

HOUSING JUSTICE 2023

emergency assistance. stability. safety. fairness.

As the Maryland General Assembly begins its 2023 session, **108,000** households are behind on rent amid rent gouging and economic uncertainty. Renters United Maryland is working with legislators and a new governor on four priorities for Maryland renters.



ASSISTANCE *Sustain emergency rental assistance.* Federal funds are running out and evictions are returning to pre-pandemic rates. We joined five county executives and 50+ organizations to ask for \$175 million in FY 24 to help over **17,000** households avoid eviction. Without significant investment, tens of thousands of predominantly Black and Latine families, who are still battered by the pandemic and an unstable economy, will likely face eviction.



STABILITY *Local Enabling Legislation for Just Cause Eviction.* Landlords often terminate tenancies when tenants organize for their rights, demand that repairs are made, or complain about violations of the law. “Just cause” laws protect tenants from this kind of retaliation and promote housing stability for tenants and neighborhoods. Del. Wilkins sponsored this bill (HB 881) in 2022.



SAFETY *The Tenant Safety Act* will allow groups of tenants to access a “rent escrow” process to collectively hold the landlord accountable for serious conditions of disrepair that threaten the lives, health and safety of multiple occupants with the same landlord.



FAIRNESS *Block Illegally Operating Landlords from Eviction Court.* (HB 36 Del. Lehman; SB 100 Sen. Hettleman). This bill would stop landlords who do not have an operating license from using the court to evict tenants in localities that have a licensing law. Licensing requires a periodic inspection and protects public health and safety. This bill passed by huge margins in 2022 but was vetoed by Gov. Hogan.

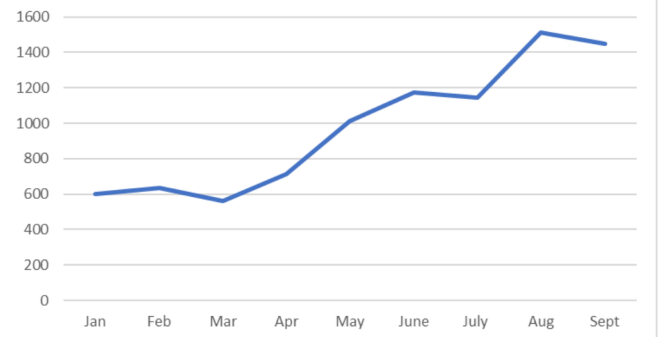
Sustain Emergency Rental Assistance

Renters United Maryland has joined Five County Executives and 50+ Organizations to ask the Governor and General Assembly for an allocation of \$175 million in FY 2024 for emergency rental assistance to help 17,000 Maryland families avoid eviction.

Federal COVID funds are quickly running out. With rents skyrocketing and an unstable pandemic economy, Maryland families need to ensure that an economic setback like a medical emergency or job loss does not end in a life-defining eviction.

- The United Way of Central Maryland estimates that \$175 million from Maryland's \$2 billion surplus will assist an estimated 17,000 Maryland families in avoiding eviction through emergency rental assistance and housing stability support services.
- Existing programs can assist families in avoiding eviction using best practices learned over the past few years including tenant protections and coordinating with the right to counsel in evictions implementation.
- Maryland also needs a workgroup to study best practices for more sustainable rental assistance going forward.

Monthly Evictions in Maryland in 2022



Evictions are nearing pre-pandemic highs and exceeding them in some months in Anne Arundel Co. & Baltimore City and other localities.

Women-led (70%) and Black-led (74%) households have benefited significantly from Maryland's current emergency rental assistance program and likely will be evicted at much higher rates unless the Governor and General Assembly take action. Eviction prevention supports gender and racial equity.

82,000+

Maryland households have avoided eviction since the start of the pandemic as a direct result of the state's emergency rental assistance programs.

\$30M

Spent each month in programs to prevent eviction but these vital programs will come to an abrupt stop around February 2023 as funds run out.

Rents skyrocketed during the pandemic (**19% increase in the Baltimore area**), and continued economic instability will lead to a spike in the number of families experiencing eviction and homelessness.

Anyone can find themselves temporarily unable to pay the rent due to a medical emergency, car accident, funeral, or job loss. The past two pandemic years have shown that economic setbacks do not have to become catastrophic evictions. With emergency rental assistance, right to counsel in evictions, and housing stability services, Maryland can create more equitable, sustainable housing.

Renters United Maryland is a coalition of advocates, organizers, policymakers and renters. To learn more about our work on these priorities and other legislation, visit www.rentersunitedmaryland.org

Local Enabling Legislation for Just Cause Eviction

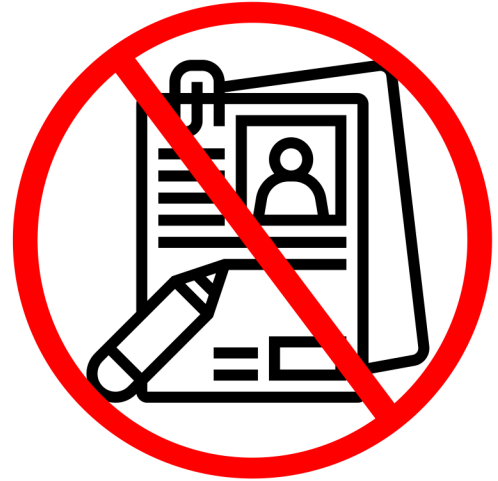
Delegate Jheanelle Wilkins

reference HB881 in 2022

When it comes to lease non-renewals, Maryland is a "no cause" state - that is, a landlord can decide to non-renew without any stated cause. This means that working people and their children face the constant threat of displacement, even when they follow all the rules, and must accept declining conditions and increasing rents just to stay in their communities.

This legislation enables Maryland counties to pass local "just cause" policies for lease non-renewals. "Just cause" means that a landlord may choose not to renew an expiring lease only if there is an acceptable basis for that decision. This bill gives local legislatures the power to decide what's acceptable and when.

Without this bill, jurisdictions like Montgomery County and Baltimore City face preemption challenges to their local efforts to stabilize rental housing through just cause policies.



During the COVID-19 pandemic, as court delays and emergency rental assistance slowed the pace of non-payment eviction filings, evictions based on lease non-renewal roughly doubled.

With more tenants organizing and demanding repair and safe, healthy living conditions, landlords have retaliated with unjust and discriminatory lease non-renewals.

Requiring just cause as a precondition for an eviction is a limited requirement which boosts the stability of the market by stabilizing families, neighborhoods, and communities to ensure that no one is arbitrarily deprived of their home.

Cities such as Oakland, Washington, DC, and Philadelphia have adopted just cause eviction policies. This legislation recognizes that local legislatures know how best to help their renters stay stably housed and able to contribute to the workforce and the economy.

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Tenant Safety Act: Create a legal tool for tenants to win repairs together

Delegate Vaughn Stewart

Under current state law, groups of tenant facing the same substandard living conditions with no intention from the landlord to remedy the situation are not able to file a collective rent escrow case or a class action case about conditions. Instead, they each individually have to file the action and are often filing without representation.

This legislation addresses two growing concerns of Maryland renters: (1) their need for safer housing conditions, and (2) the need to lower the barrier of entry to courts to address poor housing conditions. The bill will enable tenant groups with the same landlord to collectively file a single rent escrow case that would address all participating tenants' issues.

The bill would also increase court efficiency by compiling conditions issues related to a property owned by a particular landlord into a single proceeding and provide for attorney's fees so that tenant groups can obtain counsel to manage their collective cases.



The Proposed Law is Tried and True:

The proposed law is based on a tool that already exists in New York City, which allows tenants in a single building to file a single conditions action against their landlord.



Current Escrow Laws Are Inaccessible for Most Tenants:

The current law requires a tenant, unlike any other litigant, to pay in order to be heard in court. As a result, it is not fair to single out tenants when their challenge is about conditions, not their rent.



Poor Escrow Outcomes for Tenants:

Even when tenants are able to file, only 6 percent of cases result in reduced rent, according to a Baltimore Sun review of over 5,000 cases.



Bad Landlords Pay for Their Own Bad Behavior:

The bill provides for damages and attorney's fees so that landlords found liable under this proposed law are directly held accountable and required to reimburse renters.



Stop Illegally Operating Landlords From Using Eviction Court

Sponsors: Sen. Shelly Hettleman & Del. Mary Lehman
2023 Session HB 36 / SB 100



This bill would stop landlords who do not have an operating license from using streamlined court processes to evict tenants in localities that have a licensing law. Licensing laws protect public health and safety through periodic inspections. No landlord is above the law. The bill passed the 2022 General Assembly with a super majority but was vetoed by Governor Hogan.

All legitimate stakeholder concerns have been addressed. If a tenant causes the licensing failure, the landlord can move forward with the eviction case. Some landlords complain about code violations in their county and the effect on licensure, but responsible landlords have multiple tools to address code violations.

Licensing laws in 6 counties and other municipalities require landlords to pass a health and safety inspection. **When unlicensed landlords use eviction court, it encourages all landlords to ignore licensing laws and increases the risk of tenants being subjected to health and safety hazards.**

But, the Maryland Supreme Court held in *Velicky v. CopyCat* that landlords do not need to have a license when filing certain types of eviction cases called "Tenant Holding Over."

The number of Tenant Holding Over cases filed has risen in recent years – **a 116% increase from FY 2018 to FY 22.**

As the dissenters in *Velicky* recognized: "This loophole presents an obvious risk of danger to tenants, as unlicensed landlords may now use tenant holding over actions ... to recover rent and possession of property and lease the property again, with little incentive to eliminate hazards on the premises and obtain licenses."

Illegally operating landlords should not be able to use the court's streamlined eviction processes. This undermines licensing laws meant to require inspections and protect public health and safety. If a landlord does not have a license, they should get one. No landlord is above the law.