

Fair Screening Practices Are Essential to Preventing Discrimination Against Prospective Renters

Position Statement Supporting House Bill 315

Given before the Economic Matters Committee

Across Maryland, far too many families with Housing Choice Vouchers and other forms of rental assistance struggle to secure safe and stable housing—not because they cannot afford rent, but because of screening practices that are misaligned with how housing assistance programs work. HB 315 addresses this mismatch by ensuring that landlords evaluate assisted tenants using criteria that are fair, relevant, and appropriate. **The Maryland Center on Economic Policy urges a favorable report on HB 315 because it strengthens Maryland’s source of income protections by clarifying appropriate screening practices for renters who use income-based housing assistance.**

For many Marylanders—seniors, people with disabilities, working parents, and families exiting homelessness—housing vouchers are a lifeline. Yet even with this assistance in hand, they are often denied housing because of credit scores, debt-to-income ratios, or income requirements that do not apply to them. This creates unnecessary barriers and prolongs housing instability for families who have already been determined eligible for assistance.

Families relying on Housing Choice Vouchers and other income-based subsidies frequently encounter credit and income screening practices that effectively shut them out of rental housing, even though most of their rent is guaranteed by the housing subsidy and their personal share is capped at an affordable level. These practices undermine both the purpose of housing assistance programs and the intent of Maryland’s HOME Act, which prohibits discrimination based on lawful source of income.

Public Housing Authorities already perform rigorous eligibility screening. They verify household income, calculate affordability, conduct background checks, and adjust assistance when income changes. These safeguards ensure rent stability and reliable payments to landlords. As a result, additional income or credit screening by landlords is not only unnecessary—it is duplicative and often irrelevant.

More appropriate measures of tenant suitability already exist. Criteria such as rental history, landlord references, and verified eviction records offer a more accurate and fair assessment of potential tenancy risk. HB 315 simply clarifies that these are the kinds of factors landlords should rely on when evaluating applicants with housing assistance.

By clarifying appropriate screening practices, HB 315 strikes the right balance. It preserves landlords’ ability to assess tenant suitability while ensuring that the criteria used are relevant, fair, and aligned with the structure of housing assistance programs. This legislation will help:

- Reduce avoidable and discriminatory denials

- Shorten housing search times for voucher holders
- Improve lease-up rates for public housing authorities
- Strengthen housing stability for families and children
- Promote fair housing and reduce segregation
- Support better outcomes for landlords and tenants alike

At a time when Maryland is facing a severe affordable housing shortage, we cannot afford to allow unnecessary screening barriers that prevent families from using the very assistance designed to help them.

HB 315 is a common-sense measure that promotes fairness, efficiency, and equity in Maryland’s rental market. It ensures that housing assistance works as intended and that families are judged on relevant factors—not outdated and discriminatory metrics.

For these reasons, the Maryland Center on Economic Policy respectfully urges a **Favorable report on House Bill 315.**

Equity Impact Analysis: House Bill 315

Bill Summary

House Bill 315 strengthens Maryland’s existing source of income protections by establishing clear, fair standards for how landlords may screen applicants who use Housing Choice Vouchers or other forms of income-based rental assistance.

Specifically, the bill clarifies that landlords may not apply credit score thresholds, minimum income requirements, or other screening tools that are irrelevant to tenants whose rent is largely guaranteed by a housing subsidy and whose personal portion of rent is already determined to be affordable. HB 315 ensures that screening criteria used for assisted tenants are directly related to rental suitability—such as rental history, landlord references, and verified eviction records.

This legislation reinforces the intent of Maryland’s HOME Act by closing loopholes that allow indirect discrimination against voucher holders through inappropriate screening practices.

Background

Across Maryland, families with Housing Choice Vouchers and other rental subsidies face persistent barriers to using their assistance. Although voucher holders have already been screened and approved by Public Housing Authorities (PHAs), many still encounter additional requirements from landlords that are incompatible with how housing assistance programs operate.

Public Housing Authorities already:

- Verify household income and eligibility
- Calculate the tenant’s affordable portion of rent
- Conduct background checks
- Adjust assistance when income changes

- Guarantee direct, reliable rental payments to landlords

Despite these safeguards, many landlords continue to deny voucher holders based on:

- Credit scores
- Debt-to-income ratios
- Minimum income thresholds
- Requirements to earn 2–3 times the rent

These criteria are designed for market-rate renters who pay 100 percent of rent out-of-pocket—not for families whose rent is capped at an affordable level and largely paid through government assistance.

As a result, voucher holders routinely experience longer housing searches, repeated denials, and in many cases the expiration of their vouchers altogether. This undermines the purpose of public investment in housing assistance and worsens Maryland’s already severe affordable housing crisis.

HB 315 addresses this problem by ensuring that landlords evaluate assisted tenants using criteria that are fair, relevant, and aligned with the structure of housing assistance.

Equity Implications

Black and Brown Marylanders are disproportionately represented among renter households and among recipients of Housing Choice Vouchers due to historic and ongoing inequities in housing, employment, wages, and wealth-building opportunities. At the same time, these communities are more likely to experience lower credit scores—not because they are less responsible tenants, but because of structural factors such as:

- Racial wage gaps
- Higher rates of medical debt
- Predatory lending practices
- Discriminatory housing and credit systems
- Generational barriers to wealth accumulation

Credit scores were never designed to predict success as a renter, and they rarely include rental payment history. Nevertheless, they are frequently used as gatekeeping tools that lock families out of housing opportunities. Federal guidance from HUD has repeatedly warned that credit-based screening for assisted tenants can produce unjustified discriminatory impacts—particularly on Black renters, women-led households, and low-income families.

In Maryland, these practices reinforce patterns of segregation and concentrated poverty. Families with vouchers—who are disproportionately Black and Brown—are often steered away from opportunity-rich neighborhoods and left with fewer housing options, longer commutes, and limited access to high-quality schools and resources.

HB 315 directly confronts this inequity by ensuring that screening practices do not serve as a backdoor method of denying housing to protected classes and voucher holders.

Impact

House Bill 315 will likely **improve racial, health and economic equity** in Maryland.