



House Bill 181– Failure to Pay Rent Proceedings – Prohibition on Rent Increases and Sealing of Court Records

Position: Support with Amendment

Maryland REALTORS® support HB 181 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 181 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 change does not remove the court’s ability to set a shorter period of time if the court determines there is good cause to shield the record. But at least the court would not automatically shield for less than 2 years without justification. 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, all tenants – whether they have a good or bad rental history – can have difficulty finding affordable rentals. Nevertheless, a property manager has a duty to find the “best” tenant for the property on behalf of the owner.

With these changes, the Maryland REALTORS® supports HB 181.

**For more information contact lisa.may@mdrealtor.org or
Christ.McGee@mdrealtor.org**

Amendment:

On page 2, line 20, strike “60” and insert “90”
On page 2, line 29, strike “12” and insert “24”

