



House Bill 134 – Failure to Pay Rent Proceedings – Prohibition on Rent Increases and Sealing of Court Records

Position: Support with Amendment

Maryland REALTORS® support HB 134 with an amendment to increase the time period to two years, between a tenant’s exercise of their right of redemption and their ability to seal past records of a judgment of possession against them. The REALTORS® also recognize that a 90-day window is more realistic for an automatic court sealing.

As currently drafted, HB 134 would seek to make three changes. First, it would state that a landlord may not increase a tenant’s rent solely because a judgment was entered against them. Second, in a case when a judgment for possession is not granted in favor of the landlord, the bill would clarify that the court will seal that record within 60 days. Finally, the bill would also grant a tenant the right to seal a court record if at least a year has transpired between when a tenant exercised the right of redemption to avoid eviction after a judgment of possession has been granted.

The REALTORS® believe that a period of two years should be used between a tenant’s exercise of a right of redemption and the ability to seal a court record. Having two years of records allows a property manager to determine if an eviction action has been taken against a tenant in consecutive years. This helps a property manager or property owner know whether there is a pattern of nonpayment rather than just an unusual event or challenge a tenant was facing.

Given the current imbalance in the supply and demand of housing, tenants can face a more competitive environment when looking for property. Moreover, given a property manager’s duty to find the “best” tenant for the property, a tenant with a challenging tenant history can have trouble when competing with tenants who have better tenant histories or other qualifications. Certainly, increasing the supply of affordable housing would help address some of these issues.

Finally, the bill tacitly acknowledges the importance of a tenant history by prohibiting the shielding of tenant records for tenants that receive housing vouchers. Even government agencies recognize the importance of this information.

With these changes, the Maryland REALTORS® supports HB 134.

For more information contact bill.castelli@mdrealtor.org

Amendment:

On page 2, line 22, strike “60” and insert “90”

On page 2, line 31, strike “12” and insert “24”

