



House Bill 1456

Consumer Protection — Residential Property Advertisement — Ownership Verification

Hearing before the Senate Finance Committee,

On April 1, 2026

Position: FAVORABLE

Maryland Legal Aid submits its written testimony on House Bill 1456 at the request of bill sponsor Delegate Elizabeth Embry.

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. Last year, Maryland Legal Aid’s Tenant Right to Counsel Project represented over 4,700 renter households across the State in eviction proceedings. As Wrongful Detainer evictions increased by over 70% in the past five years, we have encountered increasing numbers of residents victimized by rental scams. While media outlets and property owners implore the General Assembly to use immediate eviction and expanded criminal provisions to eliminate “squatting,” we ask the Committee to prioritize the more systemic solution to unauthorized leasing offered in HB 1456. Focused on stopping the proliferation of rental scams online, HB 1456 offers a preventative measure to address unauthorized leasing before unsuspecting renters become double victims, harmed first by a financial scam and secondly by eviction.

Online rental scams have proliferated amid rising housing unaffordability. According to the Federal Trade Commission, “many would-be renters report discovering that [a] scammer copied an ad for a property that was really for sale, not for rent. Other scammers create fake listings from scratch, complete with attractive photos and below market rent to grab your attention. While these scams show up on many websites, Facebook is the most reported platform. In the 12 months ending in June 2025, about half of people who reported a rental scam said it started with a fake ad on Facebook. Another 16% said the scam started with a fake listing on Craigslist.”¹

¹ Federal Trade Commission, “Rental Scams hit home with \$65 million in reported losses,” Consumer Protection Data Spotlight (Dec. 22, 2025), <https://www.ftc.gov/news-events/data-visualizations/data-spotlight/2025/12/rental-scams-hit-home-65-million-reported-losses>.

Under HB 1456, whenever a commercial entity, including a social media platform, publishes or advertises residential property listings, it must verify that the person offering a property for rent is either the legal owner or the authorized agent of the owner. On discovery that a listing cannot be verified, the platform must remove the listing.

Rental Scammed: Nora's story

"Nora" is an Anne Arundel County resident whom Maryland Legal Aid met in the fall 2025. After she was evicted, she wrote her story so that policymakers would understand what she went through as a rental scam victim. We have changed her name to protect her privacy:

I was looking for a new home because my previous landlord was being foreclosed on. I had agreed to be out by a certain date, and I wanted to stay in the area because my son, who is autistic, was attending a great special-needs school in the Anne Arundel County school district.

I texted the number and met a person claiming to be the property manager. He showed me the property. It was a nice single-family home with two bedrooms and a basement. It was empty and needed a little work.

My husband, son, and I moved in in April 2025. My son thrives on routine and was becoming acclimated to a new routine in the house. We were about two months in when a lawncare worker came to the door. He said that this was a bank-owned property. I was skeptical, but then not long after a contractor showed up and said that he worked for the bank that owned the property. He told me that he had filed a police report to remove "squatters" in the home. We were not "squatters."

I am a hard-working mother. I have no criminal record. I was working full-time from home while my husband was awaiting medical clearance to return to his job. The house gave us a place where my son could be loud, scream, and stomp without upsetting the neighbors. When the "landlord" told me that the rent was \$1,500 a month, I was thrilled. In retrospect, under the pressure to keep my family afloat, I was also an easy mark.

I only ever met the man one time. He was middle-aged, clean cut, well-spoken, and well-dressed. He drove a nice Mercedes. I like to think that I am a pretty good judge of character. I never got any weird vibes from him. He really seemed like the real thing. Looking back, I see now that I was a sheep taken to slaughter. After I had paid \$3,000 cash for the first month rent and security deposit total, he then told me that he was going out of the country and would not be reachable for a couple weeks. If I needed anything, he would get back to me, he said. Soon, the hot water went up. Because the "landlord" was not responding to me, I paid for a plumber to install a new \$800 hot water heater. I figured I had to do what I had to do and that the "landlord" would eventually take it off the rent. But he still wasn't responding by the time that contractor came to tell me about the police report.

Then the bank filed the wrongful detainer case to evict us. Although the judge sympathized with us, he said he was there only to decide that the bank held the deed and had not authorized anyone to rent to me.

Everyone basically treated me like I did this to myself or that I was the wrongdoer. How was I to know that the property was not for rent? **The sheriff who evicted me explained that this is happening everywhere lately, and there is no way for the public to know a real owner apart from an impostor.** People are finding vacant or bank-owned properties, posting them for rent. They are using apps that create free, untraceable phone numbers and VPNs to disguise their IP addresses. The police would probably never find out who defrauded us.

Websites like Zillow, Hotpads, and Facebook Marketplace are not protecting users from scams. Sometimes I feel that I let my family down by getting scammed, but it's not all on me. A person who claims to be the owner should have to verify who they are, with a license or other documentation. There should also be solutions for situations like mine, to help victims of fraud, especially where children are involved. It can't just be eviction. The system needs to allow victims time to find another place. The state says they have resources, but there is just not enough real emergency

assistance for those who need it in a short amount of time. I called literally every shelter. They refused to take in my son because of his autism-related outbursts. We will spend months if not years on waiting lists for housing.

By requiring platforms to verify ownership or agency, HB 1456 requires due diligence by companies and platforms that publish rental listings. This bill shifts the burden away from renters who are unable to differentiate between legitimate and fraudulent advertising. It benefits property owners, as well, by reducing the incidence of unauthorized leasing. Amendments supported by the Maryland Realtors and representatives of the banking industry were adopted in the House. **For these reasons, Maryland Legal Aid urges a favorable report on HB 1456.** If you have any questions, please contact:

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