



THE PRINCE GEORGE'S COUNTY GOVERNMENT

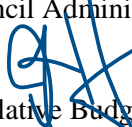
Office of Audits and Investigations

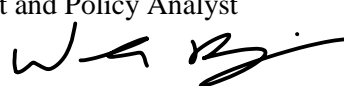
October 14, 2020

MEMORANDUM

TO: Robert J. Williams, Jr.
Council Administrator

William M. Hunt
Deputy Council Administrator

THRU: Josh Hamlin 
Senior Legislative Budget and Policy Analyst

FROM: Warren E. Burris, Sr. 
Senior Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement
CB-079-2020 Eviction Notices and Prohibited Acts (Draft 1)

CB-079-2020 (Draft 1) (*sponsored by:* Councilmember Taveras)
Assigned to Committee of the Whole (COW)

AN ACT CONCERNING THE LANDLORD TENANT CODE for the purpose of providing that the Landlord-Tenant Code require that landlords give certain notice of pending dispossession to tenants; and providing the details required in the notice to tenants and the procedural requirements for such notice; providing for postponement of eviction under certain circumstances; providing penalties for making false representations about tenant's rights; prohibiting landlords from unlawfully preventing tenant from entering or leaving their dwelling units; prohibiting landlords from terminating or diminishing essential services to the tenant without the consent of the tenant; and generally relating to landlords providing notice of dispossession to tenants.

Fiscal Summary

Direct Impact:

Expenditures: Minimal increase for outreach and enforcement

Revenues: Potentially positive due to collection of additional fines

Indirect Impact:

Potentially positive in the form of cost savings

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Legislative Summary:

CB-079-2020 sponsored by Councilmember Taveras was presented the Council on September 29, 2020 and referred to Committee of the Whole (COW). CB-079-2020 would amend the Landlord-Tenant Code by adding two sections requiring a landlord to provide notice to tenants of pending dispossession under certain circumstances and the prohibition of fraudulent statements and other acts associated with the dispossession of tenants.

The proposed legislation would:

- Add Section 13-168, *Notice of Pending Dispossession*, which:
 - Clarifies requirement to provide notice of pending dispossession does not apply to judgements as defined under Sections 14-120 (4), 14-120(5) and 14-132 under the Maryland Real Property Article;
 - Defines certain terms;
 - Provides procedural requirements for executing notices of Pending Dispossession;
 - Provides contents of required in notices of pending dispossession;
 - Provides protocols for postponement of Execution of petition for Warrant Restitution; and
 - Provides Presumption for Receipt of Notice of Dispossession
 - Adds Section 13-169, *Fraudulent Statements and other Prohibited Acts*, which outlines the penalties and fines for knowingly providing fraudulent statement and/or false representation of tenants with or without their consent; willfully deprives tenant of ingress or egress; and/or without written consent of tenant, diminishes essential services to include but not limited to gas, electricity, water, heat, lights, furniture, or similar utilities. Penalties shall be a misdemeanor and upon conviction, subject to:
 - Fine not to exceed \$500; or
 - Imprisonment of not more than 10 days; or
 - Both fine and imprisonment for each offense.
-

Current Law/Background:

In preparation for the potential mass evictions of residents at the expiration of the public health emergency, this legislation proposes to require landlords to provide notice of the date of impending evictions in certain circumstances for residents to allow time to coordinate removal of household goods. The idea behind the bill is to provide a little dignity for individuals already experiencing a hardship transition due to an eviction. As the law currently stands, residents may have no idea of the impending eviction date and in many instances, as reported by non-profit organizations serving the residents, the evictions are unexpected and often result in the tenants' household goods being placed on the street. This results in a compounded hardship for the tenants as not only have they lost their homes, they are at risk of losing their household possessions. With the number of possible evictions, this could present serious issues for tenant as well as the County as there could be an accumulation household debris in County neighborhoods experiencing high numbers of evictions.

Furthermore, not only has the COVID crisis provided a hardship for tenants, it has also caused hardships for the housing providers as many residents have not paid rent due for months. Landlords from across the region are reported to have attempted many strategies to intimidate tenants to pay, to include: doctoring documentation to secure funds, shutting off utilities, locking tenants out of the apartments, and various

other tactics. This legislation would also make it a crime to for landlords to make false representations, provide fraudulent information, make utilities inoperable and /or lock tenants out of their units. Enactment of CB-079-2020 would afford tenants with a few more benefits and rights to ensure dignity in an otherwise disheartening time period.

Discussion/Policy Analysis:

- *Benefits of Enacting CB-079-2020*

Enactment of CB-079-2020 would provide residents with specific rights during the eviction process and assure that landlords are not engaging in prohibited acts. When experiencing eviction from their homes, this legislation would afford residents a notice outlining the specific date the sheriff will be enforcing the eviction. This would provide residents the time and knowledge to coordinate the removal their property to be stored and/or relocated, rather than have it removed and placed in the front of the property. In addition, the legislation would make it a misdemeanor for landlords to engage in unscrupulous acts of intimidation or fraud. As an added benefit, this would provide an opportunity for County neighborhoods to remain free from the accumulation of debris resulting in large scale eviction.

- *Potential Cost of Enacting CB-079-2020*

Enactment of CB-79-2020 should be relatively minimal cost associated with outreach and enforcement of the legislation from the responsible agencies—Department of Permitting, Inspection and Enforcement. There will also be a need to communicate with community stakeholders to inform residents and landlords of the law change. CB-079-2020 would place an additional administrative burden on landlords by requiring the notice of pending dispossession to tenants.

Fiscal Impact:

Direct Impact

Enactment of CB-079-2020 will likely result in minimal negative fiscal impact on the County related outreach and communication of the language of the new legislation to tenants and landlords/apartment owners. It may result in a modest positive fiscal impact in the form of fines collected under the new law.

Indirect Impact

Enactment of CB-079-2020 may result in a positive indirect fiscal impact in the form of cost savings due to a reduction in the need for debris removal in public rights-of-way resulting from evictions.

Appropriated in the Current Fiscal Year Budget

No.

Resource Personnel:

DPIE Staff

Council District Two Staff
Council Administration

Issues for Committee Consideration:

- ✓ As evictions are handled by the courts and the sheriff's office, it will be important to have communication and buy-in from these two offices as they are responsible for setting the calendars for evictions.
 - ✓ It will be important to develop a strategic communication plan with identified roles for landlords and housing providers as there would be a need for effective, timely coordination and communication between respective agencies and tenants.
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Effective Date of Proposed Legislation:

As drafted, the Act shall take effect on the date that it becomes law.

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