



SB 556 - Real Property - Fraudulent Possession and Unauthorized Lease or Listing - Prohibition and Removal
Senate Judicial Proceedings Committee
February 06, 2025
OPPOSE

Chair Smith, Vice-Chair and members of the committee, thank you for the opportunity to submit testimony in respectful opposition of Senate Bill 556. This bill will increase homelessness and the potential for violent encounters with law enforcement in our communities. We have seen too many tenants and other residents victimized by scams and predatory property owners. SB 556 will empower those predatory property owners to **evict residents without court process** and **make the Sheriff the judge and jury** in every case. We strongly oppose this assault on our communities.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

Many tenants and residents with the right to reside at the property will be evicted by predatory owners without court process. SB 556 strips residents of their constitutional right to have any eviction defense heard before a court. Instead, someone who claims to be the property owner (but may not actually be the owner) submits a written request to the sheriff for the eviction of someone who they claim is not a tenant, and the sheriff becomes the judge and jury on whether a family becomes homeless.

Predatory landlords will abuse this process to evict tenants who complain about unsafe conditions. And landlords who threaten to report tenants as squatters will prompt plenty of tenants to vacate – even if that means homelessness – for fear of having the police called to their residences.

Rental scams are pervasive and increasing. Victims of these scams will quickly be made homeless under SB 556. A [2022 survey of renters showed that 44% of renters have personally experienced or are aware of someone who has lost money due to rental scams. The financial losses are estimated at a staggering \\$16.1 billion.](#) Such rental scams have spiked in recent years, with [the Better Business Bureau reporting a 45% increase in rental scam complaints over the past two years.](#) In one 2018 survey, [more than 5 million renters reported losing money in such scams.](#)

Creating Assets, Savings and Hope



Up to 25% of families who are evicted become homeless. Becoming homeless is even more likely for residents evicted after a rental scam because those residents are often the most desperate for affordable housing. Homelessness has a devastating impact, leading to negative education outcomes for children, increased foster care, job loss, and poor health outcomes.

SB 556 will increase violent confrontations with law enforcement. Eviction court processes were created to reduce the violence inherent in self-help evictions. By removing any opportunity for a renter to make a defense in court, SB 556 will increase potentially violent confrontations among law enforcement, renters, and property owners.

SB 556 will have a disparate impact on Black, woman-led households. Maryland's long history of housing segregation and discriminatory policies mean that Black and Brown Marylanders are much more likely to be renters and at risk of eviction, and therefore more likely to be most in need of affordable housing and victims of rental scams. 73% of MD households that obtained eviction prevention funds in the pandemic's wake identified as Black, and 71% identified as being woman-led.

SB 556 is part of a national, right-wing movement to strip residents of constitutional rights and embolden property owners at all costs. SB 556 mirrors model legislation from American Legislative Exchange Council (ALEC), which has successfully passed in states such as Alabama, Tennessee, Florida, Georgia, and West Virginia. Maryland should not join these states in passing legislation that will increase homelessness and the potential for violent law enforcement encounters.

Owners must adopt new processes and technologies to secure their units. Rental scammers are becoming more sophisticated, and property owners of vacant units must keep up by using smart locks, security cameras, video doorbells, motion sensors, and smart lighting, which allow for remote monitoring and access control, providing real-time alerts about potential security threats.

There is no data to support this bill. The General Assembly should conduct a summer study. This Committee is operating in a total absence of data related to Wrongful Detainer and the prevalence of squatting. How long does it take for a wrongful detainer complaint to be heard in court? How long from judgment to eviction? What best practices could sheriffs and courts adopt in wrongful detainer cases? Can Maryland revise the Wrongful Detainer process to address legitimate concerns while preserving due process for unsuspecting residents who believe that they are tenants? How can Maryland better assist victims of rental scams?

The CASH Campaign of Maryland is a member of the Renters United Maryland coalition and asks that the Committee issue a report of UNFAVORABLE on SB 556.

Creating Assets, Savings and Hope