

Senate Judicial Proceedings Committee  
Maryland General Assembly  
2 East Miller Senate Office Building  
Annapolis, Maryland 21401

## **Re: Support for SB 651 Landlord and Tenant Residential Leases and Holdover Tenancies - Local Good Cause Termination (Good Cause Eviction)**

14 February 2025

Dear Chair Smith, Vice Chair Waldstreicher and Members of the Judicial Proceedings Committee:

Thank you for the opportunity to present today on safe, fair, affordable housing, and related tenant protections in Maryland. The housing affordability crisis continues to put renters at risk in Maryland and around the country. We commend the work of this committee to address this important topic. Though committees like this one in Maryland are bringing together citizens, industry, and experts to grapple with solutions, the problem continues to get worse.

Corporate landlords have purchased larger shares of rental units and engaged in price gouging to benefit their shareholders. In December, the White House [Council of Economic Advisors](#) (CEA) noted how such actors use artificial intelligence to set prices; an anticompetitive behavior that constitutes price-fixing. CEA estimated that this cost renters \$3.8 billion in 2023, or an average of \$70 monthly per renter. Additionally, the Department of Justice [filed a lawsuit](#) against RealPage for its software and monopoly activity in the rental market. Anticompetitive market behavior and price gouging put additional strain on the most vulnerable renters, heightening the risk of eviction, homelessness, and other negative mental and physical health outcomes.

### **The good news: we have proven policy tools to protect tenants, such as Good Cause Eviction Protections.**

*Good Cause Eviction Protections* maintain renters' stability in their homes by protecting them from wrongful and retaliatory evictions. For example, with Good Cause protections, tenants could not be evicted for reporting inadequate housing conditions or requesting basic repairs. While some critics claim that Good Cause can stifle new construction, no published evidence exists in the scientific community to support this claim. To the contrary:

**Our scientific team has conducted what we believe to be the first analysis of the impact of Good Cause Eviction Protections on development. The analysis finds no evidence that the introduction of Good Cause Eviction Protections in California, Oregon, and New Hampshire resulted in a decline of new construction** (see Scientific Appendix and Figures 1-2). Additionally, preexisting research has found Good Causes Eviction Protections lead to a

**Driven to Discover<sup>SM</sup>**

statistically significant *decrease in evictions* ([Cuellar 2019](#), see Figure 3) and *decrease in displacement* ([Hwang et al. 2022](#)).

Elected leaders from around the country – from the White House, to the Governor of California, and the New York Statehouse – have *advocated for and passed* new protections for tenants.

“To prevent evictions, renters should have access to **just- or good-cause eviction** protections that require a justified cause to evict a tenant.”

—[White House Blueprint for a Renters Bill of Rights](#)

“I asked the Legislature to send me a **strong renter protection** package. Today, they sent me the strongest package in America. These **anti-gouging** and **eviction protections** will help families afford to keep a roof over their heads, and they will provide California with important new tools to combat our state’s broader housing and affordability crisis.”

—[California Governor Gavin Newsom, on AB 1482](#)

“There’s very strong political will for [Good Cause Eviction Protections], very strong support for it ... Albany, Newburgh, Kingston, ... all of these localities outside of New York City that are facing the same problems with **rent, price gouging** of tenants and **tenants having virtually no protections** at all, from an eviction without “good cause.”

—[New York State Senator Julia Salazar on “Good Cause” in New York Budget](#)

In 2024, [President Biden](#) called on Congress to address the affordability crisis to “**cap rent increases** on existing units at 5% or risk losing current valuable federal tax breaks.”

Economists have found that rent controls can directly *reduce rent prices by 4-6%* and *do not reduce the supply of housing units* ([Jofre-Monseny et al. 2023](#)).

We have attached a scientific report to inform **our position in support of SB 651**. We recommend that the committee advance tenant protections to prevent worsening of the rental, homelessness, and health crises.

**Sincerely,**

Kenton Card, PhD, Postdoctoral Research Associate, Center for Urban and Regional Affairs, University of Minnesota

Edward Goetz, PhD, Professor and Director of the Center for Urban and Regional Affairs, University of Minnesota

Jeremy Schwartz, PhD, Professor, Economics Department Chair, Loyola University Maryland

Evan Davis, PhD Candidate, Center for Urban and Regional Affairs, University of Minnesota

***Endorsed by:***

1. Kathryn Howell, PhD, Director of the National Center for Smart Growth Research and Education, Associate Professor of Planning, University of Maryland

2. Willow S. Lung Amam, PhD, Associate Professor of Planning, University of Maryland
3. Clara E Irazábal Zurita, PhD, Professor of Planning, University of Maryland
4. Amanda Huron, PhD, Professor, Interdisciplinary Social Sciences and Political Science, University of the District of Columbia
5. Benjamin Teresa, PhD, Professor of Planning, Virginia Commonwealth University
6. Josh Ryan-Collins, PhD, Professor in Economics and Finance, Institute for Innovation and Public Purpose, The Bartlett, University College London
7. Marion Segu, PhD, Assistant Professor of Economics, CY Cergy Paris Université, France
8. Montserrat Pareja Eastaway, PhD, Co-director of the Barcelona Housing Chair, University of Barcelona
9. Karen Chapple, PhD, Professor Emerita of Planning, University of California, Berkeley
10. Justin Steil, PhD, Associate Professor of Planning, MIT
11. Akira Drake Rodriguez, PhD, Assistant Professor of Planning, University of Pennsylvania
12. Mark Paul, PhD, Assistant Professor, Edward J. Bloustein School of Planning and Public Policy, Rutgers University
13. Rachel G. Bratt, PhD, Professor Emerita of Urban Policy, Tufts University
14. Loretta Lees, PhD, Professor and Director of the Initiative on Cities, Boston University
15. Gianpaolo Baiocchi, PhD, Professor and Director of Urban Democracy Lab, New York University
16. Tom Slater, Professor of Urban Planning of Urban Policy, Columbia University
17. Manuel Pastor, PhD, Professor of Sociology, University of Southern California
18. James DeFilippis, PhD, Professor of Planning, Rutgers University
19. Eric Seymour, PhD, Assistant Professor of Planning, Rutgers University
20. Samuel Stein, Ph.D, Community Service Society of New York
21. Julian Agyeman PhD, Professor of Planning, Tufts University
22. Rebekah Israel Cross, PhD, Assistant Professor of Public Health Sciences, University of Chicago
23. Chris Tilly, PhD, Professor of Planning, University of California, Los Angeles

24. Prentiss Dantzler, PhD, Associate Professor of Sociology, Housing Justice Lab, University of Toronto
25. Allan David Heskin, PhD, Professor Emeritus of Planning, University of California, Los Angeles
26. Jason Spicer, PhD, Assistant Professor of Public Affairs, Baruch College, City University of New York
27. Jan Breidenbach, PhD, Retired Lecturer of Urban Policy, Occidental College
28. Marques Vestal, PhD, Assistant Professor of Planning, University of California, Los Angeles
29. Timothy P. Weaver, PhD, Associate Professor of Political Science, University of Albany
30. Peter Dreier, PhD, Professor of Urban Policy, Occidental College
31. Sai Balakrishnan, PhD, Associate Professor of Planning, University of California, Berkeley
32. Gordon Douglas, PhD, Associate Professor of Planning, San Jose State University
33. Laurie S. Goldman, PhD, Senior Lecturer of Urban Planning, Tufts University
34. Jeff Kruth, M.Arch, Assistant Professor of Architecture, Miami University
35. Andre Comandon, PhD, Research Scientist, University of Southern California
36. Davia C. Downey, PhD, Associate Professor of Public Administration, University of Memphis
37. Olivia Williams, PhD, Madison Area Community Land Trust
38. Tony Damiano, PhD, Center for Urban and Regional Affairs, University of Minnesota
39. H. Jacob Carlson, PhD, Assistant Professor of Sociology, Kean University
40. Taylor Shelton, PhD, Associate Professor of Geosciences, Georgia State University
41. Joseph Pierce, PhD, Professor and Head of Department, Geography and Environment, University of Aberdeen
42. Katie J Wells, PhD, Groundwork Collaborative
43. Nick Graetz, PhD, Professor of Sociology, University of Minnesota
44. Megan E. Hatch, PhD, Associate Professor of Urban Policy and City Management, Cleveland State University

45. Japonica Brown-Saracino, PhD, Professor of Sociology, Boston University
46. Deyanira Nevárez Martínez, PhD, Assistant Professor, Michigan State University
47. Daniel Iwama, PhD, Assistant Professor, University of the Fraser Valley
48. Diane Davis, PhD, Professor of Urban Planning, Harvard University
49. Karen Westmont, PhD, Independent Economist
50. Orwa Switat, PhD, Postdoc in Urban Planning, Harvard University
51. Michael Byrne, PhD, Professor of Political Economy, University College Dublin
52. Andrew Messamore, PhD, Assistant Professor of Sociology, University of Washington
53. Shannon Whittaker, PhD, Center for Innovation in Social Science, Boston University
54. Molly Richard, PhD, Center for Innovation in Social Science, Boston University

## **Scientific Appendix and Sources**

### **Did Good Cause Eviction Laws slow development in California, Oregon and New Hampshire?**

#### **California ([AB 1482](#)) and Oregon ([SB 608](#))**

Analysis of the trends in permitting before and after three states passed Good- or Just-Cause legislation suggests the legislation *did not* lead to a statistically significant decrease in permitting. California and Oregon both passed legislation in 2019 and Figure 1 presents the average permits per 100,000 people (permits per capita) in California and Oregon counties, alongside the average among counties in the surrounding states of Washington, Nevada, Idaho and Arizona. It appears that the upward trend of permits in California and Oregon, and those in the surrounding states, that are present before the passage of Good Cause continue in 2019, after its passage. We test this with a more rigorous statistical method known as a “difference-in-differences” model. This approach tests whether the trends in permitting among counties subject to the passage of the legislation were different from the trends in nearby counties not subject to the legislation, after controlling for other factors including county level GDP, population, unemployment and per capita income. *We find that permits did not decline in California and Oregon counties relative to the changes occurring in surrounding states.* In fact, the data show an increase in permits by 41 per 100,000 residents after the legislation passed relative to the comparison counties, though this result was not statistically significant.

#### **New Hampshire**

Prior to the California and Oregon policies, New Hampshire passed Good Cause legislation in 2015. Figure 2 plots average permits per 100,000 people for New Hampshire counties and counties in the surrounding states of Maine, Massachusetts and Vermont. Prior to the passage of Good Cause, permits were increasing in the counties of New Hampshire and surrounding states. In 2015, permits fell in both New Hampshire and its surrounding states. The difference-in-difference model indicates that the rate of change in New Hampshire was not statistically different from the change in surrounding states. Like the California and Oregon findings, this again suggests that *there is no evidence that Good- or Just- Cause legislation leads to lower rates of development where it is enacted.*

#### **Next Steps**

Research is ongoing on a variety of channels including exploring Good Cause’s impact on types of permits (i.e. multi-family versus single family), evaluating the impact of other states’ passage of Good Cause legislation, examining data at the municipal level, and including additional controls to the statistical model.

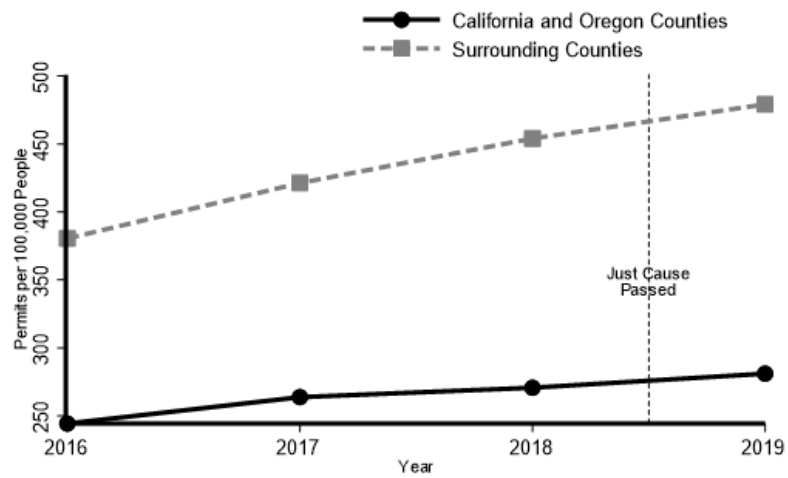


Figure 1: Rate of Construction before & after Good Cause Law Passed in California and Oregon

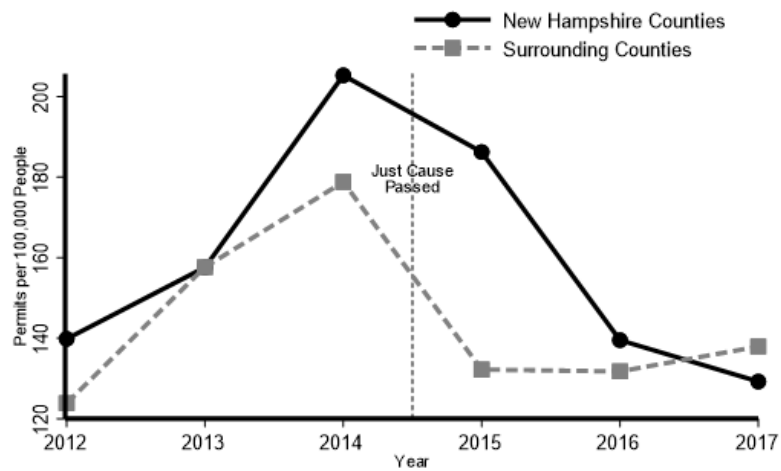


Figure 2: Rate of Construction before & after Good Cause Law Passed in New Hampshire



Figure 3: Rate of Evictions before & after Good Cause Law Passed in California Cities (Cuellar 2019)

## References

- Cuellar, Julieta. "Effect of "just cause" eviction ordinances on eviction in four California cities." *Journal of Public & International Affairs* 30 (2019).
- Council of Economic Advisors, *The White House*, "The Cost of Anticompetitive Pricing Algorithms in Rental Housing," December 17, 2024, Accessed on 1/14/25  
[https://www.whitehouse.gov/cea/written-materials/2024/12/17/the-cost-of-anticompetitive-pricing-algorithms-in-rental-housing/?utm\\_source=substack&utm\\_medium=email](https://www.whitehouse.gov/cea/written-materials/2024/12/17/the-cost-of-anticompetitive-pricing-algorithms-in-rental-housing/?utm_source=substack&utm_medium=email)
- DOMESTIC POLICY COUNCIL AND NATIONAL ECONOMIC COUNCIL, The White House, "THE WHITE HOUSE BLUEPRINT FOR A RENTERS BILL OF RIGHTS," January 2023, Accessed on 1/14/25  
<https://www.whitehouse.gov/wp-content/uploads/2023/01/White-House-Blueprint-for-a-Renters-Bill-of-Rights.pdf>
- Hwang, Jackelyn, Iris Zhang, Jae Sik Jeon, Karen Chapple, Julia Greenberg, and Bina Shrimali. "Who Benefits from Tenant Protections? The Effects of Rent Stabilization and Just Cause for Evictions on Residential Mobility in the Bay Area." In PAA 2022 Annual Meeting. PAA, 2022. <https://paa.confex.com/paa/2022/meetingapp.cgi/Paper/26417>
- Jefferson, Austin C. "Q&A: Julia Salazar on 'Good Cause' Negotiations and Why Solidarity PAC Is Nothing New." *City & State NY*, March 30, 2024.  
<https://www.cityandstateny.com/personality/2024/03/julia-salazar-good-cause-negotiations-and-why-solidarity-pac-not-hing-new/395364/>
- Jofre-Monseny, Jordi, Rodrigo Martínez-Mazza, and Mariona Segú. "Effectiveness and Supply Effects of High-Coverage Rent Control Policies." *Regional Science and Urban Economics* 101 (July 1, 2023): 103916.  
<https://doi.org/10.1016/j.regsciurbeco.2023.103916>
- The White House, "FACT SHEET: President Biden Announces Major New Actions to Lower Housing Costs by Limiting Rent Increases and Building More Homes," 16 July 2024, Accessed on 1/14/25  
<https://www.whitehouse.gov/briefing-room/statements-releases/2024/07/16/fact-sheet-president-biden-announces-major-new-actions-to-lower-housing-costs-by-limiting-rent-increases-and-building-more-homes/>
- U.S. Department of Justice, *Press Release*, "Justice Department Sues RealPage for Algorithmic Pricing Scheme that Harms Millions of American Renters," Friday, August 23, 2024, Accessed on 1/14/25  
<https://www.justice.gov/opa/pr/justice-department-sues-realpage-algorithmic-pricing-scheme-harms-millions-american-renters#:~:text=The%20Justice%20Department%2C%20together%20with%20the%20Attorneys%20General,management%20software%20that%20landlords%20use%20to%20price%20apartments.>
- Governor Gavin Newsom, "Governor Newsom Statement on Passage of Strongest Package of Renter Protections in the Country," 9 September 2019, Accessed on 1/14/25  
<https://www.gov.ca.gov/2019/09/11/governor-newsom-statement-on-passage-of-strongest-package-of-renter-protections-in-the-country/>