

March 3, 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 1372 (Real Property - Residential Leases - Repair of Dangerous Defects and Failure to Pay Rent)

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 1372 (Real Property - Residential Leases - Repair of Dangerous Defects and Failure to Pay Rent).

This bill makes several significant changes to current landlord/tenant law. One of the most significant is a new law that relief for a breach of the warranty of habitability will not be conditioned on the tenant's payment of periodic rent into court. Currently, a tenant must continue to pay rent, either to the landlord or into a rent escrow account held by the court, until a judge decides whether a breach has occurred. If a tenant stops paying rent without a court's permission, they are in violation of their lease agreement. This is a reasonable policy that protects the landlord financially; rent escrow and breach of warranty of habitability court cases can take several weeks, if not longer. Not receiving rent during this time is unfair to the landlord and could be financially damaging, especially for private landlords and small businesses.

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