

**HB 1456 - Consumer Protection — Residential Property Advertisement — Ownership Verification**

**Hearing before the Senate Finance Committee,  
April 1, 2026**

**Position: FAVORABLE**

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My name is Ray Nosbaum, and I am a member of the Long Branch Housing Action Team, which is a member of Renters United MD (RUM). I support HB 1456 as a critical measure to address persistent underground rental fraud schemes that have hurt both Maryland property owners and tenants.

This is important because Long Branch is a working class, mostly immigrant community, which makes so many residents susceptible to scams because they are not always familiar with business practices in the United States or may experience language barriers

HB 1456 would require commercial platforms that publish or advertise residential property for rent to verify that the person offering the property for rent is 1) the legal owner, 2) the authorized agent of the owner, or 3) selling the property pursuant to Maryland law (foreclosure, tax sale, etc). Property advertised for rent or sale by a licensed realtor or broker is exempt.

*Amendments adopted by the Economic Matters Committee fully addressed the concerns of the Maryland Realtors and the Bankers, and there is no known opposition to the bill.*

Fraudulent scammers have taken advantage of people desperate to find increasingly rare affordable housing. These scammers break into vacant homes, change the locks, post these properties for rent online, and defraud an unsuspecting renter into paying thousands of dollars to move in. These scams often involve fake ads that look real, below-market pricing, and stolen photographs that lure victims into sending deposits to bad actors. Nationwide data from the Federal Trade Commission shows that since 2020 nearly *65,000 rental scams have been reported*, with \$65 million in losses.<sup>1</sup>

These “scamlord” listings frequently originate on widely used platforms, including social media and online marketplaces, and the scammers often disappear once a victim’s money is received. In the 12 months ending June 2025, about half of the people reporting a rental scam said the fake listing began on Facebook, and 16% cited Craigslist as the origin of the fraudulent ad.<sup>2</sup>

Property owners also suffer when their listings for vacant properties are copied, manipulated, and reposted by bad actors. For property owners, it is very costly to find an unauthorized person in their home with a fake lease that the resident believes is legitimate. HB 1456 would address these concerns by requiring the online platform to verify in a commercially reasonable manner that the

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<sup>1</sup>*Rental Scams hit home with \$65 million in reported losses*, Consumer Protection Data Spotlight, **FED. TRADE COMM’N** (Dec. 22, 3035) <https://www.ftc.gov/news-events/data-visualizations/data-spotlight/2025/12/rental-scams-hit-home-65-million-reported-losses?>.

<sup>2</sup> *Id.*

person posting the property for rent is authorized to do so. Similar legislation, such as New York Assembly Bill A10669, reflects a broader legislative movement recognizing the need for online platform verification to protect consumers.

### States Regularly Require Platform Verification in Comparable Contexts

Maryland is not breaking new ground by requiring verification. States already impose verification requirements in multiple contexts where fraud or public harm is a concern. Whether it be political advertising<sup>3</sup> or age verification,<sup>4</sup> the Courts have upheld state laws that require online verification from challenges under the First Amendment. These laws regulate the operation of the online platform for “commercial speech” and advance a substantial government interest.<sup>5</sup>

### Verification is Technologically Feasible

Some online rental platforms already use verification technology. Airbnb requires hosts to confirm identity through government-issued identification or facial recognition.<sup>6</sup> Similarly, Zillow requires first-time posters to verify their phone number. If a posting is flagged, Zillow uses a verification portal to confirm its legitimacy.<sup>7</sup> In the meantime, the listing is temporarily removed until verification is completed.<sup>8</sup> By comparison, entities like Facebook Marketplace and Craigslist have no verification process and experience higher rates of fraudulent listings.<sup>9</sup>

By requiring platforms to verify authorization before publishing a rental ad, HB 1456 adds a level of due diligence that shifts the burden of detecting a fraud away from individual renters. It also

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<sup>3</sup> *In Washington State v. META Platforms, Inc.*, 33 Wash. App. 2d 138, 560 P.3d 217 (2024) (imposing a \$25 million penalty for Meta’s failure to comply with state political advertising disclosure requirements from 2018–2021; holding the law constitutional), review pending.

<sup>4</sup> *Free Speech Coalition, Inc. v. Paxton*, 606 U.S. 461, 145 S. Ct. 2291 (2025).

<sup>5</sup> *United States v. O’Brien*, 391 U.S. 367 (1968); *Central Hudson Gas & Electric Corp. v. Public Service*, 447 U.S. 557 (1980).

<sup>6</sup> *Verifying Your Identity on Airbnb*, Airbnb Help Center: Verifying your identity on Airbnb, <https://www.airbnb.com/help/article/1237?> (last visited Feb. 3, 2026).

<sup>7</sup> *Zillow Rental Manager Account Verification*, Zillow: Listing a Property, <https://zillow.zendesk.com/hc/en-us/articles/40388811116179-Zillow-Rental-Manager-Account-Verification> (last visited Feb. 3, 2026).

<sup>8</sup> *Creating a Listing*, Zillow: Listing a Property, <https://zillow.zendesk.com/hc/en-us/articles/32915356424595-Creating-a-Listing?> (last visited Feb. 3, 2026); *What is a Verified Source listing?*, Zillow: Renter FAQs, <https://zillow.zendesk.com/hc/en-us/articles/216368218-What-is-a-Verified-Source-listing#:~:text=Verified%20Source%20indicates%20the%20listing,the%20most%20common%20red%20flags> (last visited Feb. 3, 2026).

<sup>9</sup> Powell & Co. Property Management LTD, *Which is better? Rental Agency or Facebook Market Place*, <https://powellandco.nz/which-is-better-rental-agency-or-facebook-market-place#:~:text=Some%20risks%20associated%20with%20using%20Facebook%20Marketplace,arranged%20through%20Facebook%20Marketplace%20poses%20safety%20risks> (last visited Feb. 3, 2026); Better Business Bureau, *Is That Rental Listing Real? BBB Study*, [https://www.bbb.org/all/scamstudies/is\\_that\\_rental\\_listing\\_real\\_scam/is\\_that\\_rental\\_listing\\_real\\_full\\_study#:~:text=Though%20newspaper%20classified%20ads%20have,he%20had%20no%20more%20problems.](https://www.bbb.org/all/scamstudies/is_that_rental_listing_real_scam/is_that_rental_listing_real_full_study#:~:text=Though%20newspaper%20classified%20ads%20have,he%20had%20no%20more%20problems.) (last visited Feb. 3, 2026); Lethub, *Spotting and Preventing Lockbox Rental Scams*, <https://www.lethub.co/blog/lockbox-rental-scams#:~:text=FAQs%20Which%20sites%20are%20known%20for%20most.anyone%20can%20post%20listings%20without%20much%20verification> (last visited Feb. 3, 2026).

protects property owners from unauthorized occupants and improves accountability for the platforms where these fraudulent listings appear.

**I urge a favorable report on HB 1456.**

**Ray Nosbaum**