

**MEMORANDUM**

October 17, 2014

TO: County Council

FROM: Robert H. Drummer, Senior Legislative Attorney 

SUBJECT: **Public Hearing:** Bill 44-14, Landlord-Tenant Relations – Licensing of Rental Housing – Common Ownership Community Fees

Bill 44-14, Landlord-Tenant Relations – Licensing of Rental Housing – Common Ownership Community Fees, sponsored by Council Vice President Leventhal and Councilmembers Floreen and Branson, was introduced on September 23, 2014. A Planning, Housing and Economic Development Committee worksession will be scheduled at a later date.

Bill 44-14 would require an owner of a dwelling unit in a common ownership community to certify payment of common ownership community fees in order to receive a rental housing license for the unit. It would also authorize the Director of Housing and Community Affairs to deny, suspend, revoke, or refuse to renew a rental housing license for a dwelling unit in a common ownership community if the owner fails to pay the common ownership community fees due for the unit. Although the Bill would not replace the need for a common ownership community to use the Courts to collect unpaid fees, the Bill would add an additional tool to encourage a unit owner to pay these fees.

This packet contains:

Bill 44-14  
Legislative Request Report

Circle #

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Bill No. 44-14  
Concerning: Landlord-Tenant Relations  
- Licensing of Rental Housing -  
Common Ownership Community  
Fees  
Revised: August 25, 2014 Draft No. 1  
Introduced: September 23, 2014  
Expires: March 23, 2016  
Enacted: \_\_\_\_\_  
Executive: \_\_\_\_\_  
Effective: \_\_\_\_\_  
Sunset Date: \_\_\_\_\_  
Ch. \_\_\_\_\_, Laws of Mont. Co. \_\_\_\_\_

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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By: Vice President Leventhal and Councilmember Floreen

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**AN ACT** to:

- (1) require an owner of a dwelling unit in a common ownership community to certify payment of common ownership community fees in order to receive a rental housing license for the unit;
- (2) authorize the Director of Housing and Community Affairs to deny, suspend, revoke, or refuse to renew a rental housing license for a dwelling unit in a common ownership community if the owner fails to pay the common ownership community fees due for the unit; and
- (3) generally amend the laws governing the licensing of rental housing.

By amending

Montgomery County Code  
Chapter 29, Landlord-Tenant Relations  
Sections 29-1 and 29-19

<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

*The County Council for Montgomery County, Maryland approves the following Act:*



28           (2)   The Director may deny, suspend, revoke, or refuse to renew a  
29                   housing rental license for a dwelling unit in a common ownership  
30                   community if the governing body of a common ownership  
31                   community submits proof of an unsatisfied final judgment against  
32                   the owner for unpaid common ownership community fees for the  
33                   dwelling unit.

34           (f)   Each licensee must give the Department a current address for the receipt  
35                   of mail. If the Department sends first class or certified mail to the  
36                   licensee at the designated address and the mail is returned as  
37                   undeliverable, the Department may treat the mail as having been  
38                   received.

39   *Approved:*

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Craig L. Rice, President, County Council

Date

41   *Approved:*

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Isiah Leggett, County Executive

Date

43   *This is a correct copy of Council action.*

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Linda M. Lauer, Clerk of the Council

Date

## LEGISLATIVE REQUEST REPORT

Bill 44-14

*Landlord-Tenant Relations – Licensing of Rental Housing - Common Ownership Community Fees*

<b>DESCRIPTION:</b>	Bill 44-14 would require an owner of a dwelling unit in a common ownership community to certify payment of common ownership community fees in order to receive a rental housing license for the unit. It would also authorize the Director of Housing and Community Affairs to deny, suspend, revoke, or refuse to renew a rental housing license for a dwelling unit in a common ownership community if the owner fails to pay the common ownership community fees due for the unit.
<b>PROBLEM:</b>	Common ownership communities are having problems collecting association dues from dwelling unit owners who rent their unit.
<b>GOALS AND OBJECTIVES:</b>	The goal is to increase the payment of association dues to common ownership communities.
<b>COORDINATION:</b>	Consumer Protection, CCOC, Housing and Community Affairs
<b>FISCAL IMPACT:</b>	To be requested.
<b>ECONOMIC IMPACT:</b>	To be requested.
<b>EVALUATION:</b>	To be requested.
<b>EXPERIENCE ELSEWHERE:</b>	To be researched.
<b>SOURCE OF INFORMATION:</b>	Robert H. Drummer, Senior Legislative Attorney, 240-777-7895
<b>APPLICATION WITHIN MUNICIPALITIES:</b>	To be researched.
<b>PENALTIES:</b>	Loss of rental license.