

February 18, 2020

The Honorable Kumar Barve
Chairman, House Environment and Transportation Committee
House Office Building, Room 251
6 Bladen Street
Annapolis, MD 21401

RE: Opposition of House Bill 744 (Landlord and Tenant - Residential Leases - Tenant Rights and Protections (Tenant Protection Act))

Dear Chairman Barve:

The Maryland Building Industry Association (MBIA), representing 100,000 employees of the building industry across the State of Maryland, opposes House Bill 744 (Landlord and Tenant - Residential Leases - Tenant Rights and Protections (Tenant Protection Act)).

This measure makes many significant changes to a landlord's responsibilities in a landlord/tenant relationship. This measure requires a landlord to return a security deposit within 30 days. The landlord must include in the security deposit notice "a written list of the charges against the security deposit claimed by the landlord and the actual costs." Maryland's current Security Deposit law is designed to provide tenants with a list of actual damages beyond normal wear and tear so that they are notified of where, if at all, their security deposit was utilized. It was not designed to be an itemized invoicing and billing procedure. Determining how many and what type of materials were used to address tenant-caused defects, and providing receipts for all these materials purchased, is not only tedious and cumbersome but may ultimately be impossible, especially in the proposed 30-day timeframe. This new requirement will harm tenants and landlord alike by undermining the landlord's ability to properly and expeditiously return vacant units to market.

This measure also permits tenant organizations to use rooms and common space for free. This is well-intentioned but landlords sometimes don't have authority to allow those uses - insurance coverage matters, fire safety regulations, and accessibility issues for example. This should remain the choice of property owners who maintain and pay for these areas.

Finally, MBIA has concerns regarding a tenant's authority to abandon the lease if a landlord fails to make repairs after a reasonable time. Current law balances landlord and tenant rights and interests and grants the courts the flexibility to choose appropriate remedies based on the specific and often personal facts of each situation. This would harm that balance, which currently appropriately serves the needs of both landlords and tenants.

For these reasons, MBIA respectfully requests the Committee give this measure an unfavorable report. Thank you for your consideration.

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

cc: House Environment and Transportation Committee Members