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February 2, 2023

Committee Chair Delegate Kumar P. Barve
Committee Vice-Chair Delegate Dana M. Stein
Environment and Transportation Committee
Room 251
House Office Building, 6 Bladen Street
Annapolis, Maryland 21401

**RE: Support for HB0151, Real Property – Residential Leases – Notification of Rent Increases
Hearing before the House Environment and Transportation Committee on February 7, 2023**

Position: Support (FAV)

Dear Honorable Members of the House Environment and Transportation Committee,

Thank you for the opportunity to submit testimony on behalf of the Baltimore Regional Housing Partnership (BRHP). I am writing to express our support for House Bill 151. HB0151 protects tenants from large rent increases (4% or larger) without at least 120 days' notice. This is a valuable protection for tenants already facing an affordability and rental supply crisis.

The Baltimore Regional Housing Partnership (BRHP) is a non-profit organization that expands housing choices for families with low incomes, who have historically been excluded from housing in well-resourced neighborhoods, helping them to access and transition successfully to safe, healthy, and economically vibrant communities. As the Regional Administrator for the Baltimore Housing Mobility Program, BRHP has opened pathways to a better future for low-income families for nearly 10 years. BRHP currently provides over 4,300 low-income families rental assistance in the form of the Housing Choice Voucher and couples that with counseling supports for families as they move from areas of concentrated poverty to areas of opportunity in Baltimore City and the five surrounding counties.

BRHP is dedicated to helping achieve racially and socially equitable public policy that ensures low-income families have access to quality and affordable homes in communities of their choice. Amid Maryland's scarce affordable rental housing, renters are fortunate to find a home that they can afford. **We support House Bill 151 because with uncontrolled rent increases, a household's employment, schooling, access to healthcare, or familial and community connections become disrupted.** This legislation provides a targeted, practical tool to maintain affordable rents in existing affordable housing stock.

BRHP administers two types of rental assistance programs through the Baltimore Housing Mobility Program, a Housing Choice Voucher Program: tenant-based vouchers and project-

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based vouchers. With both assisted and unassisted renter households, landlords have the ability to significantly increase rents with as little as 30 days notice. A household facing a choice of paying a significantly increased rent or opting to move with less than 30 days notice, has few good options. Affordability of rents is at an all-time low, and the supply of available units is not keeping pace with market demands. A last-minute move, an event that BRHP works hard to avoid through the counseling it provides, can have major impacts on employment, schooling, and even health. HB 151 will allow all tenants an opportunity to make an informed and thoughtful choice when facing a steep rent increase by allowing them ample time to move should they deem the proposed rent increase unaffordable.

Background

As summarized in the 2020 Maryland Housing Needs Assessment, nearly half of all Maryland renter households (335,000 out of 716,000) are “cost burdened,” meaning they pay more than 30% of their income on housing. Among cost-burdened renter households, half are “severely” burdened, paying more than 50% of their income toward housing costs. Montgomery, Prince George’s, Baltimore counties and Baltimore City account for almost 70% of Maryland’s severely cost-burdened households.¹ Requiring a 120-day notice period for significant rent increases, as House Bill 151 does, will allow households who may face additional cost burden the opportunity to better consider their options and may lead to lower overall rent burden in the state.

Assuming that “Maryland’s income distribution across households remains largely unchanged over the next 10 years,” the Housing Needs Assessment projects that by 2030, Marylanders “will fall into one of two main income groups: 1) extremely and very low-income households (97,166 households) and 2) moderate- and high-income households (111,620 households).” The report estimates that among extremely and very low-income households, most new households “will face increased competition for a small number of affordable homes and high rates of cost-burden, if affordable units aren’t available” over the course of this decade. Although new production provides one key solution to unaffordability, we recognize the financial and political impediments to building affordable housing at the level that Maryland needs. In the meantime, Maryland renters live in constant jeopardy of rent hikes. In 2020, the prospect of harmful rent increases in Maryland’s housing market, amid a public health crisis, necessitated that localities pass temporary rent increase restriction laws in Baltimore City, Anne Arundel County, Montgomery County, Howard County, and Prince George’s County. **Since the expiration of those local laws, rents increased by 9.6 percent year-over-year, as of January 2023.**

Equity Implications

Prior to the pandemic, our country was in the grips of a pervasive affordable housing crisis, most severely impacting our most marginalized and low-income people, including seniors, people with disabilities, families with children, and black communities. Blacks or African Americans have one of the lowest levels of household income both in Maryland and nationally when comparing income

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levels by race or ethnicity. Furthermore, data regarding renters and general median income demographics indicate that renters in Maryland are more likely to be minority, low-income, or spend a disproportionate amount of income on rent.ⁱⁱⁱ Maryland is projected to add over 97,000 very to extremely low-income households between 2020 and 2030, which was estimated prior to the impact of the COVID-19 pandemic^{iv}. **Without the expedition to create and preserve affordable units, Maryland's housing shortage will worsen along with disparities on all fronts. HB 151 is a necessary tool that will stop punitive rent increases and protect marginalized, low-income families from sudden spikes of rent, and the detrimental ramifications that follow.**

BRHP appreciates your consideration and **urges the Committee to issue a favorable report for HB 151.**

Sincerely,

Adria Crutchfield
Executive Director
Baltimore Regional Housing Partnership

ⁱ National Center for Smart Growth and Enterprise Community Partners, Inc., 2020 Maryland Housing Needs Assessment & 10-Year Strategic Plan 23 (Dec. 2020), <https://dhcd.maryland.gov/Documents/Other%20Publications/Report.pdf>.

ⁱⁱⁱ U.S. Census Bureau, American Community Survey, 1-Year Estimates, 2021.

^{iv} *Id.*

