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February 28, 2024

Senator William C. Smith, Jr., Chair
Senator Jeff Waldstreicher, Vice Chair
2 East
Miller Senate Office Building
Annapolis, Maryland 21401

RE: Support for Senate Bill 481 – Renters' Rights and Stabilization Act of 2024

Hearing before the Judicial Proceedings Committee on February 29, 2024

Position: Support (FAV)

Dear Honorable Members of the Judicial Proceedings Committee,

We appreciate the opportunity to submit testimony on behalf of the Baltimore Regional Housing Partnership (BRHP). I am writing to express our strong support for Senate Bill 481.

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 over 10 years. BRHP currently provides over 4,300 low-income families rental assistance in the form of the Housing Choice Voucher, coupled 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. In our work, we have witnessed firsthand the challenges and disparities faced by tenants in Maryland, and we believe that this bill addresses many of these challenges and has the potential to benefit countless Maryland residents.

Eviction-Related Equity Implications





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Due to pandemic-related eviction moratoriums, the state of Maryland reported record low eviction rates in 2020, 2021, and 2022—a total of over 23,000 evictions combined across three years, averaging roughly 8,000 evictions per year, according to the District Court of Maryland Criminal Case Activity report. Between January 2023 and September 2023, following the end of pandemic-era eviction protections, the number of evictions had nearly doubled, with over 16,000 evictions across the state.

Evictions disproportionately affect renters of color and families with young children. According to the Princeton University Eviction Lab, over half of eviction filings are against Black renters, even though only 18.8% of renters in America identify as Black. Moreover, the rate of risk of eviction is nearly doubled for households with children compared to households without children. The increased risk of eviction for marginalized communities shows that swift action should be taken to address how evictions are sought.

Additionally, the Eviction Lab finds that states and counties with higher eviction filing fees have lower overall eviction filing rates; Maryland, with an eviction filing rate higher than the national average, has one of the lowest eviction filing fee costs in the country. In comparison, states with high eviction filing fees often have eviction filing rates much lower than the national average. Eviction Lab cites Alabama as an example: in 2018, the average eviction filing fee was \$276, while the eviction filing rate was under 4% statewide.

By increasing surcharges for certain landlord-tenant cases and directing these funds to the Statewide Rental Assistance Voucher Program and the Maryland Legal Services Corporation Fund, this bill not only takes a vital, proven step toward helping promote stable tenancies and lower eviction rates, but also ensures that more resources are available to support tenants in need and to provide legal assistance.

Establishment of the Office of Tenants' Rights

We commend this bill on the proposal to create the Office of Tenants' Rights within the Department of Housing and Community Development and believe the office will play a critical role in helping educate and advocate for Maryland tenants. This office will serve as a vital resource for tenants, providing them with the information and support needed to navigate the complexities of tenancy laws and to advocate for their rights effectively; coupled with raising the eviction filing fee, we believe that these efforts will help Maryland renters understand and maintain stable, long-term tenancies. Further, the role of the office in reporting and addressing violations of renters' rights is a crucial part of ensuring that the provisions of this bill will be enforced, and that those violating fair housing practices are held accountable.

Tenants' Bill of Rights

The Baltimore Regional Housing Partnership is an equal housing opportunity provider.





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We appreciate and support the creation of a Maryland Tenants' Bill of Rights. This document will help ensure that all renters are aware of their rights, locally and federally, thereby boasting understanding of and transparency around habitability standards, security deposit regulations, eviction procedures, and anti-discrimination protections. Moreover, we commend the bill for aiming to make materials not only broadly available but also dispersed in engaging and accessible formats. Including the Bill of Rights in each residential lease will further ensure that all renters are aware of their rights and will serve as a reference for clients and landlords throughout the duration of a tenancy.

Limitation on Security Deposits

By limiting security deposits to one month's rent, Senate Bill 481 addresses a critical barrier to housing accessibility. High security deposits can be a significant barrier to entry for many renters; security deposits in excess of one month's rent can both outprice units for renters, which can exclude renters from certain homes and neighborhoods, and can otherwise cause financial hardships that may impact other aspects of the move process and the tenant's ability to adjust smoothly to a new home. By capping security deposits at one month's rent, the bill helps lower the upfront costs associated with moving into a new rental unit, promotes equal housing opportunity for all renters, and ensures that the security deposit serves its intended purpose—providing a reasonable safeguard against damages—without becoming a prohibitive cost for tenants.

Statewide Rental Assistance Voucher Program

BRHP strongly supports Senate Bill 481's modification of the Maryland Rental Assistance Voucher Program to provide prioritization of vouchers for families with children under the age of five and for pregnant individuals. Over half of the more than 14,000 individuals in the Baltimore Housing Mobility Program are children, with many participants being 8 years of age or younger, a prioritization in our own program that acknowledges the impact of strong housing opportunities from a young age.

Substantiated by myriad research studies, including the seminal Moving to Opportunity study and, most recently, the Mobility Asthma Project (MAP), published in the Journal of the American Medical Association, receiving housing assistance in the form of a housing voucher has profound impacts on the health, educational, and financial outcomes of children; these effects are especially impactful when interventions are sought at a young age. For instance, as evidenced in the Moving to Opportunity study, children under the age of 13 participating in a voucher program who moved from high-poverty to low-poverty neighborhoods were more likely to attend college, had higher incomes in their mid-twenties, and were more likely to live in low-poverty neighborhoods as adults.





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Similarly, research by Rice University professor Anna Rhodes finds that the social impact of housing mobility is strongest when families move with young children. According to her study, children moving at a young age were more likely to socially and educationally integrate into their new neighborhoods—making friends with other children in the neighborhood, joining extracurricular activities in the area, and experiencing an overall greater sense of neighborhood inclusion when compared to families with children moving at a later age. As Harvard University researcher Raj Chetty finds, the connections made at a young age go on to play a vital role in promoting economic mobility for families. Moreover, the MAP study finds that moving to low-poverty areas at a young age can play a critical role in promoting child health and long-term effects on lung growth and function. Given these findings, in addition to BRHP's experience administrating the third largest voucher program in the region, we strongly support the proposed prioritization of voucher allocation for families with young children.

Pathways to Homeownership

Finally, BRHP commends SB 481's proposed changes to allow current tenants to have the right of first refusal to purchase a property. We support the expansion of homeownership opportunities for lower income bands and believe that renters and tenants, particularly those with long-term, healthy tenancies, should have the option to easily transition from making on-time rental payments to making timely mortgage payments, rather than being displaced or destabilized from an unexpected sale.

We appreciate your consideration and urge the Committee to issue a favorable report for SB 481.

Sincerely,

Adria Crutchfield

Executive Director

