



**Senate Bill 514 – Landlord and Tenant – Residential Leases – Prospective Tenant Criminal History Records Check (Maryland Fair Chance Housing Act)**

**Position: Unfavorable**

The Maryland REALTORS® oppose HB 514 which establishes a new process for landlords who consider a tenant's criminal history before leasing property, limits which crimes may be considered, and only allows a landlord to look back three years rather than 7 years for some of those crimes. The bill also establishes that violations of this new process are actionable under Maryland's unfair and deceptive trade practices law.

Many Maryland REALTORS® provide property management services for single-family rental properties. Guidance from the United States Department of Housing and Urban Development (HUD) make clear a person's criminal history cannot be used to automatically disqualify a prospective tenant but can be used as part of an overall assessment of the tenant. The REALTORS® believe the current time limit of 7 years is a good balance between shielding information that is less likely to impact the property or other tenants, and information that should be considered more closely.

HUD guidance makes clear that all crimes are not equal when considering a tenant's history and advises housing providers and property managers to:

- Have clear, specific reasoning for considering criminal history
- Exclude only individuals that present a demonstrable risk
- Consider the nature and severity of an individual's conviction
- Apply the policy uniformly

HB 514 goes further than HUD's guidance by specifying which crimes may be considered and which crimes may not. Under HB 514, crimes such as felony assault, drug trafficking, bomb making, and felony stalking and harassment— to list a few -- cannot be used to deny a prospective tenant. HB 514 requires a conditional offer to be made before checking criminal history and makes the process actionable under the unfair and deceptive trade practices act.

Property managers have a duty to find the best tenant for the property. And because of the housing shortage, property managers often have more than one tenant applying for a rental. Having more information on a person's conviction history allows housing providers to better assess potential risks and ensure fairness to other prospective tenants. As an example, a prospective tenant with serial drug trafficking convictions (which is not reviewable under this bill) may seem to pose less risk than a tenant with only one violation of manufacturing methamphetamine in federally assisted housing (which is viewable). Taking tools away from property managers can impact the peaceful enjoyment that other tenants and neighbors seek in their homes.

REALTORS® believe current HUD guidance achieves much of the goal of this legislation and recommend an unfavorable report.

**For more information contact [lisa.may@mdrealtor.org](mailto:lisa.may@mdrealtor.org) or [christa.mcgee@mdrealtor.org](mailto:christa.mcgee@mdrealtor.org)**