



House Bill 478

Committee: Judiciary Committee
Date: February 17, 2021
Position: Unfavorable

This testimony is offered on behalf of the Maryland Multi-Housing Association (MMHA). MMHA is a professional trade association established in 1996, whose members consist of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities. Our members house over 538,000 residents of the State of Maryland. MMHA also represents over 250 associate member companies who supply goods and services to the multi-housing industry.

House Bill 478 increases the surcharge amount from \$55 to \$75 that the State Court Administrator may assess as part of the Administrator's determination of the amount of court costs and charges in civil cases. Moreover, the bill increases the surcharge that the Chief Judge of the District Court may assess for summary ejectment cases and all other civil cases. Specifically, the bill increases the amount for summary ejectment cases from \$8 to \$13 and from \$18 to \$24 for civil cases.

By raising filing fees and barring landlords from collecting fees from tenants who have not paid their rent, House Bill 478 ensures that rent prices will be increased on *all* tenants. Pursuant to Maryland law, landlords' are provided with one option when a tenant fails to pay rent – file for eviction. When the price of eviction cannot be passed on to the tenants that have failed to pay their rent, the price is passed on through rent increases levied against tenants that have paid.

House Bill 478 solely precludes collection of surcharge fees for eviction cases. This selective and fundamentally unfair proposition will do nothing to stem the tide of future eviction filings. Instead of precluding landlords from collecting filing fees from tenants who have failed to pay their rent, the state should be focused on ensuring that rental assistance money is quickly and appropriately distributed.

In the midst of a pandemic that has resulted in unprecedented rent delinquencies, House Bill 478 increases eviction filing fees for cases that are not currently being scheduled. Pursuant to court guidance, and with respect to potential federal actions, eviction cases may not be scheduled until late 2021 at the earliest. Increasing filing fees and removing the ability to recoup those fees from tenants will do nothing to solve Maryland's current crisis.

To avoid increased rent prices for all tenants, MMHA offers the following amendment to House Bill 478:

On page 4, line 1, strike **"THE SURCHARGE FOR A SUMMARY EJECTMENT CASE UNDER § 2 8-401 OF THE REAL PROPERTY ARTICLE MAY NOT BE PASSED ON TO A TENANT BY THE COURT OR BY A LANDLORD."**

For the aforementioned reasons, MMHA respectfully requests an unfavorable report on House Bill 478.

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