

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

2019 Legislative Session

Bill No. CB-56-2019

Chapter No. _____

Proposed and Presented by Council Member Dernoga, Taveras & Hawkins

Introduced by _____

Co-Sponsors _____

Date of Introduction _____

BILL

1 AN ACT

2 Fair Housing

3 For the purpose of requiring the use of a standard form lease and applicable optional provisions
4 for certain residential rental properties; requiring the publication of certain information related to
5 rental housing; requiring the Department of Permitting, Inspections, and Enforcement (DPIE) to
6 review certain rent increases; providing for certain remedies to be awarded by the Nuisance
7 Abatement Board; creating a special fund to support DPIE's increased responsibilities; providing
8 certain rights to tenants facing rent increases and generally regarding residential rental
9 properties.

10 BY adding:

11 SUBTITLE 13. HOUSING AND PROPERTY STANDARDS

12 Sections 13-1165, 13-1166, 13-1167, 13-1168, 13-1169,

13 13-1170, 13-1171, 13-1172, 13-1173, 13-1174, 13-1175,

14 13-1176, 13-1177, 13-1178 and 13-1179

15 The Prince George's County Code

16 (2015 Edition; 2018 Supplement).

17 SECTION 1. BE IT ENACTED by the County Council of Prince George's County,
18 Maryland, that Sections 13-1165, 13-1166, 13-1167, 13-1168, 13-1169, 13-1170, 13-1171, 13-
19 1172, 13-1173, 13-1174, 13-1175, 13-1176, 13-1177, 13-1178 and 13-1179 of the Prince
20 George's County Code be and the same are hereby added:

21 **SUBTITLE 13. HOUSING AND PROPERTY STANDARDS.**

DIVISION 16. FAIR HOUSING.

Sec. 13-1165. Responsibilities of the Director of Permitting, Inspections, and Enforcement.

(a) In addition to any other power, duty, or responsibility assigned in this Code, the Director of the Department of Permitting, Inspections, and Enforcement (DPIE) has the following duties:

(1) The Director shall publish and provide, upon request, to landlords and tenants model optional lease provisions drafted in clear language understandable to persons without legal training, that may be used in a lease agreement for rental housing located in the County.

(2) The Director shall make the model lease available in the predominant languages of residents spoken in the county, as determined by the Director of DPIE.

(b) The Director shall publish and maintain on the County website, in a printable format, a Landlord-Tenant Handbook to serve as a practical guide for landlords and tenants summarizing their respective rights and responsibilities.

(1) The Director shall make the Landlord-Tenant Handbook available in the predominant languages of residents spoken in the county.

(2) The Director shall review the handbook at least biennially and revise it as necessary.

Sec. 13-1166. Report on Rental Housing and Inspections.

(a) The Director of the DPIE shall report on rental housing inspections to the County Executive and the Council, by September 1 of each year. The report must include:

(1) the address of each property inspected during the prior fiscal year;

(2) the address of each property that has been inspected or is scheduled to be inspected on an annual or biennial basis during the current fiscal year;

(b) for each property inspected a summary of violations by:

(1) number found;

(2) number corrected;

(3) type of violation; and

(4) status of any incomplete inspections.

(c) for each property required to have a corrective action plan in the prior fiscal year or during the current fiscal year, a list of:

(1) violations found;

(2) violations corrected;

(3) the status of the corrective action plan;

(4) the number of citations issued to each landlord during the prior and current fiscal years;

(5) the number of fines collected from each landlord during the prior and current fiscal years; and

(6) number of calls to the County concerning rental housing complaints, by language of the caller.

Sec. 13-1167. Inspection of Rental Housing.

(a) Except as provided in this Section, DPIE must inspect all rental housing consisting of two or more dwelling units, including each apartment complex and personal living quarters building licensed as rental housing, at least once every two years within each two-year period to determine if it complies with all applicable laws. DPIE may inspect an apartment complex or personal living quarters building more often than the biennial inspection.

(b) DPIE shall inspect, at least once each year, any rental housing which, after inspection, DPIE:

(1) Finds in violation of any applicable law that adversely affects the immediate health and safety of the tenants, including:

(A) rodent or insect infestation affecting 20% or more units in a building;

(B) extensive and visible mold growth on interior walls or surfaces exposed to the occupied space

(C) windows that do not permit a safe means of egress;

(D) pervasive and recurring water leaks the result in chronic dampness, mold growth, or personal property damage in more than one unit; or

(E) lack of one or more working utilities that is not shut off due to tenant non-payment, including:

1. natural gas;

2. electricity;

3. water;

4. sewage disposal; or

(2) Any property contained on the DPIE's "distressed property list":

(A) classifies violation types by severity; and

(B) rates properties by;

(C) severity of violations; and

(D) quantity of violations.

(3) DPIE shall require a corrective action plan for any property subject to annual inspections. A property required to develop and implement a corrective action plan must be inspected at least once each year until DPIE determines that the corrective action plan has been successfully completed.

(4) DPIE may inspect any other rental housing if DPIE receives a complaint or a request from a landlord or tenant or believes that the rental housing does not comply with all applicable laws.

(c) As a condition of receiving a rental license, a landlord must agree to:

(1) allow access to the DPIE for any inspection required;

(2) notify in writing any affected tenant whose unit requires inspection at least 72 hours in advance of a scheduled inspection; and

(3) when subject to annual inspection, provide quarterly updates to DPIE listing all maintenance requests received by tenants and actions to correct them.

(4) The multifamily rental license fee will be set at 150.00 per unit.

(5) Property managers must have the Certified Apartment Manager (CAM) credential provided by the National Apartment Association to ensure that property managers have the knowledge and skills to manage properties.

(d) If an inspection indicates that any rental housing does not comply with all applicable laws, DPIE shall notify the landlord in writing and order correction of each violation within a specified period. If the landlord does not correct the violation in the specified period, DPIE may authorize a tenant to:

(1) have the violation corrected by a licensed contractor selected from a list maintained by DPIE; and

(2) deduct the reasonable cost of the repair, up to the amount of one month's rent, from the tenant's rent; or

(3) revoke the license or take other remedial action.

(e) A landlord of licensed rental housing notified after initial inspection of a violation of

1 applicable laws shall pay the cost of the third, and subsequent inspections, as determined by
 2 DPIE, if the violation is not corrected by the second inspection.

3
 4 **Sec. 13-1168. Contents of Lease.**

5 (a) Each lease for rental housing located in the County shall allow the tenant to terminate
 6 the lease upon 30 days' written notice to the landlord due to:

7 (1) an involuntary change of employment;

8 (2) the death of major wage earner;

9 (3) unemployment;

10 (4) the tenant or the tenant's child being a victim of domestic violence;

11 (5) a landlord harassing the tenant or violating the tenant's privacy rights;

12 (6) the tenant or tenant's spouse being:

13 (A) 62 years of age or older and no longer able to live independently; or needing
 14 to move to a nursing home or other senior citizen housing;

15 (B) the tenant being incarcerated or declared mentally incompetent; or

16 (C) other reasonable cause beyond the tenant's control.

17 (b) The lease may provide that in the event of termination under this provision, the tenant is
 18 liable for a reasonable termination charge not to exceed the lower of one month's rent or actual
 19 damages sustained by the landlord.

20 (c) Allow the tenant to convert a one-year lease to a two-year lease within 30 days after
 21 signing the lease.

22 (d) Notify the tenant that:

23 (1) general information and assistance are available from DPIE regarding questions
 24 about leases, including addenda;

25 (2) evictions;

26 (3) tenant is entitled to a hard copy of the Landlord-Tenant Handbook and that the
 27 Landlord-Tenant Handbook is available on the County website.

28 (4) Permit the tenant to correct violations of applicable law in the unit and deduct the
 29 reasonable cost of the repairs from the tenant's rent as authorized by the Director of DPIE.

30 (5) Contain a plain language summary of tenant rights and responsibilities;

31 (6) the term of the lease;

- (7) the amount of the rent;
- (8) the date on which the rent is due;
- (9) the tenant's responsibility, if any, for utility costs;
- (10) a list of additional tenant rights and responsibilities under the lease;
- (11) information about tenant services available through the County; and
- (12) right to rescind for 48 hours after signing the lease.

Sec. 13-1169. Providing Lease.

(a) The landlord shall offer a prospective tenant a lease for an initial term of two years, and a two-year term at each renewal, unless the landlord has reasonable cause to offer a different term.

(1) Reasonable cause means a situation in which a two-year lease would create undue hardship or expense for a landlord.

(2) Reasonable cause includes the sale of a dwelling unit if settlement is likely to occur within two years, a bona fide contract to sell the dwelling unit within two years, or a planned conversion to a condominium or cooperative within two years.

(3) If the landlord claims reasonable cause exists under this subsection, the landlord shall attach to the lease a statement explaining the reasonable cause and advising the prospective tenant of the tenant's right to challenge the cause by filing a complaint with the Department.

(b) The landlord shall include the following statement in each lease, or as an addendum to and assure that it is signed and dated by the parties:

(1) Prince George's County law requires each landlord to offer each prospective tenant a lease for an initial term of two years, and a two-year term at each renewal, unless the landlord has reasonable cause to do otherwise.

(2) The tenant may accept or reject this offer. Before signing this lease, the tenant shall confirm that (initial and date one option):

(A) The landlord offered me a two-year lease term and I accepted it;

(B) The landlord offered me a two-year lease term, but I rejected it; or

(C) The landlord gave me a statement explaining why the landlord had reasonable cause not to offer me a two-year lease term; and the landlord told me that I may challenge the landlord's action by filing a complaint with the County.

(c) At the beginning of a lease term each landlord shall provide each tenant with a copy of

the Landlord-Tenant Handbook (and a referral to the Landlord-Tenant Handbook maintained on the County website), unless the tenant signs a statement declining a hard copy.

(d) At the beginning of a lease term each landlord shall provide each tenant with a Rental Insurance Policy Application to become effective immediately upon completion. The Rental Insurance Policy Application may be waived upon written proof that the tenant has obtained rental insurance from a valid rental insurance provider.

(e) If a landlord does not intend to offer an existing tenant a renewed lease term, the landlord shall give the tenant 60 days' notice of the landlord's intent to terminate tenancy at the lease expiration, unless the tenant is in breach of the lease.

Sec. 13-1170. Landlord Obligations.

(a) Each landlord shall provide for the maintenance of the health, safety, and welfare of all tenants and all individuals properly on the premises of rental housing. As part of this general obligation, each landlord shall, but is not limited to providing:

(1) For each unit in a building constructed before July 1, 1978, and for which units are not individually metered, provide the tenant with all information required under the Public Utilities Article of the Maryland Code (COMAR) and applicable COMAR provisions governing:

(A) electric and gas sub-meters;

(B) energy allocation systems; and

(C) any provision affecting the health, safety and welfare, as provided in Section 3 of this Code Section.

(2) Display in the lobby, vestibule, rental office, or other prominent public place on the premises, a sign in a form approved by the Director of DPIE that includes information in the predominant languages of residents spoken in the county about:

(A) filing a housing complaint; and

(B) the retaliatory practices prohibited under this law.

Sec. 13-1171. Landlord Notice Requirements.

(a) Each landlord of an apartment complex in the County shall:

(1) post a durable notice in an accessible, conspicuous and convenient place in each building to which the notice applies; or

(2) distribute the notice directly to all tenants twice a year.

(3) The notice must contain the name or title and telephone number of at least one

1 responsible representative of the building management who may always be reached in an
 2 emergency.

3 **Sec. 13-1172. Tenant's Rights.**

4 (a) Tenants and tenant organizations have the right of free assembly in the meeting rooms
 5 and other areas suitable for meetings within rental housing during reasonable hours and upon 72-
 6 hour notice to the landlord to conduct tenant organization meetings.

7 (1) A landlord shall not charge a tenant organization or a group of tenants seeking to
 8 form a tenant organization a fee for the first meeting of each month held to discuss landlord-
 9 tenant issues, but the landlord may charge a reasonable fee for other uses of the meeting rooms
 10 or common areas.

11 (2) The charge shall not exceed the regular schedule of fees for the facility to other
 12 groups.

13 (3) The landlord may also impose reasonable terms and conditions on the use of the
 14 meeting rooms or common areas if those terms and conditions do not undermine the purposes of
 15 this Section.

16 (b) Tenant and tenant organizations have the right to have an outside organization present
 17 during inspections to serve as an interpreter and or witness.

18 (c) DPIE shall provide inspection documents in the predominant languages of residents
 19 spoken in the county.

20 (d) DPIE shall create and/or update a Landlord-Tenant Handbook. It must be available in
 21 the predominant languages of residents spoken in the county.

22 **Sec. 13-1173. Nuisance Abatement Board Action.**

23 (a) If the Nuisance Abatement Board finds that a landlord has negatively impacted the
 24 tenant, it may award each party to the complaint one or more of the following remedies:

25 (1) An order permitting a tenant to correct the condition that constitutes the defective
 26 tenancy and abating the tenant's rent in an amount equal to the reasonable cost incurred by the
 27 tenant.

28 (2) After a retaliatory or illegal eviction, reasonable attorney's fees incurred by the
 29 affected tenant in defense of the retaliatory or illegal eviction. The award shall not exceed
 30 \$1,000.00.

31 **Sec. 13-1174. Rental Housing Data Collection.**

1 (a) The Department of Permitting, Inspections, and Enforcement shall establish procedures
 2 to collect and analyze housing data for rental dwelling units in the County and shall centralize
 3 the data collection functions to minimize the burden for landlords.

4 (b) The reporting process is mandatory for landlords of licensed rental housing, including
 5 new dwelling units as they come on the market and all vacant units.

6 (c) The data shall be collected annually.

7 (d) The Director of DPIE use shall survey form for collecting data designed to minimize
 8 the repeated reporting of unchanged information, while maintaining an accurate data base.

9 (e) DPIE shall ensure each landlord must provide the following data to the DPIE:

10 (1) The location of each rental facility, including the zip code;

11 (2) Structure type;

12 (3) Year built;

13 (4) Distribution of units by standard bedroom sizes;

14 (5) The number of units by bedroom size that were re-rented during the month;

15 (6) The number of vacant days applicable to those units;

16 (7) The rent charged for each rental unit;

17 (8) The rent charged for each re-rented unit before vacancy; and

18 (9) The new turnover rent charged for each re-rented unit.

19 (f) The Director of DPIE is primarily responsible for conducting rental housing data
 20 surveys for the County. The Director shall share this information with other governmental
 21 agencies that need it without invading individual privacy. In this regard, the Director shall
 22 coordinate survey activities with other County departments and make available to the
 23 departments the results of all surveys and the public by publishing it on DPIE's website.

24 (g) The Director shall publish, unless prohibited under State law, the information collected
 25 in the rental housing data survey on the County website, including a table listing all rental
 26 housing consisting of two or more dwelling units by unit type and building type.

27 (h) Any landlord who violates any provision of this Section is liable for payment of a civil
 28 penalty in an amount not to exceed \$1,000 for each violation.

29 **Sec. 13-1175. Rent Guidelines & Review of Rent Increases.**

30 (a) The Department of Permitting, Inspections, and Enforcement shall issue annual
 31 voluntary rent increase guidelines no later than March 1 of each year. The Director shall publish

1 the guidelines in the County Register and on the County website.

2 (b) The guidelines shall be based on the increase or decrease in the residential rent
 3 component of the Consumer Price Index for all urban consumers for the Washington-Baltimore
 4 metropolitan area, or any successor index, for the preceding calendar year, unless an alternative
 5 standard better reflecting the costs of rental housing in the County is established by regulation.

6 (c) DPIE shall encourage landlords to hold rent increases at the lowest level possible. The
 7 Department may review any rent increase that appears to be excessive and encourage the
 8 landlord to reduce, modify, or postpone the increase.

9 **Sec. 13-1176. Rent adjustments & Notice Requirements.**

10 (a) A landlord shall not increase the rent until 90 days after the landlord gives the tenant
 11 written notice of the increase. A landlord shall not impose more than one rent increase on a
 12 tenant in any 12-month period. Each written rent increase notice must contain the following
 13 information:

14 (1) The amount of monthly rent immediately preceding the effective date of the
 15 proposed increase (old rent), the amount of monthly rent proposed immediately after the rent
 16 increase takes effect (new rent), and the percentage increase of monthly rent.

17 (2) The effective date of the proposed increase.

18 (3) The applicable rent increase guideline under this law.

19 (4) A notice that the tenant may ask DPIE to review any rent increase that the tenant
 20 considers excessive.

21 (5) Other information that the landlord deems useful in explaining the rent increase.

22 **Sec. 13-1177. Rights of Tenants Facing Rent Increases.**

23 (a) A tenant may ask DPIE to confirm that a rent increase is in compliance with county
 24 regulations.

25 (b) When a rent increase exceeds the applicable guideline, a tenant:

26 (1) may continue occupancy for up to two months after the lease term expires on a
 27 month-to-month basis at the current pre-increase rent; and

28 (2) must give at least 15 days' notice to the landlord before vacating the premises.

29 **Sec. 13-1178. Two-year Intensive Inspection Program.**

30 (a) DPIE must, by July 1, 2021, inspect 100% of the units for each multifamily rental
 31 property units that have a Prince George's County multi-family rental license.

(b) The Director must provide to the Council, by January 15, 2022, a plan to inspect rental housing that includes:

- (1) a means of prioritizing inspections;
- (2) standardized inspections for all units; and
- (3) estimate of the cost for conducting the inspections.

Sec. 13-1179 Landlord and Tenant Guaranty Fund.

(a) The Department of Permit, Inspections and Enforcement (DPIE) shall:

- (1) Establish a Landlord and Tenant's Guaranty Fund; and
- (2) Maintain the Guaranty Fund at a level of at least \$250,000

(b) (1) DPIE shall deposit all money collected with the County Finance Office for placement into a special account to be designated as the Residential Guaranty Fund.

(2) (A) The County Finance Office shall invest money in the Residential Guaranty Fund in the same manner as money in the county General Fund.

(B) The investment earnings shall be:

- (i) Credited to the Residential Guaranty Fund; and
- (ii) Available for the purposes established for the license fees deposited into the Guaranty Fund.

(c) The County Council may adopt regulations for the administration of this Guaranty Fund.

(d) Initial Fee; transfer to Guaranty Fund; assessments

(1) Initial fee – Subject to paragraph (2) of this subsection, before DPIE issues a license to any person, the person shall pay a fee of \$80 to be credited to the Guaranty Fund.

(2) Transfer- If the amount in the Guaranty Fund falls below \$250,000 and the General Fund is projected to have a surplus of at least \$500,000,000 in the current fiscal year, The County Finance Office may transfer up to \$250,000 to the Guaranty Fund from the General Fund.

(3) Assessments - If the amount in the Guaranty Fund falls below 100,000, DPIE shall assess each participant a fee in an amount that will return the Guaranty Fund to a level of at least \$250,000.

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 on forty-five (45) calendar days after it becomes law.

Adopted this ____ day of _____, 2019.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Todd M. Turner
Chair

ATTEST:

Donna J. Brown
Acting Clerk of the Council

APPROVED:

DATE: _____ BY: _____
Angela D. Alsobrooks
County Executive

KEY:

Underscoring indicates language added to existing law.

[Brackets] indicate language deleted from existing law.

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