

HB1257 - Senate_FAV_City of Rockville_Landlord & T

Uploaded by: Adam Van Grack

Position: FAV



Testimony of the Mayor and Council of Rockville
HB 1257 – Landlord and Tenant - Residential Leases - Fee Disclosures
SUPPORT

Good afternoon, Chair Smith and members of the Senate Judicial Proceedings Committee. I am Rockville City Councilmember Adam Van Grack, and I thank you for this opportunity to provide testimony in support of HB 1257. Thank you to Delegates Vogel, Allen, and Stewart, for sponsoring this important bill to support great transparency and protections for renters.

The Rockville Mayor and Council unanimously support HB 1257, which addresses fundamental issues in Maryland's rental market: fee transparency, fairness, and consumer protections. Renters should never have to deal with hidden or deceptive costs when making such an important financial and contractual commitment.

For many Marylanders, securing a rental home is one of the most significant financial decisions they make. Yet, too often, renters are lured into rental homes by advertised prices that do not reflect the true cost of living in that home. Only after signing a lease—or sometimes even after moving in—do tenants discover additional fees for services, such as: trash collection, parking, standard package delivery, or mandatory administrative charges. These undisclosed fees can add hundreds of dollars to a renter's monthly housing costs, making it difficult for individuals and families to budget effectively.

Our Rockville Mayor and Council have received multiple concerns about housing providers sharing new fees like an unexpected basic package delivery fee of \$20 a month regardless of whether the resident has received packages or not! Additionally, the common lack of clarity on trash fees and how residents are charged for those fees are problematic. Sometimes Rockville renters are seeing two fees, including flat and variable charges per month. Often, there exists no transparency on how these fees have been calculated. For example, parking fees can range from \$50 to \$100 to \$200 a month, which can be an extra \$2,400 a year.

HB 1257 takes a critical step toward fairness and consumer protection by requiring landlords to disclose all mandatory fees upfront in rental listings and lease agreements. This bill ensures that renters are making fully-informed financial decisions before signing a lease, allowing them to compare properties more accurately and avoid unexpected

financial strain. HB 1257 would also increase competition between providers and support better pricing for renters.

As an amendment, we would even support requiring housing providers to also provide a list of optional fee costs so that residents are aware of fees that may be considered later. Transparency in rental agreements is not just about fairness—it is about housing stability.

By supporting HB 1257, we are advocating for a more honest and equitable rental market where tenants are treated with the same respect and transparency that consumers expect in any other major financial transaction. I urge the committee to vote in favor of this bill to protect Maryland renters from misleading pricing practices and to uphold the principle of financial clarity in housing. Thank you for your time and consideration.

HB1257_Residential_Leases_Fee_Disclosures_MLC_FAV.

Uploaded by: Cecilia Plante

Position: FAV



TESTIMONY FOR HB1257

Landlord and Tenant – Residential Leases – Fee Disclosures

Bill Sponsor: Delegate Vogel

Committee: Judicial Proceedings

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Aileen Alex, co-chair

Position: FAVORABLE

I am submitting this testimony in favor of HB1257 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists, and our Coalition supports well over 30,000 members.

Signing a rental lease is quite a financial obligation. Most leases are at least a year with penalties for breaking the lease early. Imagine that you signed a lease thinking that the monthly rental was going to be your payment for the next 12 months, only to discover that there were mandatory fees that were not included in that amount and not disclosed before you obligated yourself to the lease period. Do you now decide to not spend money on food, or transportation, or some other item in order to pay the rent, or try to break the lease and incur the penalties?

Many newer rentals have a condo fee that is separate from the rental price. For example, a rental in Montgomery County could be \$2,000 per month. The condo fee, which is separate, could be up to \$1,500 per month. Together, they would make the apartment, or condo, \$3,500 per month, which is a staggering price increase.

This bill would prohibit landlords from advertising a rental price and not itemizing any additional fees. The additional fees would have to be specified as mandatory or optional, along with the date they are due. This would allow lessees to make productive decisions on whether they can afford the rent package, including the fees.

We support this bill and recommend a **FAVORABLE** report in committee.

Testimony for HB 1257_ Rental Transparency.pdf

Uploaded by: Joe Vogel

Position: FAV



THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

HB 1257: Landlord and Tenant – Residential Leases – Fee Disclosures

Senate Judicial Proceedings Committee

Wednesday, March 26, 2025 - 1:00 PM

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

The National Consumer Law Center has recognized that undisclosed apartment application fees contribute to an annual financial burden of \$276 million for renters. Addressing the critical need for clear, upfront disclosure of all mandatory fees is essential in order to ensure tenants can make well-informed housing choices and won't be taken advantage of.

House Bill 1257 requires landlords offering four or more dwelling units to disclose all mandatory fees associated with a rental unit that might have been previously hidden. This includes providing an itemized list specifying each fee's amount, purpose, and payment schedule. The bill also prohibits landlords from charging undisclosed fees.

Similar legislation has proven effective in other states and municipalities. For example, Minnesota passed a rental transparency law in 2023 requiring landlords to provide detailed notices of all fees to tenants, ensuring renters are fully informed about any additional costs beyond base rent.

This legislation protects tenants from unexpected financial burdens and promotes transparency in the market. By standardizing fee disclosures, the bill ensures Maryland's rental market remains fair, accessible, and transparent, which benefits landlords and tenants. The flexible framework allowing local jurisdictions to adopt more stringent rules further strengthens tenant protections.

This bill was amended in coordination with the Maryland Department of Housing and Community Development and the Realtors Association. The amendment strengthens enforcement mechanisms while maintaining a lower fiscal impact, ensuring greater accountability and tenant protections.

I respectfully request the committee to give a favorable report on HB 1257.

HB 1257_Crossover_Consumer Protection Division_Sup

Uploaded by: Kira Wilpone-Welborn

Position: FAV

CAROLYN A. QUATTROCKI
Chief Deputy Attorney General

LEONARD J. HOWIE III
Deputy Attorney General

CARRIE J. WILLIAMS
Deputy Attorney General

ZENITA WICKHAM HURLEY
Chief, Equity, Policy, and Engagement



**STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL**

ANTHONY G. BROWN
Attorney General

WILLIAM D. GRUHN
Division Chief

PETER V. BERNIS
General Counsel

CHRISTIAN E. BARRERA
Chief Operating Officer

KIRA WILPONE-WELBORN
Assistant Attorney General

March 24, 2025

To: The Honorable William C. Smith, Jr.
Chair, Judicial Proceedings Committee

From: Kira Wilpone-Welborn, Assistant Attorney General
Consumer Protection Division

Re: House Bill 1257 – Landlord and Tenant - Residential Leases - Fee Disclosures (SUPPORT)

The Consumer Protection Division of the Office of the Attorney General (the “Division”) supports House Bill 1257 sponsored by Delegates Joe Vogel *et al.* House Bill 1257 requires landlords to disclose to prospective tenants voluntary and mandatory fees that the tenant would pay during the lease term. If a landlord fails to disclose a mandatory fee, the landlord cannot collect the fee from the tenant and the tenant may seek recovery of any paid fees.

The Consumer Protection Act (“CPA”) mandates the Division “take strong protective and preventive steps to investigate unlawful consumer practices, to assist the public in obtaining relief from these practices, and to prevent these practices from occurring in Maryland.” Com. Law § 13-102. As such, the Division mediates and investigates complaints from Maryland consumers regarding unfair, abusive, and deceptive trade practices, and seeks to remediate violations of the Act through mediation and enforcement action. Indeed, landlord-tenant complaints are consistently among the top complaints received each year by the Division. The mandatory fees identified in House Bill 1257 are material facts the omission of which by a landlord would violate the CPA § 13-303, as further defined by § 13-301. House Bill 1257 adds, in addition to the requirements of the Consumer Protection Act, that the material facts shall be provided in an itemized list that includes specific information about each fee. House Bill 1257’s requirement that landlords disclose mandatory fees in writing provides tenants with material information that will allow them to compare potential rental units and know what amounts they are obligated to pay during the lease term.

As such, the Division requests the Judicial Proceedings Committee issue a favorable report on House Bill 1257.

cc: The Honorable Joe Vogel, *et al.*
Members, Judicial Proceedings Committee

Maryland HB 1257 AELP Support.pdf

Uploaded by: Pat Garofalo

Position: FAV

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

The logo for the American Economic Liberties Project, featuring the text "AMERICAN ECONOMIC LIBERTIES PROJECT" in white, all-caps, sans-serif font, centered within a dark blue square. The square is set against a background of light blue wavy lines.

AMERICAN
ECONOMIC
LIBERTIES
PROJECT

March 26, 2025

Subject: Testimony in Support of HB 1257

Dear Chair Smith Jr., Vice Chair Waldstreicher, and Members of the Committee,

My name is Pat Garofalo, and I am the director of state and local policy at the American Economic Liberties Project, a research and advocacy organization dedicated to reducing the power dominant corporations wield over our economy and democracy, in pursuit of economic liberty for all. For the last two years, I have organized and led the End Junk Fees campaign, an effort aimed at urging state legislators to eliminate mandatory, undisclosed, anti-competitive fees from the American economy. I write today in support of HB 1257.

Eliminating junk fees in the rental housing industry – which are mandatory, undisclosed charges that renters can’t avoid – is a crucial step toward safeguarding Maryland residents from exploitative pricing tactics. While hidden and deceptive fees have become pervasive in a variety of industries, including hotel reservations, cable and phone bills, storage unit rentals, food delivery services and more, they are especially pernicious when it comes to housing, the largest single expense that most families face every month.

Unfair, anti-competitive fees cost American renters hundreds of millions of dollars annually, and are particularly harmful to low-income renters.¹ They can destroy an individual’s or family’s budget, making them unable to cover the cost of other necessities. And they are increasingly ubiquitous, as rental housing markets are consolidated into fewer and fewer hands: In a National Consumer Law Center survey, more than two-thirds of renters reported being subjected to

¹ “What the Heck, Dude!: How States Can Fight Rental Housing Junk Fees,” National Consumer Law Center, Sept. 2024. https://www.nclc.org/wp-content/uploads/2024/09/202409_Report_What-the-Heck-Dude.pdf

processing or administrative fees², for example, and research also shows that renters experience more undisclosed fees at large, corporate-owned apartment buildings.³

By approving HB 1257, you can ensure that your constituents have access to transparent pricing information, allowing them to make informed decisions about their housing through honest comparison shopping. Renters should know the exact price they are going to be expected to pay every month, so they can accurately budget and choose the housing option that is right for them.

Upfront pricing practices also promote healthy competition among landlords. Those landlords who currently choose to use transparent pricing practices shouldn't be harmed by appearing artificially more expensive than those who rely on backloaded junk fees. Our economic system does not work without fair price discovery and genuine price competition, which this bill promotes, and which the current market does not adequately provide.

To be clear, this legislation only covers *mandatory fees* that the renter can not avoid. It does not tell landlords what price they can charge, and it does not prevent the use of optional add-ons that the renter affirmatively chooses, such as parking or pet fees. It simply says that if a fee is going to be included in the rent, no-matter what, then that fee must be disclosed, up front, so renters know the actual price they are agreeing to pay for their home or apartment. It's a simple concept with significant benefits for your constituents.

According to extensive polling, done by my organization and others, the public overwhelmingly supports measures to ban mandatory, undisclosed fees, and state legislators across the country are working toward that end. Approving HB 1257 and having it signed into law would be an excellent way for Maryland to join the fight.

Thank you for your time,

² "Too Damn High: How Junk Fees Add to Skyrocketing Rents," National Consumer Law Center, March 2023. <https://www.nclc.org/wp-content/uploads/2023/03/JunkFees-Rpt.pdf>

³ Fields, Desiree, and Manon Vergerio, "Corporate landlords and market power: What does the single-family rental boom mean for our housing future?" UC Berkeley. <https://escholarship.org/uc/item/07d6445s>; Vogell, Heather, "When Private Equity Becomes Your Landlord," ProPublica, Feb. 7, 2022. <https://www.propublica.org/article/when-private-equity-becomes-your-landlord>

Pat Garofalo

Director of State and Local Policy

American Economic Liberties Project

pgarofalo@economicliberties.us

SEIU Local 500 Testimony on HB 1257 - 2025.pdf

Uploaded by: Terrence Cavanagh

Position: FAV



Testimony - HB 1257, Landlord and Tenant - Residential Leases - Fee Disclosures
Favorable
Senate Judicial Proceedings Committee
March 26, 2025
Terrence Cavanagh
On Behalf of SEIU Local 500

Honorable Chairman Smith & Members of the Senate Judicial Proceedings Committee:

SEIU Local 500, as one of Maryland's largest public sector unions representing over 23,000 workers, expresses our support for House Bill 1257, which seeks to increase transparency and fairness in residential leasing by requiring landlords to disclose all mandatory fees upfront. This bill is an essential step in ensuring that tenants across Maryland are fully informed of their financial obligations before signing a lease, preventing unexpected financial burdens and promoting fair housing practices.

Too often, tenants enter rental agreements under the assumption that the advertised rental rate reflects the total cost of living in a dwelling, only to later discover hidden mandatory fees for essential services. HB 1257 addresses this issue by requiring landlords who lease four or more dwelling units to clearly disclose all fees in advertisements and provide prospective tenants with a detailed, itemized list of fees before lease signing. Additionally, it prohibits landlords from imposing undisclosed mandatory fees and holds them accountable through enforceable penalties.

This bill also empowers tenants by allowing them to file claims against landlords who fail to comply with these disclosure requirements. Ensuring that tenants have legal recourse is a critical component of promoting accountability in the rental market. Furthermore, HB 1257 allows local jurisdictions to enact even stronger tenant protections, ensuring that communities can tailor policies to their specific needs.

Transparency in rental agreements is fundamental to protecting Maryland's renters, many of whom are already navigating financial uncertainty. By passing HB 1257, the Maryland General Assembly would take a meaningful step toward equitable housing policies that benefit both tenants and responsible landlords.

For these reasons, we respectfully urge the committee to issue a favorable report on House Bill 1257. Thank you for your time and consideration.

Thank you for your time and consideration.

Terrence Cavanagh
On Behalf of SEIU Local 500

Support

Uploaded by: Therese Hessler

Position: FAV



Bill: HB 1257 - Landlord and Tenant - Residential Leases - Fee Disclosures

Judicial Proceedings Committee

Position: Support

The City of Gaithersburg writes to express our strong support for House Bill 1257, which will require a landlord to provide certain information to prospective tenants about fees imposed on tenants and prohibiting a landlord from imposing a mandatory fee that was not disclosed.

Last year, the City of Gaithersburg adopted several changes to its own Landlord-Tenant Relations Ordinance to strengthen protections for renters. Among those changes was incorporating requirements for landlords to provide and maintain a notice providing a current schedule of all required and optional fees for a prospective tenant, including but not limited to, application fees, parking fees, pet fees, bicycle fees, storage fees, lost key fees, late fees, lock out fees, cable and/or internet fees, and any other fees, whatsoever. This notice must be provided to any prospective tenant as either a physical or electronic copy. It must also be placed conspicuously in the leasing office, if one exists, and posted on the building's website, also if one exists.

The objective of this effort was to ensure that the costs advertised by apartment communities are accurate and representative of the true costs associated with living there. Too often, tenants are surprised to learn about hidden, sometimes mandatory fees that are not clear and obvious in the listed price of a rental unit after a lease has been executed, leaving the tenants with an obligation they may no longer be able to afford. Furthermore, the practice of hiding or failing to disclose such fees could place landlords who share the full price for renters at a competitive disadvantage.

City of Gaithersburg • 31 South Summit Avenue, Gaithersburg, Maryland 20877-2038
301-258-6300 • FAX 301-948-6149 • cityhall@gaitthersburgmd.gov • gaitthersburgmd.gov

MAYOR
Jud Ashman

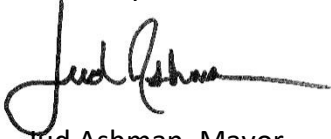
COUNCIL MEMBERS
Neil Harris
Lisa Henderson
Yamil Hernández
Jim McNulty
Robert Wu

CITY MANAGER
Tanisha R. Briley

The challenges we face with a supply strained and cost burdened housing market should not be exacerbated by trapping renters into financial commitments for which they were unaware, and potentially unable to fulfill. Like the City of Gaithersburg's own regulations, HB 1257 simply mandates transparency, levels the playing field, and ensures that renters across Maryland know what they're getting into before it's too late. Therefore, we respectfully request a favorable report on House Bill 1257.

Should you have any questions, please feel free to contact me at 301-466-5350 or our government relations consultant, Therese Hessler, at therese@ashlargr.com. We appreciate your support.

Sincerely,

A handwritten signature in black ink, appearing to read "Jud Ashman", with a long horizontal flourish extending to the right.

Jud Ashman, Mayor
City of Gaithersburg

MMHA - 2025 - HB 1257 - disclosure of fees - JPR.p

Uploaded by: Aaron Greenfield

Position: FWA



Bill Title: House Bill 1257, Landlord and Tenant - Residential Leases - Fee Disclosures

Committee: Senate Judicial Proceedings Committee

Date: March 26, 2025

Position: Favorable with Amendments

This testimony is offered on behalf of the Maryland Multi-Housing Association (MMHA). MMHA is a professional trade association established in 1996, whose members consist of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities. Our members house over 538,000 residents of the State of Maryland. MMHA also represents over 250 associate member companies who supply goods and services to the multi-housing industry.

House Bill 1257 requires housing providers to publicly disclose fees associated with residential leases. The bill mandates that advertisements and lease agreements include a detailed list of fees, specifying their amounts and due dates. It prohibits landlords from imposing undisclosed mandatory fees and ensures that tenants receive an itemized breakdown of costs. Additionally, the bill allows local jurisdictions to enact tenant protection laws consistent with or stronger than the bill's provisions

MMHA is not opposed to disclosing fees prior to a prospective resident completing an application. In fact, most housing providers already provide this information to prospective residents as part of the application process.

Amendment:

MMHA offers one amendment to ensure consistent guidelines for fee disclosures throughout the State.

- Inconsistent Patchwork: MMHA has concerns about an inconsistent patchwork of laws throughout the State, related to marketing and advertising rental units. For housing providers who operate in several jurisdictions, this could become unruly. The State should set one policy without local jurisdictions enacting their own set of laws. MMHA requests that page 4, lines 19 through 25 are stricken.

For these reasons, the Maryland Multi-Housing Association respectfully requests a favorable report with amendment on House Bill 1257.

Please contact Aaron J. Greenfield at 410.446.1992 if you have any questions.