



### House Bill 313

## Landlord and Tenant—Residential Housing—Rental Application and Tenant Screening

Hearing before House Economic Matters Committee,

On February 5, 2026

### Position: FAVORABLE

*Maryland Legal Aid submits its written testimony in support of House Bill 313 at the request of bill sponsor Delegate Vaughn Stewart.*

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. We support HB 313 as a practical consumer protection that increases transparency in lease denials and reduces unfair denials.

HB 313 advances three essential objectives:

- (1) Ensuring that lease applicants receive meaningful disclosures and documentation when – not after – they are denied a housing opportunity or asked to meet additional conditions to qualify for that opportunity;
- (2) Preventing leasing decisions based on information from eviction cases that did not result in an adverse judgment (such as dismissals) and cases that are shielded or sealed; and
- (3) Prohibiting the collection of application fees for rental units that are not actually available.

Maryland Legal Aid routinely sees that our clients lack vital information about lease denials. They often lose hundreds in application fees while not knowing the prospective landlords’ screening criteria. Further, because they typically do not obtain timely information about the basis of a denial, they cannot take steps to correct inaccurate screening information before their next application is denied.

Our client Mr. H, who lives in Baltimore City, is just one example. Mr. H is a truck driver with a 713 credit score and no criminal record. Nevertheless, when he was recently denied housing,

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Mr. H could not figure out why, until he contacted Maryland Legal Aid. Through our assistance, he obtained an adverse action report which listed, under “Notable Risks,” that he had not listed current employment. In fact, the prospective landlord had told Mr. H that he did not need to provide that information in the application. With documentation of why he was screened out, Mr. H had clarity about how to navigate his housing search going forward.

HB 313 makes it easier for all renters, most of whom do not have assistance from an attorney, to obtain adverse action disclosures and to have a clearer path to their next housing opportunity.

**HB 313 increases transparency and accuracy in tenant screening in 6 ways.**

**1) Require upfront disclosures so applicants know which criteria they must meet.** Before accepting an application fee or screening fee, prospective landlords must provide a written disclosure stating:

- the information included in a tenant screening report;
- the criteria that may result in denial or conditional acceptance;
- the name and contact information for any consumer reporting agency or tenant screening service used; and
- the maximum amount that may be charged for an application fee.

These disclosures promote informed decision-making, reduce arbitrary outcomes, and decrease the likelihood that applicants will spend scarce funds on applications without understanding the screening process and criteria.

**2) Require meaningful adverse action notices that include the actual screening information relied on by the prospective landlord.** HB 313 prohibits a landlord from taking adverse action unless the landlord provides the prospective tenant:

- written notice stating the specific reasons for the denial, conditional acceptance, or placement on a waiting list;
- a statement affirming the landlord did not consider information about Failure To Pay Rent cases that did not result in an adverse judgment, or shielded or sealed records;
- identification of the tenant screening report or other information relied upon; and
- a copy of any screening report used by the landlord in reaching the determination.

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This disclosure is critical for tenants faced with denial or conditional acceptance of their application. Without these documents, applicants cannot evaluate whether a denial was based on an error, on prohibited information, or on criteria that were never disclosed. This transparency is also necessary to make the right to dispute inaccuracies meaningful in practice.

In these respects, HB 313 improves on the federal Fair Credit Report Act (FCRA). Tenant screening products are consumer reports under the FCRA, which requires that anyone who uses a consumer report to take adverse action against a consumer must inform the consumer and additionally provide the name, address, and phone number of the reporting agency that was used. The FCRA does not prescribe a deadline for providing this information – it states only that it must be done in a reasonable time. From there, if the consumer requests information about their consumer file, the agency must provide access to that file. Importantly, HB 313 provides renters immediate, one-point-of-contact access to the information about the basis of denial of their applications.

**3) Provide a real opportunity to dispute inaccuracies.** HB 313 provides that a prospective tenant must be allowed to dispute and provide evidence regarding inaccurate or incomplete information in a tenant screening report – and requires landlords who use screening reports to notify applicants of that right. In the real world, screening reports can contain mistakes, mixed files, outdated entries, or misreported public records. The opportunity to challenge an error works only if applicants are told about the cause of the denial and can identify what information was used.

**4) Prevent the collection and use of certain eviction filings and shielded records.** HB 313 restricts landlords from requesting, requiring, or making inquiries about parts of an applicant's eviction history. This provision is limited to Failure to Pay Rent cases that did not result in a judgment for the landlord, i.e., dismissed cases or cases resolved in favor of the renter. Across Maryland in 2025, nearly 40 percent of Failure to Pay Rent cases were dismissed. HB 313's restriction also applies to shielded records. HB 313 reinforces Maryland's policies around shielding, sealing, and expungement.

**5) Require screening companies to prevent disclosure of restricted information and to correct improper reporting quickly.** HB 313 requires tenant screening report producers to implement reasonable procedures to prevent disclosure of information about restricted eviction information and prohibits disclosure of that information. It also requires a corrected report to be provided to all parties within 5 business days after the screening company learns the information was disclosed. These provisions recognize that landlord compliance depends on the integrity and legality of the data supplied by screening vendors.**6) Provide enforceable remedies.** HB 313 establishes meaningful enforcement, including civil penalties for certain violations and remedies for individuals injured by violations. It also makes specified violations

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an unfair, abusive, or deceptive trade practice under the Maryland Consumer Protection Act, subject to enforcement and penalties. These tools are important because disclosure obligations without enforcement become “paper rights” that tenants cannot realistically use.

**Under HB 313, Maryland would join other jurisdictions in increasing transparency in tenant screening.**

HB 313 would adopt protections already existing in other jurisdictions: Washington, D.C., Pennsylvania, Illinois, Colorado, and California.

HB 313 is a fair and workable bill that improves transparency, eliminates excessive fees, and helps to ensure that tenant screening is reliable and fair. Importantly, the bill's requirements build on the FCRA and reflect practices already implemented by many landlords and screening platforms.

For these reasons, Maryland Legal Aid urges the Committee to report **favorable** on HB 313.

If you have any questions, please contact:

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