

February 2nd, 2026

The Honorable Kriselda Valderrama
Chair, House Economic Matters Committee
230 Taylor House Office Building
Annapolis, Maryland 21401

RE: MBIA Letter of Opposition HB 774 Landlord and Tenant - Residential Leases and Holdover Tenancies - Local Good Cause Termination (Good Cause Eviction)

Dear Chair Valderrama,

The Maryland Building Industry Association, representing 100,000 employees of the building industry across the State of Maryland respectfully opposes HB774, this legislation authorizes counties to adopt local “good cause” eviction laws prohibiting certain landlords from declining to renew a lease or from terminating a holdover tenancy absent a government-defined showing of good cause.

While we understand the goal of promoting housing stability, this bill would create a patchwork of inconsistent local regulations across the State. Housing providers operating in multiple jurisdictions would be subject to differing standards, procedures, and compliance obligations, increasing legal uncertainty and administrative costs. A fragmented regulatory framework makes it more difficult to plan, invest, and operate rental housing efficiently.

The proposal also significantly alters the balance of rights in residential leasing. A lease is a contractual agreement for a defined term. Limiting a property owner’s ability to decline renewal at the end of that term effectively transforms fixed-term leases into indefinite tenancies, even when both parties initially agreed to a specific duration. This represents a substantial intrusion into private property rights and contractual freedom.

Moreover, increasing regulatory risk may discourage investment in rental housing—particularly among small and mid-sized housing providers who make up a large portion of the market. When owners face greater uncertainty about their ability to manage their properties, they may delay improvements, exit the market, or convert units to other uses. Over time, such outcomes can reduce housing supply and undermine affordability.

Maryland’s housing challenges will ultimately be solved by increasing supply, streamlining development, and encouraging reinvestment—not by layering additional local restrictions onto an already highly regulated sector.

For these reasons, we respectfully urge an unfavorable report on this legislation.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Economic Matters Committee