



**Bill Title:** Senate Bill 651, Landlord and Tenant - Residential Leases and Holdover Tenancies - Local Good Cause Termination (Good Cause Eviction)

**Committee:** Senate Judicial Proceedings Committee

**Date:** February 18, 2025

**Position:** Unfavorable

This testimony is submitted on behalf of the Maryland Multi-Housing Association (MMHA), a professional trade association established in 1996. MMHA represents owners and managers of over 207,246 rental housing homes across 937 apartment communities, providing housing for more than 667,000 residents throughout Maryland. MMHA also includes 216 associate members who supply goods and services to the multi-housing industry. More information about MMHA is available at <https://www.mmhaonline.org/>.

Senate Bill 651 enables Maryland counties to adopt local laws requiring housing providers to provide valid reasons—referred to as "good cause"—for terminating a lease or a holdover tenancy. The bill applies to housing providers owning six or more rental units but exempts owner-occupied properties. It requires landlords to provide written notices explaining whether the good cause law applies to them and justifying lease non-renewals or terminations.

MMHA has the following concerns with Senate Bill 651:

1. **Fundamental Shift in Two-Party Contracts:** Senate Bill 651 fundamentally alters the nature of a lease, changing it from a two-party contract into a unilateral agreement. For the first time in Maryland's history, this bill establishes a tenant's property ownership interest in a rental unit. This concept nullifies the long-standing legal framework around tenant holdover status, effectively granting tenants a form of "life tenancy." Such a change undermines the owner's "bundle of property rights" and violates constitutional protections, as highlighted in *Muskin v. SDAT*, 422 Md. 544, 30 A.3d 962 (2011).
2. **Inherent Imbalance in Good Cause Eviction:** Senate Bill 651 creates a fundamental imbalance in the landlord-tenant relationship. While tenants may terminate their leases without providing any cause, landlords would be required to justify their decisions with good cause. This one-sided requirement legislates an unfair dynamic that places disproportionate burdens on housing providers, undermining the principle of mutual accountability.
3. **Impact on Quiet Enjoyment and Property Management:** By requiring housing providers to obtain a court order to terminate leases and remove problem residents, the bill erodes property owners' ability to protect their residents' right to quiet enjoyment. Property managers would no longer be able to promptly address issues caused by disruptive residents, subjecting other residents to prolonged disturbances or even dangerous situations while awaiting judicial outcomes. This delay compromises the safety and quality of life of good residents, often leading to their departure.
4. **Challenges with Evidence Collection:** To meet the good cause standard, housing providers must rely on enhanced documentation and public records. However, obtaining

such documentation through Public Information Act (PIA) requests is often time-consuming, inconsistent, and costly. Police and fire departments frequently delay responses, with records sometimes taking up to 60 days to obtain. Additionally, reports are often heavily redacted or denied due to ongoing investigations, and costs can reach \$25 per initial report. This creates logistical and financial burdens for housing providers while increasing demands on public safety agencies. Furthermore, often there are no actual police reports, the incident is coded by responding police as “no report.” This is quite common in loud music, disorderly conduct, neighbor disputes, unknown trouble types of calls, a record of the 911 call exists, however no detail of evidentiary value is documented in a report. It is not uncommon for police and fire departments to simply be unresponsive to PIA requests. Within the Office of the Attorney General, there is a PIA ombudsperson, however, appeals to the office can take six or more months to resolve and the decision of the PIA ombudsperson is considered a recommendation, not a mandate upon the holder of the record

5. Adversarial Community Dynamics: The bill’s reliance on resident testimony to evict problem residents’ places undue stress on community relationships. Residents are often reluctant to testify against harassing or dangerous neighbors out of fear for their safety. Consequently, property managers may be unable to act on tenant complaints effectively, fostering frustration and mistrust among residents. This adversarial dynamic discourages community cohesion and drives good tenants to move out due to unresolved issues.

Senate Bill 651 imposes significant and unconstitutional changes to Maryland’s landlord-tenant relationship. It burdens housing providers with logistical, financial, and legal challenges while compromising their ability to manage properties effectively and protect the quiet enjoyment of their residents. MMHA respectfully urges lawmakers to reconsider the far-reaching consequences of this legislation, which risks destabilizing rental communities and creating inequities within the landlord-tenant framework.

For the foregoing reasons, MMHA respectfully requests an unfavorable report on Senate Bill 651.

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