

SB 291 A STAFF MEASURE SUMMARY
Senate Committee On Housing and Development

Carrier: Sen. Patterson

Action Date: 03/11/21
Action: Do pass with amendments. (Printed A-Eng.)
Vote: 3-1-1-0
Yeas: 3 - Golden, Jama, Patterson
Nays: 1 - Anderson
Exc: 1 - Linthicum
Fiscal: Has minimal fiscal impact
Revenue: No revenue impact
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Meeting Dates: 2/11, 3/11

WHAT THE MEASURE DOES:

Reduces tenant screening criteria that may be used to deny rental applications and expands circumstances where landlords are required to provide applicants with certain information. Requires landlords to conduct individualized assessment of applications before issuing denial that incorporates supplemental evidence that would lead to denial. Requires landlords to provide rejected applicants with written statement of reasons. Prohibits landlords from considering previous arrests if applicants entered into a diversion program or received a deferred judgment.

ISSUES DISCUSSED:

- Impacts on supply of landlords
- Barriers to housing associated with criminal records
- Implementation costs
- Safety and personal privacy
- Alignment with federal guidance on individualized assessments
- Pros and cons of opt-in and opt-out individualized assessments

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

Landlords are currently restricted from considering certain information when evaluating rental applications and application screening fees are limited. Before processing rental applications and receiving associated fees, landlords must provide applicants with written notice of: the fee amount; the criteria and process used to screen applications (such as, what credit check company will be used, whether criminal records will be considered, and whether previous employers or landlords will be contacted); and information about applicants' rights to dispute information disclosed as part of the screening process that they believe is not accurate. Landlords are also currently required to furnish a written explanation of application denials upon request.

Senate Bill 291 A further restricts the information a landlord may consider when screening rental applications that may be used to reject the applicant, and increases circumstances under which landlords are required to provide applicants with certain information. The measure prevents landlords from considering previous arrests if an applicant is currently participating in a diversion program or has received a deferred judgment. The measure also prohibits landlords from rejecting applications outright, and instead requires an individualized assessment to obtain additional detail about information on a rental application that might result in rejection. Also, if a landlord rejects an application, the measure requires the landlord to explain why, in writing, within 14 days, to include: the name of the consumer credit or other companies used to screen applications, how to contest the accuracy of

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information such companies have provided, and the reasons why supplemental evidence provided by the applicant was insufficient to prevent denial. Finally, Senate Bill 291 A requires landlords to provide applicants with written notice of any federal, state, or local nondiscrimination policies before accepting applications or payment of fees.