



December 4, 2023

Good evening,

I am here representing the Howard County Citizens Association, which is a proud member of the Rent Stabilization Coalition. We are testifying for amendments on Council Bill 44-2023, a bill of utmost importance that aims to regulate rental increases in Howard County.

At the outset, HCCA fully supports the implementation of a rent cap at 3% or the Consumer Price Index increase, whichever is lower. It is imperative to understand that in Howard County, where the cost of living is already steep, allowing rent increases at the lesser of CPI plus 5 percent or 10 percent would significantly burden our residents. Such a measure would not only exacerbate the affordability crisis but could also deteriorate living conditions, as landlords might be incentivized to renew leases annually to maximize rent hikes. While longer-term leases might benefit some renters, they are less likely to be offered by landlords in a high-demand housing market like ours.

Moreover, we insist that surcharge provisions must incorporate strict prohibitions against gold-plating. Landlords seeking capital improvement allowances should be held to stringent standards of need, prudence, and cost-effectiveness. This ensures that any increases in rent are genuinely justified by improvements to prevent unnecessary financial burden to tenants.

HCCA is particularly concerned about the Fair Return provision that, when combined with annual rent increases, could result in a cumulative effect, piling one increase upon another, thus escalating living costs uncontrollably.

Furthermore, we strongly advocate for the elimination of all exemptions. The current bill proposes a broad 20-year exemption that would exclude a significant portion of Howard County's rental units, many of which were constructed in the last two decades. This is alarming, especially as we anticipate the development of thousands of new units that will be devoid of reasonable protections if this exemption stands. Similarly, the exemption for properties with five units or fewer could lead to a segmentation of the market that undermines the bill's intent.

Council Bill 44-2023 is, at its core, a consumer protection measure. A cap of 10 percent, when coupled with a 20-year exemption, will not suffice in safeguarding the interests of those who are most in need of these protections. We must not allow a rental market

where there is even the slightest chance for property owners to collude to fix rents or where a monopolistic control could be exerted by a few.

Lastly, the absence of vacancy control in this bill is a glaring oversight. Without vacancy control, landlords can raise rents to exorbitant levels between tenancies, effectively circumventing the spirit of this legislation. We advocate for a system that limits rent increases from one tenant to the next, ensuring a fair and stable housing market for all.

In conclusion, while Council Bill 44-2023 takes steps towards addressing the rental crisis in Howard County, the HCCA believes it falls short of providing comprehensive protections. We must ensure that every clause, every exemption, and every provision serves the greater good of our community, not just today but for decades to come. We urge the council to amend this bill to reflect the needs of all Howard County residents.

Thank you for your time and consideration.