renewal, meaning tenants are safe from arbitrary or retaliatory eviction. Good cause legislation does *not* mean that a landlord cannot evict a tenant for failure to pay rent, breach of lease violations, reclaiming the property for personal use, and several other typical reasons for eviction outlined in the bill.

Our tenant advocacy program has a hotline for renters and landlords to call for advice about their rights and responsibilities under the law as well as receive warm referrals to legal services and other assistance. Our staff attorney also provides brief legal advice to tenants. We serve between 900-1200 Maryland residents a year with the majority of tenants living in Central Maryland. Lease non-renewal is a serious concern, especially with private equity firms purchasing properties all around the state.

Because Maryland is a "no cause" state, municipalities are not able to pass good cause laws. This means a landlord does not have to provide any justification for lease non-renewals, putting tenants in a vulnerable position where they have no idea whether or not their lease will be renewed the following year. 5,000+ Maryland families are made homeless each year because of an eviction, and In FY24, landlords filed 5,104 "no cause" eviction – known as "tenant holding over" cases.<sup>1</sup>

<sup>1</sup> https://rentersunitedmaryland.org/wp-content/uploads/2025/02/RUM-Good-Cause-1-pager-2.7.pdf 2209 Maryland Ave · Baltimore, MD · 21218 · 410-220-0494 info@econaction.org · www.econaction.org Tax ID 52-2266235 Economic Action Maryland Fund is a 501(c)(3) nonprofit organization and your contributions are tax deductible to the extent allowed by law.



Housing stability is incredibly important for the wellbeing of children and adults alike. Low-income children who switch schools frequently due to housing instability tend to perform less well in school and are less likely to graduate from high school. Adults facing housing instability have worse mental health outcomes and higher levels of anxiety and depression<sup>2</sup>.

Additionally, moving is an incredibly costly process that can put a renter back thousands of dollars. Not only are tenants required to pay first month's rent and a new security deposit before receiving the one from their last unit back, they must also pay the cost of moving supplies. It can also be incredibly difficult to even find another unit that is affordable based on income, leading many to become further cost burdened by rent.

There have also been instances of landlords retaliating against their low-income tenants for organizing and demanding repairs for safer living conditions by refusing to renew the tenant's lease. Retaliation from landlords is used as a fear tactic to prevent tenants from asking for repairs and improvements in their rental units, forcing tenants to live in substandard housing or risk losing their homes.

Since renters are more likely to be low-income than homeowners,<sup>3</sup> these problems become an issue of economic justice, where low-income renters are more likely to be thrown into financial instability because of Maryland's "no cause" policy on lease non-renewals.

This should be seen as a local rights issue. No municipality should be barred from passing legislation that would remediate the affordable housing and eviction crisis most counties in the state are experiencing. Every county is different, and not all might need this legislation, but it should be an option for the counties that want to do so. As Maryland's budget deficit looms, passing enabling legislation for local Good Cause Eviction laws would save the state money on support programs and provide a no-cost way to prevent homelessness, strengthen our communities, and hold corporate landlords to account

Everyone should be provided with a reasonable level of housing security regardless of their income level. For these reasons we urge a favorable report on SB651.

Sincerely, Zoe Gallagher, Policy Associate

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<sup>&</sup>lt;sup>2</sup>https://nhc.org/wp-content/uploads/2017/03/The-Impacts-of-Affordable-Housing-on-Health-A-Research-Summar y.pdf

<sup>&</sup>lt;sup>3</sup>https://www.pewresearch.org/short-reads/2021/08/02/as-national-eviction-ban-expires-a-look-at-who-rents-and-who-owns-in-the-u-s/

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