



***JUDICIARY COMMITTEE
HOUSE BILL 1826
AUGUST 29, 2022***

***Testimony Provided By:
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**PA House Judiciary Committee Hearing
Re: House Bill 1826
August 29, 2022**

Good morning, Chairman Kauffman and members of the Judiciary Committee my name is Andre Del Valle and I am the Vice President of Government Affairs for the Pennsylvania Apartment Association representing over 273,000 units and 300 property management companies across the Commonwealth.

I'd like to thank this committee for the opportunity to share testimony on House Bill 1826 on the expansion of a clean slate. It should be known that our apartment owners and managers do not seek out opportunities to evict residents, and just as evictions are unfortunately a necessary part of doing business, eviction screenings are an essential function which helps owners and operators mitigate risk and ensure safety and security.

At the onset of this pandemic our members organized and implemented crisis response procedures to ensure our buildings were cleaned and sanitized daily while proactively closing pools, gyms, and other amenities to limit the spread of the COVID-19 virus. Many of our members proactively met with residents who were facing financial hardships and began creating (and to this day continue to make) payment plan agreements, and once American Rescue Plan funds were made available, urged tenants to apply for these funds made available. These Emergency Rental Assistance funds assisted landlords who had not received payments in over a year and a half, while also assisting tenants by ensuring their arrears were paid off given, they had the ability to pay up to 12 months back and 6 months forward for any rent or utilities.

In the wake of Hurricane Ida PAA and its members worked closely with the State Department of Human Services, and the American Red Cross on relocation efforts for flood victims gathering supplies and identifying units across the Commonwealth. In the wake of this tragedy and displacement, PAA also created the PAA Assistance Program that will be activated in the event of any natural disaster to assist with resident resettlement efforts, while donating much needed supplies generously donated by our members. Just weeks after Hurricane Ida struck PA, we began assisting with resettlement efforts for Afghan refugees the Department of Homeland Security, the Office of Immigrant Affairs, the Nationalities Services Center as well as elected officials across all levels of government as we welcome across Pennsylvania.

Housing providers have criteria that are used to screen potential residents, which may include criminal screening. Some companies when it comes to reviewing applications have an entire panel of executives who consider the application and take all factors into account when accepting or denying an application. We do this due to Fair Housing requirements and want to ensure our members are complying. For example, if a resident applies and was flagged for an eviction that occurred 20 years ago, our members will proactively review the applicant's current situation and likely take the resident. Our members proactively do not look at periods of economic hardship related to the COVID 19 pandemic or 2008's economic crash as a reason to deny an applicant.

A criminal background check is one, yet important part, of the overall resident screening process. Criminal record screening is an essential function which helps owners and operators mitigate risk and ensure the safety and security of residents and community staff. Apartment owners and managers need the ability to fully evaluate an applicant because they depend on responsible renters to be able to properly manage their businesses.

Owners and operators need full access to a complete and accurate applicant history of an applicant without limitation on pending or previous filings. Any limitation on the ability to review pending or previous filings would be a significant detriment to the owners' review process. In some jurisdictions, rental housing providers are obligated under nuisance abatement ordinances to screen and/or evict individuals who engage in criminal behavior on the property or in activity that increases the need for response from law enforcement.

Restricting a prospective tenants record as found in House Bill 1826 raise a number of concerns as these restrictions on criminal record screening interfere with housing providers' ability to protect apartment residents, employees and their communities. The Pennsylvania Apartment Association opposes all efforts to prohibit apartment owners and operators from evaluating a prospective resident's criminal history as part of the overall screening process.

For these reasons we are opposed to the legislation as introduced. Thank you for the opportunity to submit our testimony today.

Pennsylvania

Pennsylvania apartments and their residents contribute **\$72.1B** to the state economy annually, supporting **382.2K** jobs.

910.0K

Apartment Residents

Spending from Pennsylvania's apartment residents contributes **\$63.9B** to the local economy each year (including **\$6.1B** in taxes), creating **356K** jobs.

62%

Share of Pennsylvania's Apartments Built Before 1980

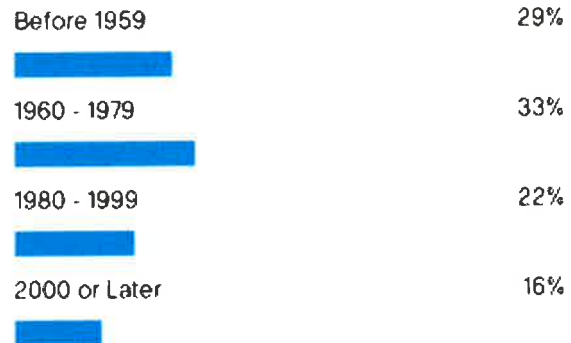
The renovation and repair of apartments helps preserve Pennsylvania's older more affordable units, contributing **\$2B** to the local economy annually and creating **8K** jobs.

650.0K

Apartment Homes

The operation of Pennsylvania's apartment homes contributes **\$4.9B** to the local economy each year (including **\$940.9M** in property taxes), creating **10K** jobs.

Age of Stock



5K

New Apartments Needed Annually

Apartment demand is growing and the industry needs to keep up. However, producing enough new apartments to meet demand requires new development approaches, more incentives and fewer restrictions.

Pennsylvania needs to build **5K** new apartment homes each year to meet demand. Apartment construction contributes **\$1.7B** to Pennsylvania's economy annually, creating **9K** jobs.



Source: Hoyt Advisory Services, NPHC/NAA 2020 American Community Survey, U.S. Census Bureau