

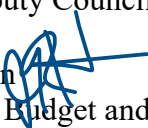



FISCAL AND POLICY NOTE

March 5, 2024

TO: Jennifer A. Jenkins,
Council Administrator

Colette R. Gresham
Acting Deputy Council Administrator

THRU: Josh Hamlin 
Director of Budget and Policy Analysis

FROM: Shalene Miller-Whye 
Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement
CB-002-2024 Housing Code

CB-002-2024 (*proposed by:* Councilmember Fisher)

Assigned to the Planning, Housing and Economic Development (PHED) Committee

AN ACT concerning Housing Code of Prince George's County for the purpose of providing for a certain definition; amending the Housing Code to add email, by written consent by certain persons to the methods of service of a notice of violation, civil citation, and administrative citation of the Housing Code; providing that a rental license application and renewal license application shall contain written authorization for a licensee to have the option to provide written consent to service of notice of violation, civil citation, and administrative citation by email; providing for the Department to provide certain guidelines; providing for a certain definition; providing for certain requirements; and generally regarding a notice of violation, civil citation, and administrative citation of the Housing Code by email, by written consent by certain persons.

Fiscal Summary

Direct Impact:

Expenditures: Likely one-time additional expenditure of approximately \$150,000.

Revenues: No direct revenue impact likely.

Indirect Impact:

Potentially favorable.

Legislative Summary:

CB-002-2024,¹ sponsored by Councilmember Fisher, was presented to the Council on February 8, 2024 and referred to the Planning, Housing, and Economic Development Committee. CB-002-2024 would amend the Housing Code to add email, with written consent, as a method of service of violation, civil citation, and administrative citation.

Resource Personnel:

- Kathy Canning, Legislative Attorney
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Current Law/Background:

CB-002-2024 will seek to repeal and reenact the following with amendments: Subtitle 13 Sections, 13-106, 13-111, 13-182, 13-185, 13-1125 and Subtitle 28 Sections 28-202 and 28-230. Section 13-106 defines Building Official or Code Official, Code, Municipality or City. Section 13-111 describes violations of those guilty of the Housing Code, be guilty of a misdemeanor that is punishable by a fine of \$500 or by imprisonment not to exceed 90 days. Section 13-182 describes the rental housing license application, which requires that each legal owner of multifamily rental facilities make written applications for a license and that no license will be granted until the premises meet minimum standards. 13-185 describes license renewal which details that licenses should not expire less than one year, nor more than two years from the initial renewal. 13-1125 details administrative citations and their contents and when and how citations should be issued. Currently, citations are issued in person, by first class mail, delivered to the last known address of a person 18 years or older, posted on the property's front door, and delivered to the registered agent by first class mail.

¹ [Prince George's County Council - Reference No. CB-075-2023 \(legistar.com\)](#)

Section 28-202 defines terms listed within the Housing Code Violations section. 28-230 describes the issuance of citations, which states that the Department of Permitting, Inspections, and Enforcement shall deliver civil citations by mail.

Discussion/Policy Analysis

CB-002-2024 would require that license and license renewal applications add an option to consent to receive service of notice of violations, civil citations, and administrative citations of Housing Code violations by email. This would also require the Department of Permitting, Inspections, and Enforcement to set forth guidelines for implementing email as a form of communication.

This would seek to increase the efficiency and timeliness of issuing violations, by enhancing customer's experience in receiving, appealing, abating and the overall response rate. However, without any particular incentive, it is probably unlikely that affected licensees or applicants will affirmatively consent to effectively facilitating enforcement actions against themselves.

Neighboring Jurisdictions

In Anne Arundel and Montgomery County, the current law requires that citations be delivered personally by certified mail to an owner or occupant's last known address, posted in a conspicuous place on or near the dwelling, or any other method according to state law. There is no indication in the current Codes for these counties that electronic mail is a form of communication for serving citations.²³

Administrative Impact

Currently, this is unknown due to the inability to gauge how many customers will opt for service by mail. However, staffing demands may increase during the reconfiguration of the current Momentum system which would host the ability to issue violations in the future if CB-002-2024 is implemented.

Cost Considerations

In FY 2024, DPIE spent approximately \$2,000 to send certain violations by certified mail. Additionally, the cost associated with reconfiguring the current Momentum system is estimated to be \$150,000.

² [Chapter 26. Housing and Building Maintenance Standards.* \(amlegal.com\)](#)

³ [§ 15-4-502. Declaration of nuisance property. \(amlegal.com\)](#)

Fiscal Impact:

- *Direct Impact*

Enactment of CB-002-2024 will have a direct adverse fiscal impact of approximately \$150,000 to reconfigure the Momentum system to accommodate the change. The agency can likely absorb additional enforcement actions, but the current staffing impact is unknown. It could also decrease current operational costs, with fewer citations required to be performed by mail, which currently costs the agency approximately \$2,000 per budget year. There is no way to gauge how this will decrease, as customers must opt-in, but in any case, the maximum potential savings is limited to \$2,000 per year.

- *Indirect Impact*

Enactment of CB-002-2024 may have a favorable indirect fiscal impact as it will increase the efficiency of issuing violations and reminders, which may produce timely responses from property owners.

- *Appropriated in the Current Fiscal Year Budget*

No.

Effective Date:

CB-002-2024 shall be effective forty-five (45) calendar days after it becomes law.

If you require additional information or have questions about this fiscal impact statement, please call me.