



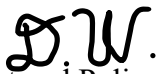
March 12, 2024

FISCAL AND POLICY NOTE

TO: Jennifer A. Jenkins
Council Administrator

Colette R. Gresham
Acting Deputy Council Administrator

THRU: Josh Hamlin 
Director of Budget and Policy Analysis

FROM: David Williams 
Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement
CB-008-2024 Temporary Rent Stabilization Act of 2023 – Extension of Sunset

CB-008-2024 (*Proposed and introduced by:* Krystal Oriadha)

Assigned to the Committee of the Whole (C.O.W.)

AN EMERGENCY ACT CONCERNING TEMPORARY RENT STABILIZATION ACT OF 2023 for the purpose of extending the sunset date of the Temporary Rent Stabilization Act of 2023 for a period of (6) months from April 17, 2024, to October 17, 2024, to continue combating the existing public emergency affecting the public health, safety, and welfare; said emergency being the threat of homelessness due to a lack of affordable housing.

Fiscal Summary

Direct Impact

Expenditures: Additional administrative expenditures may be required for program continuation consistent with existing expenditure levels.

Revenue: No anticipated revenue impact.

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Indirect Impact

Likely favorable.

Legislative Summary:

CB-008-2024 proposed by Councilmember Oriadha, was presented on February 27, 2024, and referred to the Committee of the Whole. CB-008-2024 would extend the sunset provision established under CB-007-2023 from April 17, 2024, to October 17, 2024, for the purpose of addressing the current shortage of affordable housing in Prince George's County. CB-008-2024 is an emergency act and therefore takes effect on the date it becomes law.

Current Law/Background:

The Rent Stabilization Act of 2023 (CB-007-2023) was signed into law on March 2, 2023.¹ This bill is codified under *Subtitle 13. Housing and Property Standards. Division 3. Landlord and Tenant Regulations. Subdivision 1. General Provisions. §13-144 through 13-147.*² This Act prohibits landlords from increasing monthly rent beyond an amount that exceeds three percent per year of the current rent amount for any tenant. Affordable housing properties that are receiving federal, state, local subsidies, any related rental assistance, or any units designated for low to moderate-income tenants will be exempt from this law. Dwelling units that received their use and occupancy permit within five years of the enactment of CB-007-2023 will also be exempt. This Act is set to expire one year after its effective date.

Resource Personnel:

- Joel Peebles, Policy Director, District 7
 - Amanda Denison, Chief Legislative Attorney
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Discussion/Policy Analysis

CB-008-2024

CB-008-2024 would amend *Subtitle 13. Housing and Property Standards. Division 3. Landlord and Tenant Regulations. Subdivision 1. General Provisions. §13-147* to extend the sunset date of CB-007-2023 from April 17, 2024 to October 17, 2024. The Council has declared the risk of homelessness due to the lack of affordable housing as a public emergency in accordance with the

¹ Prince George's County- [CB-007-2023](#)

² Prince George's County Charter- [Rent Stabilization Act of 2023](#)

provisions of §317 of the Prince George's County Charter.³ This bill would maintain the current prohibition on rent increases above 3% per year in an effort to address the County's affordable housing shortage. The expectation is that this extension will allow the Council time to consider and take action on the Rent Stabilization Task Force report and recommendations, which were presented to the Council on February 27, 2024.⁴

Fiscal Impact

- *Direct Impact*

The enactment of CB-008-2024 may have a limited adverse impact due to extending the administrative responsibilities of the Departments of Housing and Community Development (DHCD) and Permitting, Inspections, and Enforcement (DPIE) to administer the bill and complete mandated reporting requirements. The amount of this impact would be consistent with current expenditure levels, as this Bill does not impose any additional responsibilities.

- *Indirect Impact*

The enactment of CB-008-2023 may have a favorable impact on the County due to the continued limitation of increased housing costs on renters. This may contribute to increased spending for the duration that this bill remains in force. County residents will benefit from the continued savings transfer from landlords to renters.

- *Appropriated in the Current Fiscal Year Budget*

No

Effective Date of Proposed Legislation:

The Act shall take effect on the date it becomes law.

If you require additional information or have questions about this fiscal impact statement, please reach out to me via phone or email.

³ Prince George's County Charter- [Section 317](#)

⁴ [Rent Stabilization Task Force Report and Recommendations, February 27, 2024](#)