



HB 313 - Landlord and Tenant - Residential Housing - Rental Applications and Tenant Screening
House Economic Matters Committee
February 5, 2026
SUPPORT

Chair Valderrama, Vice-Chair, and members of the committee, thank you for the opportunity to submit testimony in support of House Bill 313.

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.**

For so many Maryland renters, finding new housing has become unnecessarily tedious, expensive, and unpredictable. HB 313 is a great step to addressing this issue. HB 313 requires landlords, before accepting a rental application fee, to explain to tenants in writing what information will be accessed in a tenant screening report. If a tenant is denied or offered conditional acceptance, the landlord must explain to the rental applicant in writing why they were denied and must include a copy of the report used to make the determination. In addition, HB 313 also prohibits the use of shielded, sealed, or suppressed eviction records as a reason for denial of tenancy.

The tenant screening service industry has ballooned into a billion-dollar industry in the past few decades, in no small part due to the rise of A.I., and with little oversight under the Trump Administration. This dynamic has led landlords to lean on tenant screening reports that are filled with errors and exacerbate racial disparities.¹ **Research has found that many of these screening reports use inaccurate eviction filings, criminal records, and credit history data to deny an otherwise qualified renter.² Landlords blindly use this inaccurate data to deny qualified renters, leaving the unsuspecting renter less an application fee and without a home.** Further, these reports generally do not allow applicants to correct mistakes or provide context for information in the report, with many landlords failing to inform applicants of their right to dispute this information.³

¹ The Discriminatory Impacts of AI-Powered Tenant Screening Programs, <https://www.law.georgetown.edu/poverty-journal/blog/the-discriminatory-impacts-of-ai-powered-tenant-screening-programs/>

² Digital Denials: How Abuse, Bias, and Lack of Transparency in Tenant Screening Harm Renters, <https://www.nclc.org/resources/digital-denials-how-abuse-bias-and-lack-of-transparency-in-tenant-screening-harm-renters/>

³ CFPB Reports Highlight Problems with Tenant Background Checks, <https://www.consumerfinance.gov/about-us/newsroom/cfpb-reports-highlight-problems-with-tenant-background-checks/>



HB 313 would ensure that a prospective renter will know before they pay an application fee exactly what the landlord will use to qualify them for tenancy and will ensure that the landlord is using ACCURATE information when evaluating the renter. No more will renters be denied housing because of an inaccurate credit score, because of a case that was shielded or expunged, or because they did not have the opportunity to correct a mistaken application denial.

HB 313 also aligns with existing federal adverse action notice requirements and with similar laws that have been passed in Illinois, Colorado, Washington D.C., and Pennsylvania; these laws have not disrupted rental markets.

Further, HB 313 does NOT prohibit landlords from continuing to use tenant screening reports from screening companies. Instead, it ensures that applicants receive copies of these existing reports so they can identify any errors that need to be corrected or understand which aspects of their application need improvement before unnecessarily applying to another rental property. HB 313, gives prospective tenants the transparency and predictability they deserve in a rental application process increasingly dictated by black-box algorithms with no backstop to inaccurate reporting. Tenants have a right to transparency, communication, and predictability in the rental application process. This can only come from accurate reporting and knowledge about the contents of screening reports. HB 313 enables this.

CASH is a member of Renters United Maryland and, we encourage you to return a favorable report for HB 313.