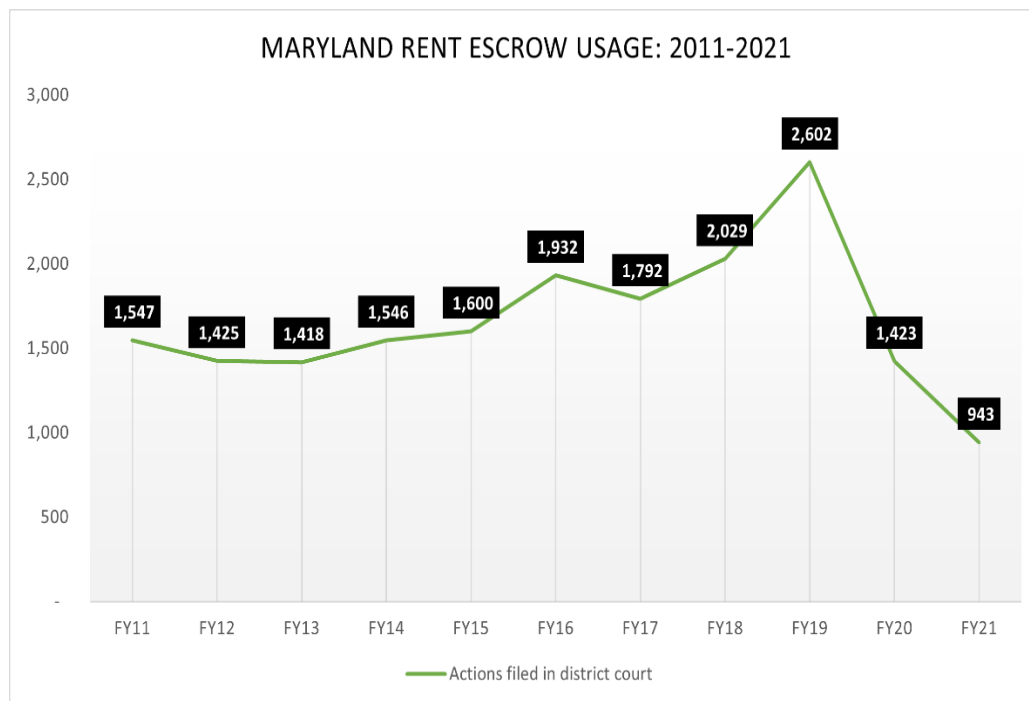


Protect Tenants' Rights to Safe, Healthy Housing

Position Statement Supporting House Bill 392

Given before the Environment and Transportation Committee

HB 392, the Tenant Justice Act, supports tenant organizing for better and safer housing conditions. As it stands, there are many more tenants suffering with uninhabitable living conditions than file for rent escrow. For many, the prospect of bringing an individual lawsuit raises fears of retaliation and abuse by unscrupulous landlords. For others, the filing fee and time missed from work are not possible on a lean budget. For others still, the intimidating prospect of facing off against landlords and judges makes them hesitate to pursue legal avenues for support. As the graph depicts below, these factors help to explain the paltry numbers of rent escrow actions filed by individual renters each year. **The Maryland Center on Economic Policy supports House Bill 392, because tenants have a right to safe housing conditions and should not fear retaliation from their landlord's for filing a court action against them.**



Data Source: Maryland Judiciary, <https://mdcourts.gov/district/about#stats>

HB 392 addresses such obstacles by introducing group standing and collective remedies to the rent escrow law. By allowing tenants to join their interests together, this bill would have an enormous impact on tenants' ability to organize quickly and efficiently to compel landlords to make potentially life-saving repairs. HB 392 would enable a single tenant to file a rent escrow case about building and unit conditions on behalf of multiple tenants or a tenants' association. The bill also ensures landlord accountability by enabling tenants to seek damages and attorney's fees from negligent landlords who refuse to make necessary repairs to uninhabitable conditions.

HB 392 mirrors an existing reform in New York City, one that routinely supports tenants in building collective power to organize for safe and healthy rentals:

- The bill supports tenant organizing for repairs to conditions that threaten life, health and safety.
 - The bill allows a single tenant or a group of tenants, incorporated or unincorporated, living on the same premises with the same landlord, to seek repairs, damages for unaddressed repairs, and attorney's fees.
 - In individual actions, tenants face a massive power imbalance when seeking necessary repairs from their landlords. In response to an individual escrow filing, landlords can, and do, refuse to act or refuse to extend a tenant's lease. Landlords can also easily harass individual tenants, file an eviction or unilaterally lock the tenant out, despite the fact that it is illegal to do so. In providing a collective option for seeking repairs through the courts and the added remedy of damages and attorney's fees, HB 392 reduces the likelihood of intimidation of individual tenants and ensures that those living in truly threatening housing conditions will have a fair shot at compelling negligent landlords to act in the interest of life, health and safety.
- The bill gives tenants more power to compel repairs by ensuring that tenants and courts hold negligent landlords accountable.
 - HB 392 ensures that tenants can hold landlords responsible for negligence and delay in a way that fully accounts for the harm they suffer living in substandard conditions. First, by providing groups of tenants with the opportunity to file together, tenants will be able to exert significantly more pressure on landlords to make repairs in the first place. Second, by permitting tenants to pursue damages against a landlord and "any other party that has control over the elements affected by the asserted defects or conditions" that fail to make repairs, landlords and their agents will be required to account for the actual harm caused by their refusals to make necessary repairs – a remedy that is much more persuasive than lost rental income alone. Finally, the attorney's fees provision makes it more likely that tenants will be able to get legal services.
- The bill allows tenants to address building or complex-wide conditions issues in a single case.
 - HB 392 also has the added benefit of allowing for resolution of tenants' conditions issues with the same landlord and increasing access to justice overall.
 - Currently, it is difficult for a group of tenants to bring an action against a landlord together. Instead, tenants on the same premises with the same landlord are generally required to file individual actions, with each tenant paying a filing fee, drafting a complaint and appearing in court. This process is particularly onerous for older and disabled renters, for whom it may be difficult travel to the courthouse on multiple occasions, and low-income renters, for whom taking three separate days off of work to go to court could risk their livelihoods. In addition, this process

requires judges to hear building or complex-wide conditions issues piecemeal and prevents them from assessing and addressing important safety issues in a single determination.

HB 392 instead provides tenants with better access to justice and judges with the opportunity to provide justice efficiently. **For these reasons, the Maryland Center on Economic Policy respectfully requests the Environmental and Transportation Committee to make a favorable report on House Bill 392.**

Equity Impact Analysis: House Bill 392

Bill Summary

HB 392 would enable a single tenant to file a rent escrow case about building and unit conditions on behalf of multiple tenants or a tenants' association. Moreover, the bill ensures landlord accountability by enabling tenants to seek damages and attorney's fees from negligent landlords who refuse to make necessary repairs to uninhabitable conditions.

Background

There are many more tenants suffering with uninhabitable living conditions than file for rent escrow. For many, the prospect of bringing an individual lawsuit raises insurmountable fear of retaliation and abuse by unscrupulous landlords. For others, the filing fee and time missed from work are infeasible on a lean budget. For others still, the intimidating prospect of facing off against landlords and judges chills their pursuit of a remedy.

HB 392 addresses such obstacles by introducing group standing and collective remedies to the rent escrow law. By allowing tenants to join their interests together, this bill would have an enormous impact on tenants' ability to organize quickly and efficiently to compel landlords to make potentially life-saving repairs. HB392 would enable a single tenant to file a rent escrow case about building and unit conditions on behalf of multiple tenants or a tenants' association. Moreover, the bill ensures landlord accountability by enabling tenants to seek damages and attorney's fees from negligent landlords who refuse to make necessary repairs to uninhabitable conditions.

Equity Implications

HB 392 mirrors an existing reform in New York City, one that routinely supports tenants in building collective power to organize for safe and healthy rentals. Black and low-income Marylanders are most likely to be renters in the state. As such, this bill will have a great impact on the most vulnerable residents in the state to ensure that they have safe housing conditions.

Impact

House Bill 449 will likely **improve racial and economic equity** in Maryland.