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# Attorney General Brown Steps Up Fair Housing Enforcement as Federal Government Diminishes Civil Rights Enforcement

Three Major Fair Housing Settlements Announced

**BALTIMORE, MD** (May 20, 2025) – Attorney General Anthony G. Brown today announced his vigorous enforcement of Maryland and federal fair housing laws to ensure that all Marylanders have access to housing free from discrimination. These efforts come at a time when the federal government has become hostile to civil rights and federal agencies have abandoned fair housing initiatives.

"Everyone deserves an equal opportunity to lease an apartment, regardless of whether they have a criminal record or use a voucher to help pay their rent," **said Attorney General Brown**. "Each of these cases shows our Office's dedication to protecting Marylanders' housing rights, regardless of the priorities of the federal government."

Attorney General Brown's efforts include three major settlements from the Civil Rights Division addressing housing discrimination across the state. These settlements are designed to ensure that people who use a housing voucher, including an emergency voucher, have equal access to the housing market, and address the racially discriminatory impact of a tenant screening policy that excludes people with a felony conviction regardless of the nature of the offense, the age of the conviction, or evidence of rehabilitation.

These settlements will open up housing opportunities for thousands of Maryland residents, reduce homelessness, and promote housing stability. They demonstrate that Marylanders are protected by state and federal law regardless of the policies or priorities of the federal government.

The Civil Rights Division was able to achieve a settlement in each of these cases during the course of its investigation. In each case, upon notification from the Civil Rights Division, the companies involved took steps to address the challenged practices before a final settlement was reached.

## **Maryland Management Company Settlement**

A <u>settlement</u> has been reached with Maryland Management Company, Inc. to resolve an investigation into source of income discrimination. The settlement addressed Maryland Management's policy of declining to cooperate with emergency rental assistance programs.

Under the agreement, Maryland Management will:

- Pay \$90,000 to set up a fund for people who may have been evicted or denied housing because of this practice;
  - Pay a \$90,000 civil penalty;
  - Create new policies to ensure they accept all legal forms of income; and
  - Provide fair housing training to all staff.

#### **Habitat America Settlement**

A second <u>settlement</u> involves Habitat America, LLC and The Commons of Avalon TH, LLLP concerning source of income discrimination at a Frederick, Maryland apartment complex.

The investigation found that tenants using housing vouchers faced higher rent increases than other tenants. Working together, the Civil Rights Division and Maryland Commission on Civil Rights found that this practice violated state fair housing laws.

Under the agreement, the companies will:

- Reimburse affected households for excess rent they paid;
- Pay up to \$2,500 per household in additional damages;
- Pay \$105,000 in civil penalties;
- Update their policies and train staff on fair housing laws; and
- Provide regular reports on their rental practices

# **American Management Settlement**

In a third action, the Civil Rights Division reached an agreement with American Management II, LLC to address alleged discriminatory tenant screening practices. This settlement was previously announced by <u>press release</u> on April 7, 2025.

The company's rental applications stated that people with felony convictions could not apply for housing. This language could exclude people with past justice system involvement and has a disproportionate impact on communities of color.

As part of the settlement, the company agreed to:

- Adopt a new screening policy that looks at individual circumstances rather than using blanket bans;
- Waive application fees for people with felony convictions for two years; and
- Pay \$25,000 in civil penalties

## Amicus Participation Hare v. David S. Brown Enterprises

The Civil Rights Division filed a brief and argued before the Maryland Supreme Court as amicus in *Hare v. David S. Brown Enterprises*. The case addresses the question of whether a minimum income requirement of two and a half times the rental amount discriminates against voucher tenants. The policy of the housing provider has the impact of excluding nearly 80% of people who use a voucher, despite that the voucher portion of the rent is paid directly to the landlord by the government. This is a widespread practice that undermines the anti-discrimination provisions

of Maryland law. More than 50,000 Maryland households use a federal voucher to pay their rent and thousands more use a state-funded voucher. The vast majority are seniors, people with disabilities, and families with children. Vouchers are one of the state's most potent tools in fighting homelessness and reducing concentrated areas of poverty.

The Civil Rights Division was established to protect the rights of Maryland residents and promote equal opportunity across housing, employment, and public services. The division investigates potential violations of civil rights laws and resolves them through policy reform, education, and settlement where appropriate. To contact our Civil Rights Office, please email <a href="mailto:civilrights@oag.state.md.us">civilrights@oag.state.md.us</a>, or call 410-576-6300 or 888-743-0023 toll-free. Reports of civil rights violations can be made to the Division by completing the Civil Rights Complaint Form.

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