



**SB 335 Human Relations – Discrimination in Housing –
Income-Based Housing Subsidies
House Economic Matters Committee
April 2, 2025**

POVERTY FREE MARYLAND

Position: Favorable with Amendments

Voting Member Agencies:

Anne Arundel County Food Bank

Baltimore Jewish Council

CASH Campaign of Maryland

Catholic Charities

Family League of Baltimore

Laurel Advocacy & Referral Services,
Inc.

Maryland Center on Economic Policy

Maryland Family Network

Maryland Food Bank

Maryland Hunger Solutions

Poverty Free Maryland

Poverty Free MD supports SB 335 while respectfully requesting a narrow clarifying amendment to ensure the bill's income verification provisions related to utilities are clear, workable, and aligned with existing housing market practices.

SB 335 responds to a clear and persistent problem: although Maryland prohibits source-of-income discrimination, families using income-based housing subsidies continue to face screening barriers that do not reflect their actual rent risk. Its companion legislation passed by this committee, HB 315, takes a balanced and evidence-based approach by prohibiting denial based on a credit score or pre-subsidy credit events that do not reflect current financial circumstances while explicitly preserving landlords' ability to verify that tenants can pay their required share of rent. Unfortunately, SB 335 was amended to include an open-ended and confusing allowance for rental housing providers to verify subsidized tenants have sufficient income to cover the costs of utilities.

The Issue with Utility-Related Income Verification

While utility affordability is a legitimate consideration, the current bill language does not specify how utility affordability should be assessed for tenants receiving income-based housing subsidies.

This lack of specificity raises implementation concerns, particularly given that:

- The Housing Choice Voucher program already incorporates tenant-paid utilities into affordability determinations through Public Housing Authority (PHA) utility allowances, which are required by federal regulation¹ and calculated based on local utility rates, reviewed regularly, and applied uniformly;

¹ **Code of Federal Regulations.** 24 CFR 982.517. <https://www.ecfr.gov/current/title-24/part-982/section-982.517>

*Founded in 2025 through the merger of Welfare Advocates (established in 1979) and Marylanders Against Poverty (established in 1988), **Poverty Free Maryland** is a coalition of service providers, faith groups, and other organizations working together to exchange information, educate decisionmakers, and advocate for statewide public policies and programs necessary to address the underlying systemic causes of poverty and ensure that low-income Marylanders are provided with low- and no-barrier access to all resources needed to thrive and build a better life for the future.*

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- PHAs are required to ensure that a household's combined rent and utility contribution remains affordable, typically capped at 30 percent of adjusted household income; and
- In the general rental market, landlords do not typically apply standalone or predictive income tests specific to utilities.

Absent clarification, utility verification could be applied through discretionary or nonstandard methodologies, potentially resulting in inconsistent application across properties and jurisdictions. Without guardrails, utility-related income verification could function as a de facto screening criterion that is more restrictive than prevailing market practices and inconsistent with the structure of income-based subsidies.

Requested Clarifying Amendment

To address these concerns while preserving landlord screening authority, BRHP recommends a limited statutory clarification addressing how utility affordability is evaluated for tenants with income-based housing subsidies.

Specifically, we propose adding clarifying language that:

“Notwithstanding any other provision of this section, landlords shall not evaluate whether a tenant has sufficient income to pay utilities if the tenant has an income-based housing subsidy and the entity issuing the income-based housing subsidy includes an allowance for anticipated utility costs in calculating the tenant's portion of the rent and utilities.”

This amendment would align utility affordability assessments with existing, federally required PHA utility allowance frameworks, reduce the risk of unintended exclusion caused by undefined or speculative utility calculations, and support predictable administration and enforcement of SB 335.

SB 335 represents a targeted update to tenant screening practices that better reflects how income-based housing subsidies function in practice. Incorporating a narrow clarification regarding utility-related income verification would strengthen the bill's internal consistency and reduce unnecessary implementation risk while preserving legitimate landlord interests.

We respectfully request a favorable report on SB 335 with the above proposed amendment.

Poverty Free Maryland envisions a Maryland without poverty, and a future where all Marylanders have the support and economic stability that's needed to thrive.