

# Basic Tenant Protections Would Improve Housing Security for Maryland Renters

## Position Statement Supporting House Bill 86

*Given before the Environment and Transportation Committee*

During the COVID-19 public health crisis, Marylanders have been dealing with not only a highly contagious deadly virus but price inflation as well. In addition to financial assistance to stay in their homes, tenants need additional legal protections as landlords have been using loopholes in current laws to violate tenant rights<sup>1</sup>. **The Maryland Center on Economic Policy supports House Bill 86 because ensuring that Marylanders have basic tenant rights helps people stay in their homes, which is good for the state's economy.**

HB 86 contains several components that together would provide strong protections for Maryland families who rent. The bill contains the following:

- Requirement that landlords provide tenant a copy of utility bill and provide a breakdown of ratio utility billing for tenants that live in multi-unit dwelling buildings.
  - Under current law (outside Montgomery County and Baltimore City), people renting in a building with multiple apartments have no rights to see how their utility bill is calculated and divided between the different tenants. HB 86 requires that tenants have written notice explaining exactly which utilities they will be expected to pay and the exact method or formula for how these costs will be allocated. In addition, the bill requires landlords to provide new tenants with the average monthly cost for each utility in the prior calendar year. People who are already in a rental contract would gain the right to request information that would verify the accuracy of allocated utility bills – including past bills.
- Requirement that landlord provide a statement to a tenant if any portion of their security deposit is withheld for damages or unpaid balances.
  - Current law requires landlords only to itemize the amounts withheld from the released security deposit. HB 86 creates an additional obligation by which landlords would provide documentation for those withheld amounts. For instance, if a landlord were to withhold hundreds of dollars for carpet cleaning after the renter moved out, HB 86 would require that the landlord provide their former tenant an invoice or other documentation that substantiates the itemized carpet cleaning cost. Renters rely on the return of their security deposit and deserve to know, with the added certainty of documentation, why their former landlord deducted from the full deposit amount.

- Requirement that landlords of multi-unit apartment buildings allow tenants to assemble on property grounds free of charge for the purpose of tenant organizing meetings.
  - Except in Montgomery County, tenant organizations can be intimidated or effectively shut down when their landlords prohibit their use of common areas. HB 86 defines “tenant organization” and sets forth a right of tenant organizations to assemble freely in a meeting room.
  
- Clarifies Violence Against Women Act protections.
  - Currently, Maryland law limits the costs faced by a tenant who seeks early lease termination on grounds that they are a victim of domestic violence or sexual assault. HB 86 adds stalking as a third basis and expands the documentation standard to include a report by a “qualified third party” (physician, psychologist, social worker) that supports the renter’s assertion of domestic violence, sexual assault, or stalking. Additionally, HB 86 specifies that a tenant in one of these emergency circumstances is responsible for payment of rent *only* for the period between their delivery of notice to the landlord and the date on which they vacate, up to a maximum of 30 days.

Many Marylanders are still struggling financially and the COVID-19 pandemic is still surging at times, as with the current wave of the Omicron variant. HB 86 ensures that tenants have additional protections to be able to advocate and mediate directly with their landlords. If passed, the legislation will ensure that tenants are not being overcharged for utilities, that landlords are adhering to their lease by providing the tenant with a breakdown of applicable charges deducted from their security deposit, and that tenants have the right to assemble for tenant organizing, which is crucial during pandemic to ensure that resident concerns are being heard and addressed. In addition to the federal protections through the Violence Against Women Act, the bill also ensures that residents have state protections to prevent them from being penalized in the event of emergency and they must relocate during their lease term. **For these reasons, the Maryland Center on Economic Policy respectfully requests the Environment and Transportation Committee to make a favorable report on House Bill 86.**

### **Equity Impact Analysis: House Bill 86**

#### *Bill Summary*

A comprehensive tenant protection bill that requires the following:

- Requirement that landlords provide tenant a copy of utility bill and provide a breakdown of ratio utility billing for tenants that live in multi-unit dwelling buildings.
- Requirement that landlord provide a statement to a tenant if any portion of their security deposit is withheld for damages or unpaid balances.
- Requirement that landlords of multi-unit dwellings allow tenants to assembly on property grounds free of charge for the purpose of tenant organizing meetings.

- Requirement that landlord allows certain Violence Against Women Act (VAWA) protections such as allowing tenants to break their lease without penalty and not releasing tenant's information to third party sources without their prior authorization unless required by law or court order.

### *Background*

Many Marylanders are still struggling financially and the COVID-19 pandemic is still ongoing. HB 86 ensures that tenants have additional protections to be able to advocate and mediate directly with their landlords.

### *Equity Implications*

Maryland has a high cost of living with 74% of extremely low-income renters being cost burdened.<sup>ii</sup> As such, it is crucial that renters have some basic protections from unexpected and improperly calculated expenses. The more tenants can organize and mediate issues with their landlords, the less court actions need to be filed, thus relieving Maryland courts with unnecessary landlord tenant filings. Since Black and Brown Marylanders are most likely to rent, this comprehensive bill will mostly impact them the most allowing them to have additional tenant protections outside of rent relief during this pandemic and beyond.

### *Impact*

House Bill 86 will likely **improve racial and economic equity** in Maryland.

---

<sup>i</sup> Maryland Matters (2022) *Lawmakers Vow Renewed Push for Tenant Protections in 2022 Session* <https://www.marylandmatters.org/2022/01/07/lawmakers-vow-renewed-push-for-tenant-protections-in-2022-session/>

<sup>ii</sup> National Low Income Housing Coalition (2022) Needs By State <https://nlihc.org/housing-needs-by-state/maryland>