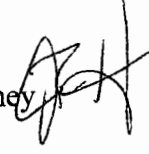


**MEMORANDUM**

May 15, 2017

TO: County Council

FROM: Josh Hamlin, Legislative Attorney 

SUBJECT: **Introduction:** Expedited Bill 17-17, Landlord –Tenant Relations – Duties of Director – Licensing of Rental Housing – Fees

Expedited Bill 17-17, Landlord – Tenant Relations – Licensing of Rental Housing – Fees - Amount, sponsored by Lead Sponsors Council President Berliner and Councilmember Elrich, is scheduled to be introduced on May 16, 2017. A public hearing is tentatively scheduled for June 13 at 1:30 p.m.

On Monday, May 15, the Council considered whether to add two positions in the Office of Consumer Protection (OCP) to provide tenant advocacy services, as proposed by Council President Berliner, and Councilmembers Elrich and Hucker. Under the proposal, the positions would have been funded by a \$3 increase in the rental housing license fee for multi-family units (currently \$41), which would yield about \$210,000. A memorandum from the proposers is at ©4-5. While the Council ultimately decided not to add the proposed new OCP positions in the FY18 budget, there was support for the proposition that additional tenant advocacy services should be provided.

Expedited Bill 17-17 would require the Director of the Department of Housing and Community Affairs to “provide advocacy services and assistance to tenants in relation to their rights” under Chapter 29, Landlord-Tenant Relations. Also, current law provides that rental housing license fees are set by method (3) regulation. This Bill would set the amounts of the annual license fees per dwelling unit for each class of rental housing in the County Code, and provide the fees may be set at higher amounts by method (3) regulation. The fees will include the \$3 increase that was part of the proposal to provide tenant advocacy services through OCP,

This packet contains:

Expedited Bill 17-17  
Legislative Request Report  
Councilmembers’ memorandum

Circle #

1  
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4

Expedited Bill No. 17-17  
Concerning: Landlord-Tenant Relations  
- Duties of Director - Licensing of  
Rental Housing - Fees  
Revised: 05/15/2017 Draft No. 2a  
Introduced: May 16, 2017  
Expires: November 16, 2018  
Enacted: \_\_\_\_\_  
Executive: \_\_\_\_\_  
Effective: \_\_\_\_\_  
Sunset Date: None  
Ch. \_\_\_\_\_, Laws of Mont. Co. \_\_\_\_\_

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsors: Council President Berliner and Councilmember Elrich

### AN EXPEDITED ACT to:

- (1) require the Director of Housing and Community Affairs to provide certain advocacy services and assistance to tenants;
- (2) set the amount of the annual license fee per dwelling unit for each class of rental housing; and
- (3) generally amend the law related to landlord-tenant relations.

### By amending

Montgomery County Code  
Chapter 29, Landlord – Tenant Relations  
Sections 29-6 and 29-20

<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:*

**Sec. 1. Sections 29-6 and 29-20 are amended as follows:**

**29-6. Duties of Director.**

In addition to any other power, duty, or responsibility assigned in this Chapter, the Director has the following duties:

\* \* \*

- (i) The Director must provide advocacy services and assistance to tenants in relation to their rights under this Chapter.

\* \* \*

**29-20. Fees.**

[The County Executive must establish an annual license fee per dwelling unit for each class of rental housing license by regulation under method (3) in an amount sufficient to pay the costs of administering this Chapter.] The annual license fee per dwelling unit is:

- (a) for a Class 1 multi-family rental facility license:

(1) \$44.00 per dwelling unit in an apartment complex or an accessory apartment approved by special exception; and

(2) \$59.00 per dwelling unit for all others;

- (b) for a Class 2 single-family rental facility license, \$101.00 per dwelling unit;

- (c) for a Class 3 accessory apartment license \$101.00 per unit.

The Executive may establish a higher annual fee by method (3) regulation in an amount sufficient to pay the costs of administering this Chapter.

**Sec. 2. Expedited Effective Date.**

The Council declares that this legislation is necessary for the immediate protection of the public interest. This Act takes effect on July 1, 2017.

## LEGISLATIVE REQUEST REPORT

Expedited Bill 17-17

*Landlord-Tenant Relations – Duties of Director – Licensing of Rental Housing – Fees*

<b>DESCRIPTION:</b>	Require the Director of DHCA to provide certain advocacy services and assistance to tenants; set the amounts of the annual license fees per dwelling unit for each class of rental housing in the County Code; and provide the fees may be set at higher amounts by method (3) regulation.
<b>PROBLEM:</b>	Additional advocacy services and assistance to tenants is necessary.
<b>GOALS AND OBJECTIVES:</b>	Require, and fund, additional tenant advocacy services to be delivered by DHCA.
<b>COORDINATION:</b>	Department of 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>	N/A
<b>SOURCE OF INFORMATION:</b>	Josh Hamlin, Legislative Attorney
<b>APPLICATION WITHIN MUNICIPALITIES:</b>	To be researched.
<b>PENALTIES:</b>	N/A



MONTGOMERY COUNTY COUNCIL  
ROCKVILLE, MARYLAND

ROGER BERLINER  
COUNCIL PRESIDENT  
DISTRICT 1

CHAIRMAN  
TRANSPORTATION, INFRASTRUCTURE  
ENERGY & ENVIRONMENT COMMITTEE

MEMORANDUM

April 13, 2017

**TO:** Council Colleagues

**FROM:** Roger Berliner, Council President  
Marc Elrich, Chair, Public Safety Committee  
Tom Hucker, Councilmember

**SUBJECT:** Tenant Advocate Services in the Office of Consumer Protection

Last November, the Council took significant steps to improve conditions for tenants through the enactment of Bill 19-15, *Landlord-Tenant Relations – Licensing of Rental Housing – Landlord Tenant Obligations*. The enhancements to the requirements for inspections and the increased resources to the Department of Housing and Community Affairs (DHCA) should keep poor maintenance and repairs from languishing and the requirement for a lease summary should help improve tenants' understanding of their rights and responsibilities.

During the Council worksession on Bill 19-15, we stated our interest in providing tenant advocacy services for our residents. While DHCA administers the Landlord-Tenant program and the Commission on Landlord-Tenant Affairs with a goal of evenly addressing the concerns of landlords and tenants, we believe that some tenants view the Landlord-Tenant program as too closely tied to landlords and do not come forward with questions or seeking the advice they need, particularly when trying to decide whether to file a formal complaint.

We are recommending that the Council add two new positions to the Office of Consumer Protection (OCP) to provide tenant advocacy services. We are recommending one of these positions be an attorney so that tenants can obtain both general consumer assistance and legal advice regarding tenants' rights under Montgomery County law. The District of Columbia has a robust Office of the Tenant Advocate that "advises tenants on resolving disputes with landlords, identifies legal issues and the rights and responsibilities of tenants and landlords, and provides legal and technical assistance for further action such as filing tenant petitions." Their attorneys may represent clients in certain cases but also refer clients to pro bono legal services. They provide advice in both individual and group settings. They assist tenants in completing petitions and drafting court documents.

In 2010, the Tenants Work Group recommended that the County "provide leadership in forming a Tenant Advocacy structure funded by the landlord-tenant fee." While the Work Group recommended an independent office, we are recommending that these positions work within the Office of Consumer Protection.

We do not view this recommendation as inconsistent with the responsibilities DHCA has under Chapter 29 of the County Code, but rather as a complement to them. DHCA remains responsible for handling and resolving complaints. Tenant outreach, education, and tenant association organizing will continue to be performed by non-profit partners. OCP exists to advocate for our residents. For example, OCP today provides patient advocacy services for the EMS Insurance Reimbursement Program.

Montgomery County Fire and Rescue Services does an excellent job of administering the billing program, yet it is important for residents to know that they have a resource independent from MCFRS to address questions, concerns, and billing complaints. We expect the tenant advocates within OCP will work with DHCA to resolve complaints and problems and more tenants will access services because they may speak with advocates that have independence and a focus on tenants.

We are recommending a \$3 increase to the Landlord-Tenant license fee for multi-family units (currently \$41), which will yield about \$210,000 for this initiative.

The Public Safety Committee will discuss this proposal during its worksession on the Office of Consumer Affairs operating budget on Monday, April 17<sup>th</sup>.