COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND 2024 Legislative Session

Bill No.	CB-089-2024						
Chapter No	47						
Proposed and Presented byThe Chair (by request - County Executive)							
Introduced by	_Council Members Ivey, Olson, Blegay, Fisher, Oriadha, Watson, Dernoga,						
Hawkins and Harrison							
Co-Sponsors							
Date of Introdu	ction October 15, 2024						
BILL							
AN ACT concern							
	Rental Housing Licenses						
For the purpose of allowing the Department to require proof of a license exemption pursuant to							
Section 13-181, the suspension of a license for a violation of Subtitle, 4 Subtitle 5, Subtitle 11,							
Subtitle 13, or Subtitle 27, of this Code, deny the issuance of a rental license for failure to have a							
-	cy Permit, increase the fines for violation of this Section, and allow for the						
issuance of administrative citations and administrative Hearings.							
BY adding and reenacting with amendments:							
	SUBTITLE 13. HOUSING AND PROPOERTY						
	STANDARDS.						
	Sections 13-181, 13-184, 13-186, 13-187, and 13-						
	1133.						
	The Prince George's County Code						
	(2023 Edition).						
SECTION 1. BE IT ENACTED by the County Council of Prince George's County,							
Maryland, that Sections 13-181, 13-184, 13-186, 13-187, and 13-1133 of the Prince George's							
County Code be and the same are hereby added and reenacted with the following amendments:							
SUBTITLE 13. HOUSING AND PROPERTY STANDARDS.							
DIVISION 4. RENTAL HOUSING.							
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- (a) No person shall conduct or operate or cause to be operated either as owner, lessee, agent, or in any other capacity within the County any single-family rental facility or any multifamily rental facility as defined in Section 13-138(a) without having first obtained a license as provided in this Division.
- (b) Implementation of this Division shall be established by procedures adopted by the Director.
- (c) Notwithstanding the provisions of Subsection (a), above, no license shall be required for a single-family rental facility in any of the following circumstances[:]. <u>Documentation of the license exemption must be provided to and accepted by the Department for the provisions below.</u>
- (1) If the tenant is the landlord's parent, son, daughter, sibling, grandchild, grandparent, or in-law;
- (2) If the landlord is an active member of any branch of the United States Armed Forces, Diplomatic Corps, or Foreign Service who maintains the subject property as her or his domicile and permanent residence; or
- (3) If the landlord has been relocated for employment or education, maintains the subject property as her or his domicile and permanent residence, and the subject property has not been leased for more than two (2) consecutive years; or
- (4) If a buyer or a seller of a single-family dwelling enters into a Pre-Settlement Occupancy Agreement and/or a Post-Settlement Occupancy Agreement.

Sec. 13-184. License issuance or denial.

- (a) When the Director finds that the requirements of the Housing Code have been met, a license certifying such facts shall be issued.
- (b) If the Director finds that the requirements of the Housing Code have not been met, a written denial specifying the defects shall be transmitted to the applicant.
- (c) If the Director finds that a Use and Occupancy Permit, pursuant to Subtitle 27 of the Zoning Ordnance, has not been issued, a rental license shall be denied and a written denial shall be transmitted to the applicant in writing.
- Sec. 13-186. Termination of license on change of ownership; procedures for a new license; penalties for failure to apply; term of license.
- (a) A license issued under this Division is not transferable and terminates upon change of ownership.

- (b) The purchaser of a licensed single-family or multifamily rental facility may conduct/operate the property provided an application for a new license is applied for within 30 days following settlement.
- (c) A license issued under this Division is not required where a buyer and a seller of a single-family dwelling enter into a Pre-Settlement Occupancy Agreement and/or a Post-Settlement Occupancy Agreement.
- (d) If a purchaser fails to apply for a new license as required in Subsection (b) of this Section or Use and Occupancy Permit as required by Subtitle 27, the Zoning Ordinance, a penalty of up to [One Thousand Dollars (\$1,000)] Five Thousand Dollars (\$5,000) for each month, or portion thereof, the single-family or multifamily rental facility was operated and/or occupied without a valid license will be assessed.
- (e) The term for a new license shall begin on the date the application with appropriate fee was received by the Director.
- (f) The term for the initial single-family rental facility license shall begin on the date the license was issued by the Director.

Sec. 13-187. - License suspension or revocation; procedure; revalidation and reissuance

- (a) A license once issued or reissued may be suspended or revoked upon a finding by the Director that one (1) or more of the requirements of [this Code,] Subtitle, 4 Subtitle 5, Subtitle 11, Subtitle 13, or Subtitle 27, of this Code have [has] been violated, where the violations constitute a serious threat to the health and safety of the occupants, or upon the unreasonable failure of the licensee to comply with a notice of violation. A license is not required where a buyer and a seller of a single-family dwelling enter into a Pre-Settlement Occupancy Agreement and/or a Post-Settlement Occupancy Agreement.
- (1) A license may be suspended immediately without hearing upon written notice to the landlord setting forth the grounds for the suspension. The suspension shall terminate and the license shall be revalidated immediately upon correction by the landlord of the violations causing the suspension. The suspension shall expire and the license shall automatically be revalidated in thirty (30) days unless, during that period, the Director initiates action to revoke the license by sending notice of hearing as provided in subparagraph (2), below.
- (2) No license shall be revoked hereunder without the Director first holding a hearing pursuant to Subtitle 13, Division 15 to consider the action and giving the licensee at least five (5)

working days written notice of the time, place, and date of the hearing. The notice shall set forth the grounds for the revocation. Once a license has been revoked, the Director may proceed with appropriate enforcement action as provided.

- (b) Reissuance of a license that has been revoked, or denied upon application for renewal, shall be subject to payment of the full amount of the applicable license and inspection fee except that, at the discretion of the Director, the license may be reissued on a six (6) month basis. When an inspection confirms that a property on a six (6) month licensing schedule is being maintained to Code standards it shall then be placed on an annual licensing schedule for a period not to exceed three (3) years. The fee for such six (6) month or annual license shall be the same as normally required for a two year license and shall double, progressively, for any subsequent denial or revocation which may occur prior to expiration of the six (6) month or three (3) year annual licensing term. Such a decision of the Director may be appealed to the Administrative Hearing Unit established by Division 15 of this Subtitle if filed within thirty (30) calendar days.
- (c) When a license has been suspended or revoked or an application for a license has been denied, it shall be unlawful for the licensee or any person to let for occupancy or use any dwelling unit then vacant or becoming vacant until a license has been reissued or revalidated.
- (d) Upon suspension, revocation, denial, or expiration of a license, a notice, provided by the Department of Permitting, Inspections, and Enforcement, shall be posted and publicly displayed in the rental office or upon the property, as the Director determines, which shall state as follows:

"OCCUPANCY OF ANY DWELLING UNIT IN THIS BUILDING/PROJECT NOW VACANT OR BECOMING VACANT IS UNLAWFUL UNTIL A LICENSE TO OPERATE HAS BEEN OBTAINED AND IS DISPLAYED ON THE PREMISES."

It shall be unlawful for any person to remove such notice until a license has been obtained.

- (e) Any issued license which is suspended or revoked shall be returned to the Director.
- (f) The notice of suspension, revocation, or denial of a license shall advise the person notified of his right of appeal of such notice. The Administrative Hearing Unit shall hold a hearing upon the appeal and the proceedings shall be conducted in accordance with the procedures outlined in Sections 13-1134 through 13-1151 and Section 13-1153 through 13-1154 of this Code. The Director shall have the initial burden to establish the basis for the determination from which the appeal was taken. The appellant shall have the burden to establish

by a preponderance of the evidence that the Director has misconstrued or wrongly interpreted the intent and meaning of this Code. The Administrative Hearing Unit shall determine only whether there was substantial evidence for the Director to take the enforcement action from which the appeal was taken. The Administrative Hearing Unit may not substitute its judgment for that of the Director.

(g) Every decision of the Administrative Hearing Unit shall be given in writing within thirty (30) days of the hearing. A copy of each such decision shall be promptly filed with the Director and a copy shall be sent by U.S. first-class mail, sent electronically, or otherwise delivered to the appellant. An appellant aggrieved by a decision of the Administrative Hearing Unit may seek reconsideration of the matter in accordance with Section 13-1128 of this Code and all provisions of that Section shall apply to the disposition of the application for reconsideration. The decision of the Hearing Administrator on an application for reconsideration shall constitute the final decision of the Administrative Hearing Unit. Any party who, after having exhausted all administrative remedies available, is aggrieved by a final decision of the Administrative Hearing Unit may seek judicial review of that decision in the Circuit Court for Prince George's County, Maryland, in accordance with the Maryland Rules. The filing of a petition for judicial review does not stay an order of the Administrative Hearing Unit, unless a stay is granted by the circuit court.

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SUBTITLE 13. HOUSING AND PROPERTY STANDARDS. DIVISION 15. ADMINISTRATIVE HEARINGS.

Sec. 13-1133. - Violations to which subtitle applies.

(a) **In general.** The jurisdiction and authority of the Administrative Hearing Unit extends to each of the provisions of the Prince George's County Code that are specified in subsection (e) of this section, as those provisions may be amended, including any rules and regulations adopted under them. The issuance of an administrative citation does not preclude pursuit of any other remedy or enforcement action authorized by law.

(b) Prepayable fines.

- (1) The basic prepayable civil fine for a violation of a provision is specified next to the listing of that provision in subsection (e) of this section.
 - (2) The basic prepayable fines is doubled, however, on any administrative citation

that is issued to a person or property if, within the past twelve (12) months:

- (A) a final order of an Administrative Hearing Officer, whether issued on hearing, on default, or otherwise, imposed a penalty on that person or property for a violation of the same provision; or
- (B) that person prepaid an administrative citation for violation of the same provision.
- (c) **Continuing violations.** If a provision of law provides that the continuation or reoccurrence of a violation constitutes a separate offense, a separate citation may be issued for each separate offense.
- (d) **Prior notice not required.** Notwithstanding any other provision of the Prince George's County Code to the contrary, notice need not be given before the issuance and enforcement of an administrative citation for any of the provisions listed in subsection (e) of this section.

(e) Provisions and penalties enumerated.

- (1) In Section 13-101 of the County Code, the County adopted the International Property Maintenance Code, as amended in Subtitle 13 and known as the "Housing Code." An Inspector may issue and an Administrative Hearing Officer may adjudicate administrative citations issued pursuant only to Sections 108, 181, 184, 186, 187, 301, 302, 303, 304, 305, 306, and 404 of the Housing Code, and all of the respective subsections thereunder. The penalty for violation of any of the enumerated sections is \$300.00 per violation. Notwithstanding the foregoing, the penalty for a violation of Section 13-186 of the Housing Code is up to Five Thousand Dollars (\$5,000). Notwithstanding the foregoing, the penalty for a violation of Section 302.8 of the Housing Code is Five Hundred Dollars (\$500) for the first violation, Seven Hundred Fifty (\$750) for the second violation and One Thousand Dollars (\$1,000) for the third and for any subsequent violations.
- (2) In Subtitle 4, Division 1 of the County Code, the County adopted and amended certain provisions of the International Building Code and the International Residential Code. An Inspector may issue and an Administrative Hearing Officer may adjudicate notices of violation and administrative citations issued pursuant to Sections 4-116, 4-117, 4-255, and 4-256 and all of the respective subsections thereunder. The penalty for violation of any of the enumerated sections is One Thousand dollars (\$1,000.00) per violation.
 - (3) In Subtitle 5, Division 8 of the County Code, the County enacted licensing

requirements for short-term rentals. An Inspector may issue and an Administrative Hearing Officer may adjudicate penalties, citations, suspensions, and revocations issued pursuant to Sections 5-175.05, 5-175.06, and 5-175.07 of this Code, and all of the respective subsections thereunder. The penalty for violation of any of the enumerated sections is \$1,000.00 per violation.

(4) In Subtitle 13, Division 7 of the County Code, the County enacted minimum standards for maintenance of structures, equipment, and exterior property for all property and structures used or zoned for commercial and industrial purposes and for residentially zoned property where the use is other than residential. An inspector may issue and an Administrative Hearing Officer may adjudicate notices of violation and administrative citations issued pursuant to Sections 13-244 and 13-246, and all of the respective subsections thereunder. The penalty for an administrative citation issued pursuant to any of the enumerated sections is \$1000.00 per violation.

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SECTION 2. BE IT FURTHER ENACTED that the provisions of this Act are hereby declared to be severable; and, in the event that any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this Act is declared invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the remaining words, phrases, clauses, sentences, subparagraphs, paragraphs, subsections, or sections of this Act, since the same would have been enacted without the incorporation in this Act of any such invalid or unconstitutional word, phrase, clause, sentence, paragraph, subparagraph, subsection, or section.

SECTION 3. BE IT FURTHER ENACTED that this Act shall take effect forty-five (45) calendar days after it becomes law.

Adopted this	<u>12th</u>	day	of Nove	<u>ember,</u>	2024.
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COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

BY: Jolene Ivey
Chair

ATTEST:

Donna J. Brown Clerk of the Council

APPROVED:

DATE: December 12, 2024

Tara H. Jackson

Acting County Executive

KEY:

<u>Underscoring</u> indicates language added to existing law.

[Brackets] indicate language deleted from existing law.

Asterisks *** indicate intervening existing Code provisions that remain unchanged.

BY:

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