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January 24, 2023

To: The Honorable Kumar P. Barve
Chair, Environment and Transportation Committee

From: Kira Wilpone-Welborn, Assistant Attorney General
Consumer Protection Division

Re: House Bill 34 – Failure to Pay Rent Proceedings - Prohibition on Rent Increases and
Sealing of Court Records (SUPPORT)

The Consumer Protection Division of the Office of the Attorney General supports House Bill 34 without amendments sponsored by Delegate Terri L. Hill. House Bill 34 requires the District Court to seal any court record from a failure to pay rent proceeding within sixty days if judgment for possession is not awarded to the landlord. Moreover, House Bill 34 allows a tenant to petition for the sealing of a prior failure to pay rent action when a tenant redeems possession of the property, or as justice requires.

Presently, failure to pay rent actions are available for public inspection and reporting regardless of the disposition of the case. As a result, failure to pay rent actions often immediately appear on tenants' credit and other rental history records without the ultimate disposition and the circumstances surrounding such filing, which can have a catastrophic impact on consumers' access to housing and less expensive credit. As the Washington Post has reported, even when a tenant is successful in defending a failure to pay rent filing or has paid off any alleged debt and avoided a physical eviction, a tenant can still be denied subsequent rental housing due to the reporting of a prior eviction filing on credit reports and other background records, creating a constant cycle of housing insecurity.¹

House Bill 34 seeks to break this cycle of housing insecurity by sealing court records from a failure to pay rent proceeding when a judgment of possession is not awarded to a landlord, thus limiting the dissemination of inaccurate or incomplete information to landlords that would create barriers to tenants seeking housing.

¹ "The stimulus relieved short-term pain, but eviction's impact is a long haul" Washington Post, February 8, 2021.

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The Division understands that the Maryland Multi-Housing Association, Inc. proposed amendments to House Bill 34. The Consumer Protection Division supports House Bill 34 and requests the Environment and Transportation Committee provide a favorable report, without adoption of amendments, which, if added, could prevent a tenant from having outdated judgments sealed.

cc: The Honorable Terri L. Hill
Members, Environment and Transportation Committee