

SB 556 - Real Property – Fraudulent Possession and Unauthorized Lease or Listing – Prohibition and Removal Hearing before the Senate Judicial Proceedings Committee, Feb. 6, 2025

Position: OPPOSED

Dear Honorable Chair William C. Smith, Jr., Vice Chair Jeff Waldstreicher, and Members of the Committee,

My name is Jacob Kmiech, and I am a Staff Attorney with CASA. CASA is the largest membership-based immigrant rights organization in the mid-Atlantic region, with more than 120,000 members in Maryland.

CASA is a part of Renters United Maryland, which strongly opposes SB 556 because it 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.

CASA attorneys provide representation and consultations to tenants facing eviction across our state, and regularly prevent unlawful evictions by simply providing candid legal advice. **Our members are generally working-class immigrants, who are often threatened with eviction by unscrupulous landlords when they stand up for their rights to safe housing, legal representation, and a fair day in court.** Taking away the right to a fair hearing, before an impartial judge with knowledge of the often complex nature of housing law, will deprive our members of any sense of safety or fairness in their housing.

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.

I have represented many tenants whose landlords have tried to circumvent the law and attempted to evict them without a court hearing, claiming that they were never renters in the first place. In one case, I received a call from a tenant - let's call her Mrs. M. Mrs. M. told me that she, her husband, and her two kids returned home late one evening to discover the door to their apartment locked. She had nowhere to go, and her family was left on the street for a week before getting into contact with me. *They did not even have access to her husband's insulin or her original lease contract*, which were now hidden behind closed doors. Their landlord's reason for eviction was a minor dispute over how much he could charge them for a security deposit - something that could have easily been resolved in court without upending a family's entire life. He told them they would need to pay \$1000 before he'd let them back in to access their belongings. After hearing their story, I was able to get into contact with their landlord and convince him that what

he was doing was clearly unlawful, and that it was in his best interest to let Mrs. M and her family back into their unit. He did so, and Mrs. M's right to a fair day in court may have saved her life.

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.

<u>Up to 25% of families who are evicted become homeless</u>. Becoming homeless is even more likely for residents evicted after a rental scam because those residents are often the most desperate for affordable housing. <u>Homelessness has a devastating impact, leading</u> 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. <u>73% of MD households that obtained eviction prevention funds in the pandemic's wake identified as Black, and 71% identified as being woman-led</u>.

SB 556 is part of a national, right-wing movement to strip residents of constitutional rights and embolden property owners at all costs. <u>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.</u> 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 <u>property owners of vacant units must</u> keep up by using smart locks, security cameras, video doorbells, motion sensors, and

<u>smart lighting</u>, 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?

CASA is a member of Renters United Maryland, which strongly opposes SB 556 and urges an unfavorable report.