



Senate Bill 335

Human Relations – Discrimination in Housing – Income–Based Housing Subsidies

Hearing before House Economic Matters Committee,

On April 2, 2026

Position: FAVORABLE WITH AMENDMENT

Maryland Legal Aid submits its written testimony in support of Senate Bill 335 at the request of bill sponsor Senator Sara Love.

Maryland Legal Aid is a nonprofit law firm that provides free civil legal services to low-income and vulnerable Marylanders. Our offices serve residents in all 24 jurisdictions, and housing is our largest area of practice. Each year, Maryland Legal Aid represents thousands of tenants across the State in matters involving housing instability, eviction, and the challenges of finding new housing opportunities in Maryland’s constrained rental market. These challenges can be exacerbated by unlawful discrimination against Section 8 voucher recipients. We support SB 335, which closes a loophole in the existing prohibition against source-of-income discrimination.

In 2020, Maryland enacted the Housing Opportunities Made Equal Act, adding source-of-income discrimination to the state’s fair housing law. In the short time since then, screening based on income multipliers and credit scores has become the “legal” way for landlords to continue discriminatory rejection of voucher holders when they apply for rental housing. Maryland Legal Aid’s clients are unfortunately well-versed in this discrimination. They typically have only 60 days to place a Section 8 voucher with a private landlord. After urgently completing lease applications and paying fees they cannot afford, they learn that they were rejected. If any basis is stated, it is often one of these reasons:

- 1) Their income failed to meet a certain amount, such as 3 times the monthly rent – even though such income levels would make the renter ineligible for the housing voucher; or
- 2) Their credit score is too low, reflecting that the renter had past financial challenges – which the housing voucher prospectively mitigates.

As amended in the Senate, SB 335 prohibits this form of source-of-income discrimination. The bill conforms to the House cross-file (HB 315) passed by this Committee – except in one provision concerning income-testing of a voucher recipient’s ability to pay for the cost of utilities prospectively.

Utilities Provision

Added by amendment at page 3, line 25, this utilities provision allows a landlord to “require that a tenant has sufficient income to pay the portion of rent *and utilities* not covered by the income-based housing subsidy.” The Senate overlooked the fact that a housing subsidy under the Housing Choice Voucher Program (“Section 8”) already includes utilities:

- Tenant-paid utilities are factored into an affordability determination conducted by the Public Housing Authority (PHA).
- The PHA determines a utility allowance, which is required by federal regulation¹ and is calculated based on local utility rates, reviewed regularly, and applied uniformly.
- The PHA is required to ensure that a household’s combined rent and utility contribution remains affordable, typically capped at 30 percent of adjusted household income.

Maryland Legal Aid urges the Committee to strike “and utilities” in line 25 on page 3 of the bill to prevent unnecessary and duplicative consideration of a prospective ability to pay utilities which are already covered in the subsidy.

With that correction, Maryland Legal Aid urges the Committee to report **Favorable With Amendment** on SB 335.

If you have any questions, please contact:

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¹ 24 CFR § 982.517.